

Cyprus shipping: A sea of opportunities



Foreword



The global economy is going through an anaemic recovery, the eurozone continues to struggle and certain emerging economies, like India and China, show signs of a slow down. The shipping industry is experiencing a very large supply of tonnage in most of the market segments and this has put both freight rates and vessel values under severe pressure. This coupled with the uncertainties from the sovereign debt crisis is having an impact on financial institutions that were traditionally financing shipping companies, with such impact still not yet fully measurable.

All of these challenges, have led many shipping companies to adjust their strategies and business models.

Since 1963, Cyprus has created a well established maritime centre with well founded infrastructure and services able to successfully meet the growing demands of a globalised shipping business. Today, the Cypriot maritime registry is one of the largest in the EU and worldwide. Moreover, Cyprus is the biggest third party ship management centre in the EU.

We believe that in these challenging times Cyprus offers competitive advantages to the shipping market participants and will continue to play a prominent role as a leading shipping and ship management centre, and will successfully maintain and enhance even further its sound maritime infrastructure, business friendly tax regime, ship registration and tonnage tax rates.

This brochure gives you a detailed description of the benefits offered by Cyprus to ship-owners, charterers and ship managers, as well as an outline of the tonnage tax regime and yacht registration scheme.

For any additional information, please feel free to get in touch with us.

A handwritten signature in blue ink, appearing to read 'Evgenios', written in a cursive style.

Evgenios C Evgeniou
CEO

The unique benefits offered in Cyprus

The Merchant Shipping Legislation enacted as from 1 January 2010 places Cyprus in a very competitive position. Cyprus has become the only EU country with an EU approved TT system that:

- provides for TT on the net tonnage of the vessels rather than Corporation Tax on the actual profits, regulated by the DMS rather than the Tax Authorities
- grants total tax exemption of profits tax and distribution tax at all levels
- allows mixed activities within a company/group (shipping subject to TT and other subject to 12,5% corporation tax)
- supports an open registry
- allows split shipmanagement activities (crewing or technical)
- In addition, the favourable income tax legislation compliments the excellent Merchant Shipping Legislation, creating a highly tax efficient harbor for shipping groups and an ideal holding company location.

The tax system is in full compliance with EU requirements and also within the Organisation for Economic Co-operation and Development (OECD) requirements against harmful tax practices. In a nutshell, the tax system provides to the investors:

- only 12,5% corporation tax – the lowest in the EU
- exemption from tax of dividend income (subject to easily met conditions)
- exemption from tax of profits from foreign permanent establishments (PE) (subject to certain conditions)
- exemption from tax of profits generated from transactions in titles
- exemption from withholding tax on the repatriation of income either in the form of dividends, interest and on almost all royalties
- extensive double treaties network
- access to EU Directives
- no controlled foreign corporation (CFC) legislation
- no thin capitalisation rules (funding by high debt/equity ratio possible)
- tax neutral reorganisations for both EU and non EU group companies

Cyprus plays a prominent role as a leading shipping and shipmanagement centre and will continue to strengthen its position in the world economy by maintaining and enhancing its sound maritime infrastructure, favourable tax regime and competitive ship registration and annual tonnage tax rates.

The tax incentives combined with the economic and the other advantages provided, including the excellent infrastructure, make Cyprus the ideal choice for shipowners, charterers and shipmanagers.





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The development of the Cyprus shipping industry



The Cypriot maritime registry is today one of the largest in the EU and the 10th largest worldwide. Moreover, Cyprus is the biggest third party ship management centre in the EU.

The Republic of Cyprus was established in 1960 and the law dealing with the registration of ships, sales and mortgages was introduced in 1963. During the early years the number of ships registered in the Cyprus Shipping Registry was very small as it took some time for the shipping community to realise the opportunities offered by this legislation.

The double tax treaties signed and the numerous bilateral agreements in conjunction with the tax benefits introduced for both foreign and local shipowners, triggered the tremendous expansion of the Cyprus Shipping Registry, both in terms of number of vessels registered as well as gross tonnage.

