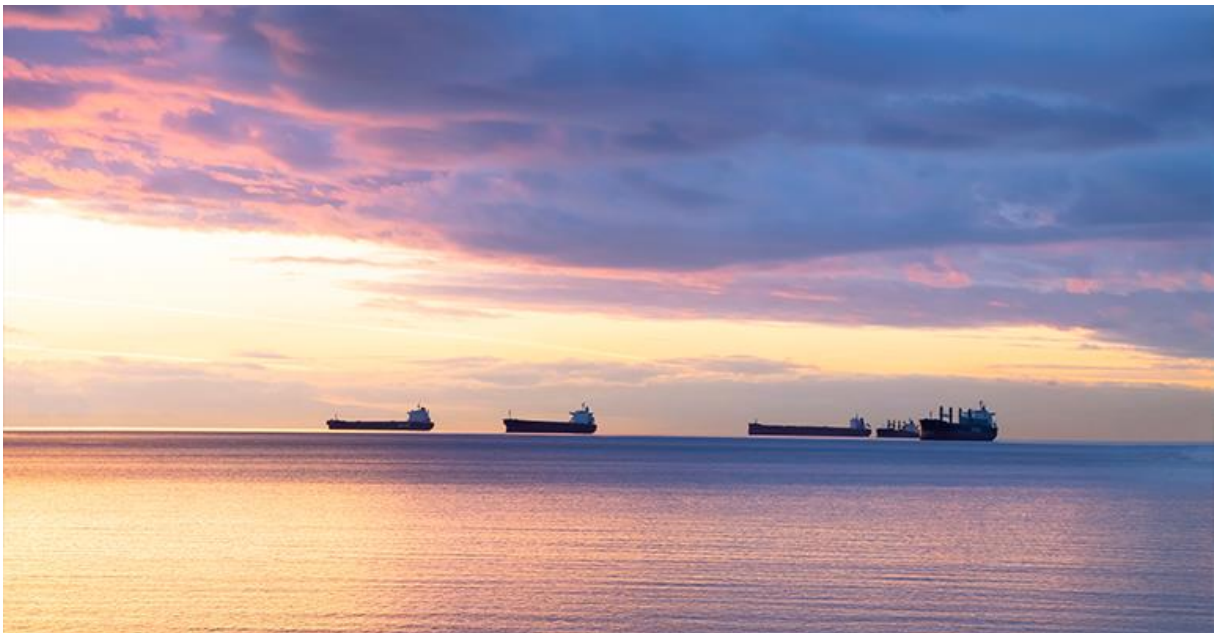


Cyprus flag grows as flurry of initiatives pays off



The Cyprus-flagged ocean-going fleet of vessels has grown for the first time in two years, after a renewed focus from local authorities and cost savings for greener ships.

David Glass | Jun 28, 2024

The deputy minister of Shipping Marina Hadjimanolis, reported the rebound during the Cyprus International Business Association (CIBA) forum, on June 25.

Hadjimanolis said "the resurgence in the sector aligns with the goals set by President Nikos Christodoulides administration to continuously enhance and fortify the services provided by the Deputy Ministry of Shipping".

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“We are very satisfied with the results,” she said, noting “a significant 5.5% growth in the fleet during the first half of the year and a 14% increase in the number of companies registered under the tonnage system, now totaling 420.”

Among the proactive steps taken to boost the competitiveness of Cypriot shipping was the establishment of the Advisory Committee on Competitiveness and Quality Enhancement of the Cyprus Flag and the Advisory Committee on Competitiveness of the Cyprus Maritime Cluster. These initiatives aim to perpetually advance the competitiveness of the Cypriot flag and the broader shipping industry.

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Further, since last November, a one-stop shop has been operational, designed to streamline and enhance service quality for all shipping companies and related entities based in Cyprus.

Referring to incentives aimed at environmental sustainability in shipping, Hadjimanolis said: “Following a decision of the Council of Ministers, from January this year, the annual tonnage tax for ships registered in the Cypriot registry will be reduced by up to 30% for each ship that exhibits substantial greenhouse gas reduction measures.”

She explained this policy is part of a broader strategy to encourage shipowners to contribute to the decarbonisation of the sector.

Indeed, the minister has been busy having recently embarked on a series of meetings in Geneva, with the express purpose of promoting the Cypriot ship registry.

In a key meeting with Gianluigi Aponte, founder and President of the MSC Group, the largest container shipping company in the world, discussions

revolved around the latest developments in the global shipping industry and future expansions of MSC's fleet.

Talks concluded with an agreement in principle that MSC would consider adding Cyprus-flagged vessels to its fleet, provided the Cypriot registry could meet the company's rigorous standards and conditions.

Hadjimanolis also met with Pierfrancesco Vago, President of MSC Cruises, and other top executives to discuss potential enhancements in the cruise sector and explore further cooperation.

The minister also engaged with the Swiss Shipowners' Association, where she presented the competitive benefits and services offered by Cyprus, including the advantages of establishing a shipping company on the island and the attractive features of the Cypriot tonnage tax system.