Good international relations have played an important role in the development of Cyprus as a shipping centre. Other than its good reputation as an international financial centre, Cyprus has the unique advantage of being a member of the United Nations, Council of Europe, Commonwealth, the Conference for Security and Co-operation in Europe and the Group of Non Aligned Countries.

Cyprus' accession in the European Union (EU) in 2004 created new prospects for further development in shipping. Cyprus joined the EU with a strong fleet and a well founded and efficient maritime infrastructure and aims to continue the qualitative improvement of its fleet. The Cyprus Registry is one of the only two "Open Registries" within EU and is estimated to constitute 15% of the whole EU "fleet".

The island has its own well-established maritime infrastructure comprising the admiralty courts, unions and Classification Society. It also has a specialised department, The Department of Merchant Shipping, which is operating under the Ministry of Communications and Works and offers a dedicated service to the shipping industry.

The sector of commercial shipping is in the foreground of the interest of the EU, which is particularly sensitive about the level of safety of ships. Government policy on shipping is constantly upgraded to improve the safety standards and living and employment conditions of seamen on board Cyprus ships, and thus enhance the reputation of Cyprus as a maritime nation and a shipping power with high quality standards. The Cyprus flag is in the white list of Paris Memorandum of Understanding demonstrating the government's commitment to safety and maintenance of Cyprus as a reputable maritime centre.

A substantial percentage of the vessels in the Cyprus registry are currently managed by specialised ship management companies renowned for their expertise in this field. This promotes the proximity and close relationship between the Cyprus Government and the shipping community.

However, the main force behind the rapid expansion of the shipping industry in the past almost half a century has been the tax legislation.

Taxation exemption

Cyprus offers **complete tax exemption of all profits and dividends at all levels of distribution** arising from qualifying shipping operations. This tax relief was introduced in 1963 for 10 years and has been extended a number of times.

On 29 April 2010 the Cyprus Parliament enacted the long awaited new shipping legislation. The new Merchant Shipping Law, which applies from 1 January 2010, extended significantly the scope of the Tonnage Tax (TT) regime and enhanced the position of Cyprus as a maritime centre.

The legislation, a major success for the Cyprus shipping industry, offers new opportunities :

It introduced two new TT schemes applicable to shipowners of non-Cyprus flag vessels and charterers. It also extended the application of the TT regime (and exemption from profits tax) currently enjoyed by shipowners and shipmanagers.

The European Commission considered that the scheme is in line with the European Union's Guidelines on state aid to maritime transport and authorised the scheme until 31 December 2019. It is aimed at supporting the shipping sector in Cyprus and other EU countries with a strong maritime sector, providing incentives for the employment of EU seamen and registration of vessels in the EU and enhancing the competitiveness of shipowners, charterers and shipmanagers operating in the EU.

Under this legislation, qualifying shipping activities are fully exempt from corporation tax. Tonnage tax on the net tonnage of the vessels is imposed instead of corporation tax on the actual profits. Qualifying persons are also regulated completely by the Department of Merchant Shipping rather than the Tax Authorities.



Non-shipping income

It is possible, and quite common, for shipowners, charterers and shipmanagers to invest surplus funds and have non shipping income. Such income, that is not subject to TT, is subject to corporation tax at the normal rate of 12,5%, the lowest corporation tax rate in the EU. The tax legislation provides for several exemptions that may reduce the effective tax rate on non shipping income to well below 12,5%.

If mixed income is earned (TT and corporation tax), separate books must be kept. Also transactions with related parties who are not in the TT system should be made at arms' length.

For more information on taxation of other sources of income, please refer to our publication "**Cyprus Tax Facts and Figures**" which is updated annually and can be found on our website.

The tonnage tax system

The law provides full exemption to shipowners, charterers and shipmanagers from all profit taxes and imposes tonnage tax on the net tonnage of the vessels at the following rates.

Units of net tonnage	Shipowners & charterers	Shipmanagers
	€TT per 100 units	€ TT per 400 units
0-1.000	36,50	36,50
1.001-10.000	31,03	31,03
10.001-25.000	20,08	20,08
25.001-40.000	12,78	12,78
>40.000	7,30	7,30

The conditions applicable to each of the three categories, as well as the taxation regime are analysed separately below.

The regime covers **qualifying persons** performing **qualifying activities** in relation to **qualifying vessels**.

Qualifying persons are shipowners, charterers (bareboat, demise, time and voyage) and shipmanagers providing technical and/or crewing services.

Qualifying activity for shipowners and charterers means maritime transport of goods or people between Cyprus ports and foreign ports / offshore installations, or between foreign ports or offshore installations and specifically includes towage, dredging and cable laying.

Qualifying activity when applied to **shipmanagers** means services provided to a shipowner or bareboat charterer on the basis of written agreement in relation to crew and/or technical management.

Qualifying vessel is a sea-going vessel that:

- has been certified in line with international principles and legislation of the flag country, and
- is registered in the register of a member country of the International Maritime Organisation (IMO) and International Labour Organisation (ILO)

The definition includes vessels that transport humanitarian aid but excludes the following vessels:

- fishing boats,
- boats that are primarily used for the athletic and entertaining purposes boats that have been constructed exclusively for domestic navigation,
- ferry and trailer boats that are used in ports, mouth of rivers and / or rivers,
- fixed offshore constructions that are not used for maritime transport,
- non self-propelled floating cranes,
- non sea-going trailers,
- floating hotels and restaurants,
- floating or movable casinos.

Other provisions

- Persons in the TT system are granted annually with a certificate by the Department of Merchant Shipping (DMS), a copy of which is sent to the Tax Office.
- A list is kept by the DMS of all Cyprus flag vessels and their owners that are not considered to carry out a qualifying activity
- Similar lists are kept by the DMS of all shipowners / charterers / shipmanagers for foreign flag vessels that either do not carry out a qualifying activity or the choice was not made to enter the TT system
- Remuneration of crew aboard a Cyprus flag vessel is exempt from income tax
- Provisions relating to safety apply to shipowners and shipmanagers.

The tonnage tax system

Shipowners

The TT regime applies to any owner of qualifying vessels that carry out a qualifying activity:

- Cyprus flag vessels
- EU/European Economic Area (EEA) flag vessels that exercised the option to be taxed under the TT regime
- Fleet of EU/EEA and non EU/EEA vessels that exercised the option to be taxed under the TT regime

The new legislation introduces the definition of a **fleet**. A fleet consists of two or more vessels that belong directly or indirectly to the same person(s) or companies of the same group. A group is defined as at least two companies that are directly or indirectly in a parent/subsidiary relationship or that are directly or indirectly subsidiaries of the same parent company.

The legislation allows non EU/EEA vessels to enter the TT regime provided the fleet is composed by at least **60% EU/EEA vessels**. If this requirement is not met, the non EU/EEA vessels may still qualify if certain criteria are met.

The tax exemption covers:

- Profits from the use of a qualifying vessel
- Profits from the disposal of a qualifying vessel and/or share and/or interest in it
- Profits from the disposal of shares in a shipowning company
- Dividends paid out of the above profits at all levels of distribution
- Interest income relating to the financing/maintenance/use of a qualifying vessel and the working capital, excluding interest on capital used for investments.

Where an option is exercised to enter the TT system, the shipowner must be a Cyprus tax resident and the option must remain in force for at least 10 years.



The tonnage tax system

Charterers

As with shipowners, the TT regime applies to qualifying vessels that carry out a qualifying activity. An option exists for **all** vessels (Cyprus/EU/EEA/fleet) chartered under bareboat, demise, time, voyage charter, provided the charterer is a legal person tax resident in Cyprus. If the choice is not made, profits are taxable under 12,5% corporation tax.

The fleet qualifying criteria are the same as for shipowners and so is the minimum 10 year duration.

The tax exemption covers:

- Profits from the use of a qualifying vessel
- Dividends paid out of such profits at all levels of distribution
- Interest income relating to the working capital / qualifying activity provided such interest is used to pay expenses arising from the charter, excluding interest on capital used for investments.

The law grants the exemption provided a composition requirement is met. That is, at least 25% of the net tonnage of vessels subject to tonnage tax are owned or are bareboat chartered. The percentage can be reduced but not for more than three consecutive years.

The percentage is reduced to 10% if all the vessels of the charterer:

- carry EU/EEA flags **or**
- are managed (crewing and technical) in the EU/EEA.



The tonnage tax system

Shipmanagers

A qualifying shipmanager is a legal person tax resident in Cyprus providing technical and/or crewing services in respect of qualifying vessels (Cyprus/EU/EEA/fleet). Commercial management is taxable under corporation tax.

An option exists to pay TT at 25% of the rates applicable to shipowners and charterers, for all vessels under management. If the choice is not made, profits are taxable under 12,5% corporation tax.

The fleet qualifying criteria are the same as the shipowners / charterers and so is the minimum 10 year duration.

Shipmanagers have to meet some additional requirements, namely:

- The shipmanager is obliged to maintain a fully fledged office in Cyprus with personnel sufficient in number and qualification
- At least 51% of all onshore personnel must be EU/EEA citizens.
- At least 2/3 of the total tonnage under management must be managed within the EU/EEA (any excess of 1/3 taxed under 12,5% corporation tax).

The tax exemption covers:

- Profits from technical and/or crew management,
- Dividends paid out of the above profits at all levels of distribution,
- Interest income relating to the working capital / qualifying activity provided such interest is used to pay expenses relating to shipmanagement, excluding interest on capital used for investments.

Registration of ships

Permanent & provisional registration

Cyprus merchant shipping legislation allows for the **provisional registration** of a vessel (in case the vessel concerned was not previously a Cyprus ship) and most owners usually opt to have their ship provisionally registered first. The provisional registration is deemed to be a full registration for a period of up to six months and it can be extended further for three months with an application prior to the expiration of the six-month period. This will allow the owners time (up to nine months, including the three month extension) during which they will be able to complete the administrative formalities for permanent registration.

The **permanent registration** of a vessel registered provisionally under the Cyprus flag must be completed within nine months, including the three-month extension period, which is the maximum provisional registration period. It is not necessary for the ship to be present in a Cyprus port.

Once the necessary documents are submitted and formalities completed the Registrar of Cyprus Ships will issue the “Certificate of Cyprus Registry” and the vessel will be permanently registered under the Cyprus flag.

Parallel registration

Under Cyprus legislation the possibility of parallel (bareboat) registration of vessels exists. The legislation provides for the two forms of internationally accepted bareboat registration: “parallel-in” registration and “parallel-out” registration. These two options offer some very interesting opportunities for leaseback, hire purchase and finance arrangements. The administrative practice of the Department of Merchant Shipping has confirmed that the parallel (bareboat) registration of vessels under the Cyprus regime may be effected with more than 20 states whose legislation is compatible with Cyprus legislation.

“**Parallel-in**” registration offers the possibility to a foreign flag vessel on bareboat charter to a Cyprus shipping company to be registered in “parallel” under the Cyprus flag for a period, usually two years, which is renewable.

Cyprus ships may be bareboat chartered to a foreign person or company and registered “parallel” in a foreign register for the duration of the charter party. This so-called “**parallel-out**” registration allows the financing of a ship and her mortgaging under the Cyprus flag and then her registration in a foreign registry through a bareboat charter arrangement.



Types of shipping activities

Shipowning

Most of the Cyprus registered ships are owned by Cypriot companies with a wide range of foreign interests.

Due to the fact that every limited liability company is a separate legal entity, it is very common to incorporate a shipowning company for every ship to be registered.

Bareboat chartering

As already mentioned it is possible to have parallel registration of the vessel under the Cyprus flag by bareboat chartering a vessel to a company formed in Cyprus and for a vessel registered under the Cyprus flag to be bareboat chartered-out to a foreign corporation for parallel registration under a foreign flag, provided the law of the other country recognises the concept of bareboat charter registration.

Shipmanagement headquarters

Shipmanagement companies are finding Cyprus increasingly attractive as a base for managing ships under various flags. These companies offer full management services to shipowners worldwide and are engaged in chartering, crewing, ship-broking and similar activities. In order to encourage the establishment of shipmanagement companies and other shipping headquarters in Cyprus, the existing legislation grants such companies and their foreign employees various tax advantages and other incentives.

Service companies and facilities

Today, Cyprus can claim numerous shipping agencies, classification societies, marine surveyors, average adjusters, marine insurance and P & I brokers, ship-brokers, bunkering facilities, a small ship-repair facility and the possibility of a larger one in the future, as well as an underwater survey service.

In addition, a growing number of international banking units are willing to offer their services for ship financing while there is a considerable number of UK trained lawyers and accountants specialising in shipping. The influx of service companies underlines the faith in the continued growth of Cyprus as a shipping centre.

Yacht scheme

If the TT regime is a treat for commercial shipping enterprises, the yacht scheme is the icing on the cake. It is not covered by the Merchant Shipping Law, but it operates on the basis of the guidance issued by the Cyprus VAT authorities in cooperation with the tax authorities aiming at making Cyprus one of the most attractive jurisdictions for yacht registration within the EU.

The arrangement in a snapshot

The lessor (the Cyprus company being the owner of the yacht) contracts the use of the yacht to the lessee (the legal or natural person who leases the yacht) in return for a consideration.

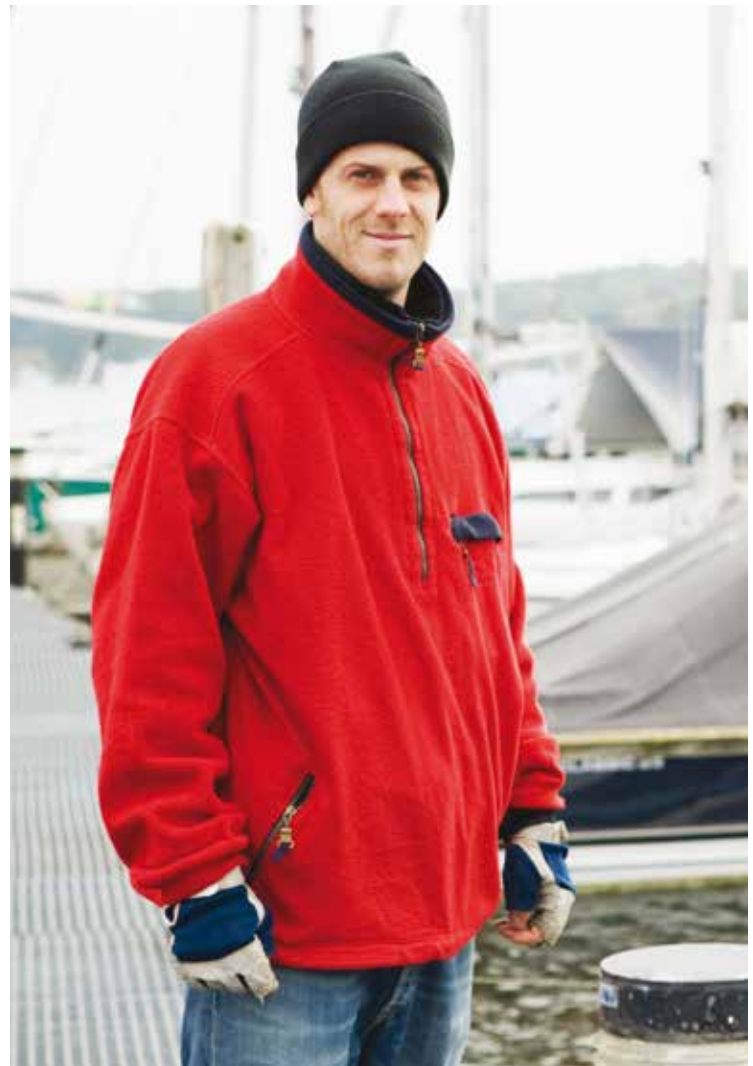
At the end of the lease period, the lessee may opt to purchase the yacht at a fraction of the original price. Such final purchase is strictly an option which may be exercised by the lessee, at the end of the lease period, for a separate consideration.

VAT treatment

The leasing of the yacht is considered as a supply of services with the right of deduction of input VAT by the lessor. This supply of services by the lessor is taxable at the basic VAT rate of 18% (19% from 13 January 2014) but only to the extent that the leased yacht is used within the territorial waters of the EU. The guidance provides presumed percentage of the use of the yacht in the EU, which effectively may reduce the applicable VAT rate to as low as 4,68% (4,94% from 13 January 2014) on the registration of the yacht and up to 3,6% (3,8% from 13 January 2014) on the lease payments.

Income tax treatment

The total profit from the leasing agreement which amounts to 10% on the initial value of the yacht, will be subject to income tax at the rate of 12,5%.



Cyprus Anti-Piracy Law

The Protection of Cyprus Ships Against Acts of Piracy and Other Unlawful Acts Law of 2012 (the Law), effective as of 15 June 2012, has been designed to enhance the security of ships flying the Cyprus flag (Cyprus ships) whilst at sea and, inter alia, establishes the required legislative framework for permitting the use, in a regulated manner, of privately contracted unarmed and armed security personnel on board Cyprus ships when they are sailing through high risk areas.

Main Provisions of the Law

Cyprus ships are required to implement compulsory security measures when navigating through high risk areas, which can be developed and implemented taking into account the related recommendations and guidelines published by the IMO and/or the shipping industry.

The Law allows the operator of a Cyprus ship (being the registered owner, the registered bareboat charterer or the manager of a Cyprus ship) to request, on the basis of a reasoned and justified security risk assessment, a permission to engage the services of a private ship security company providing unarmed or armed private ship security guards when the ship is navigating through high-risk areas. The private ship security company and its security personnel should be one of those the Government of the Republic has vetted and certified as being allowed to provide security related services to Cyprus ships.

In such a case, the Law addresses a variety of issues relating to the position of the unarmed or armed private security guards whilst onboard; their embarkation and disembarkation; as well as, the movement and storage on board of their firearms, their ammunition and of other security-related equipment.

Some other provisions of the Law include:

- regulations over the protection of Cyprus ships by the Armed Forces or Security Forces of other States.
- the right of the shipboard personnel for self-defence.
- the right of the shipboard personnel to arrest and detain those attempting to commit or those who have committed an unlawful act against the ship and to seize their arms and equipment, when they are found on board the ship.
- the submission by the operator of the Cyprus ship of an application requesting the issuing of a certificate which will allow the boarding of private ship security guards for the implementation of security measures and the use by them of firearms or other security related equipment whilst within high-risk areas.
- the submission by a private ship security company of an application requesting the issue of a certificate attesting that the applicant is allowed to provide the services of unarmed or armed security personnel it employs to Cyprus ships.
- the obligations of the master, the shipboard personnel, the operator of the Cyprus ship, in case of boarding of privately contracted unarmed or armed security personnel.
- the obligations of the private ship security company and of its employees, in case of boarding of unarmed or armed private ship security guards on the ship.

The Department of Merchant Shipping

The Department of Merchant Shipping (DMS) has been in existence since 1963 and it is today a distinct entity in the Ministry of Communication and Works; a specialized department that offers a dedicated service to the shipping industry.

The DMS is responsible for the development of maritime activities which include:

- registration of ships
- control of Cyprus flag vessels in respect of safety, security, pollution prevention, qualifications of seafarers and living & working conditions of seafarers
- inspection/surveys of foreign flag vessels in Cyprus ports
- control and certification of coastal passenger and high-speed craft
- administration and enforcement of the Merchant Shipping Laws
- control of ships and enforcement of international conventions ratified by the Government of Cyprus
- investigation of accidents involving Cyprus ships or seafarers serving on those ships or foreign ships sailing within the territorial waters of the Republic
- resolving labour disputes on board Cyprus ships
- training, certification and registration of seafarers
- promotion and further development of Cyprus as a maritime centre and an international registry
- international relations, participation in international organizations, bilateral agreements and cooperation with maritime authorities of other countries
- issue of circulars and informative publications to keep the maritime industry continuously informed and updated
- It has offices in Piraeus, London, Rotterdam, New York, Hamburg and Brussels for more efficient operation and more effective control.



**DEPARTMENT
OF MERCHANT SHIPPING**

All information relating to the above activities of the DMS can be found at the DMS website www.shipping.gov.cy.

Associations

Cyprus Shipping Chamber



CYPRUS SHIPPING CHAMBER

The Cyprus Shipping Chamber (CSC) is the trade association of the shipping industry in Cyprus and the voice of the Cyprus shipping community. Having witnessed considerable growth since its establishment in 1989, the Chamber today is one of the largest national shipping associations in the world. The main purpose of the Chamber is promoting the interests of Cyprus shipping industry and furthering the reputation of the Cyprus flag, whilst promoting and protecting the interests of its Members both nationally and internationally.

Since its formation, the Chamber has become an influential body in local maritime affairs and today no policy decisions concerning shipping matters are taken by the Government without consulting the Chamber. Furthermore, the Chamber is regularly called to appear before Parliamentary Committees as the representative body of the Cyprus shipping industry, when matters affecting shipping are discussed at the House of Representatives. In all its dealings with the various Ministries and Departments, the Chamber's primary objective is to assist the Government at all levels to adapt new and existing laws, policies and procedures.

The Chamber operates as a roving ambassador of Cyprus shipping abroad, through its membership and active participation in the International Chamber of Shipping (ICS), the International Shipping Federation (ISF), the Baltic and International Maritime Council (BIMCO), and the European Community Shipowners' Associations (ECSA). Members of the Chamber also regularly participate in many international meetings, including the International Labour Organisation (ILO), International Maritime Organisation (IMO) and the European Union (EU) meetings in Geneva, London and Brussels and in a number of their Committees, where the Chamber functions as consultant to the Cyprus Government representatives.

For more information, please visit the CSC website at www.csc-cy.org.

Cyprus Union of Shipowners



Cyprus Union of Shipowners constitutes the representative organization of the international shipping community with vessels under the Cyprus Flag. The shipowners, united under the Cyprus Union of Shipowners, comprise a strong voice representing the interest of its members in Cyprus, Greece and in the European Union as well as internationally.

The Cyprus Union of Shipowners focuses amongst others on:

- Signing private Bilateral Labour Agreements with local Labour Unions in coordination and with the approval of the Cypriot Ministry aiming to providing its members with reduced and highly competitive seafarers salary pay-scales.
- Promoting a competitive and effective Cyprus maritime transportation industry.
- Maintaining a close cooperation with the Union of Greek Shipowners

- Maintaining close relations with international Security Bodies i.e. MARLU (NATO Unit) that deal with vital issues like piracy
- Monitoring government legislative and regulatory actions, initiatives by various international marine organizations, political trends and public policy relating to navigation, safety and to the Cyprus shipping environment.

The Union has strong links with other international shipowners associations and is a Member of the European Community Shipowners Association (ECSA).

For more information, please visit the CUS website at www.cus.com.cy.

Services to the shipping industry

PwC is strategically positioned to understand the kind of changes that have and will profoundly affect the marketplace over the next few years.

We are also uniquely qualified to help you deal or prepare for these changes through our:

- our long and extensive expertise in the shipping industry
- clear market leadership position in Cyprus
- close cooperation with the PwC network across the globe

Taking advantage of the opportunities offered by the new shipping legislation, does not necessarily entail complex group restructurings and transfers of mortgaged vessels that are difficult to implement. There are ways of achieving substantial tax savings such as changing the flag of vessels, redomiciliation/change of residence of existing companies, or amendment of the existing operations, that are easier and quicker to implement. The opportunities are there and we can help our clients capitalising them.

Just give us the opportunity to show you how. We are passionate about our work.



We can help our clients with the provision of services from our industry specialists in the following areas:

- Tax planning, structuring and restructuring (legal, finance and operational structure)
- Registration of shipping companies (shipowning, charterers or shipmanagement)
- Registration of holding and/or finance companies
- Ship registrations, deletions, transfers and mortgages
- Maintenance and full compliance services of Cyprus registered companies
- Audit and assurance related services (IFRS technical advice)
- Floatation of shipping groups
- Operations and quality management for obtaining ISO 9000 certification
- Human resource advisory including full repatriation service for expatriates
- Payroll services and accounting outsourcing
- Provident fund services
- Business advisory services (corporate finance, valuations, mergers & acquisitions)

Your shipping contacts in Cyprus:

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PwC in Cyprus

We are striving to offer our clients the value they are looking for, value that is based on the knowledge that our teams draw from 180.000 experts in 158 countries and based on experience adapted to local needs. PwC Cyprus focuses on two main areas: Assurance & Advisory Services and Tax & Legal Services. We work closely with our clients. We ask questions. We listen. We learn what they want to do, where they want to go. From all our international knowledge we share with them the piece that is more suitable for them and thus we support them on how to achieve their goals.

In the operation of the world's capital markets we play an important role and as business advisors we help our clients solve complex business problems. We aim to improve their ability to manage risk and improve performance. At the same time we take pride in our quality services which help to improve transparency, trust and consistency of business processes.

Our position is strengthened with our almost 1.000 professionals and our offices throughout Cyprus.

Assurance & Advisory Services

Our Financial Assurance services comprise of statutory and regulatory audit services, which include evaluation of information systems, advisory services for capital market transactions, accounting and regulatory issues for all types of businesses through specialist industry divisions:

Financial Services (FS), Consumer and Industrial Products and Services (CIPS) and Technology, Information, Communications, Entertainment and Media (TICE).

Our Risk Assurance Consulting (RAC) offers expertise on internal audit services, internal controls optimisation, corporate governance and reporting, as well as assurance and advisory services related to security and controls of information technology systems including Enterprise Resource Planning (ERP) systems (e.g. SAP, Oracle, Navision), Project Implementation Assurance (PIA), Computer Assisted Audit Techniques (CAATs), Spreadsheet Integrity and IT Risk Diagnostic and Benchmarking. A particular focus of the team is in supporting the financial services industry on matters related to regulatory compliance, licensing and risk management.

Our Performance Improvement Consulting (PIC) is offering specialist advisory services on strategy and operational effectiveness, process improvement, cost reduction, people and change and sustainability issues.

Our Deals & Corporate Finance (DCF) provides consulting on M&A's, valuations, feasibility studies, transactions support and crisis Management.

Tax & Legal Services

Our PwC network's tax and legal services include Global Compliance Services, Direct and Indirect Tax Services, Local Compliance Services and Legal Services.

Global Compliance Services

Comprising the whole spectrum of company administration and corporate statutory compliance services, bookkeeping, accounting and payroll services as well as specialised services such as private client services, advice on establishment and administration of local and international business companies, collective investment schemes, UCITS, investment firms and trusts.

Direct tax services

Corporate: Advisory Services for tax planning, international tax structuring, mergers and buyouts and other business issues, tax returns administration, agreement with Tax Authorities and obtaining tax rulings.

Personal: Tax planning, completion submission and agreement of tax returns, tax services to expatriates, pensioners and other non-Cypriot individuals.

Indirect Tax Services

VAT: Advisory services for VAT, VAT recovery and VAT minimisation and tax compliance (administration of VAT returns, communication with VAT authorities, agreement of disputed assessments, etc).

Local Compliance Services (LCS)

Our Local Compliance Services are addressed to all type of businesses that carry out local operations. These enterprises cover a wide range of activities and include private and public companies, government and semi-government organisations, foundations, as well as personal and family enterprises. Our services cover the whole spectrum of accounting, tax and VAT compliance, financial structuring and corporate compliance services.

Legal Services

The legal firm, full member of the PwC international network, offers legal services that cover the whole spectrum of corporate and business law, including advising and representing clients in M&A transactions, re-organizations, European Union law and Competition law, setting up and regulating private companies, setting up joint ventures and other forms of businesses and carrying out legal due diligence.

PwC offices in Cyprus

Nicosia

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