

# Registering a Marine Vessel in the British Virgin Islands

## Advantages of registering a ship in the BVI

There are many advantages to registering a vessel in the BVI. These include:

- British Diplomatic or Consular support and Royal Naval protection for vessels which fly the Red Ensign
- Access to the technical expertise of the British Maritime and Coast Guard Agency 24/7
- Registered ownership for citizens and companies registered in the UK and all British territories
- Certification recognised worldwide
- Low initial registration fee and annual maintenance fees
- The registration of mortgages and the change or transfer of ownership
- BVI, the yachting Mecca of the Caribbean, being equipped with state of the art facilities, berths, accommodation and services
- The worldwide recognition of the BVI being a reputable offshore financial centre leading the world in company formation and many other related services
- A British Judicial System, with political and social stability

Other jurisdictions which fly the Red Ensign include Bermuda, Cayman Islands, Falkland Islands, Gibraltar, Guernsey and the Isle of Man.

## Registration procedure

With our own office in the BVI, ILS is well positioned to deliver a first-class service.

The first step is to incorporate a BVI Business Corporation, and where appropriate a VISTA Trust to complement the owning structure. ILS will provide the registered office and agent in the BVI and all officers or directors from any one of our offices located elsewhere such as the Isle of Man.

The next step is to register the vessel in the name of the corporation and to ensure that no charters are executed in favour of persons resident in the BVI.

During the registration process an ILS employee in the BVI may be appointed as representative and hold a Power of Attorney for a limited period in respect of the corporation. This enables the beneficial owner to take possession of the vessel on behalf of the corporation whilst we prepare and file all documentation at the Registry.

Once the registration of the vessel has been completed, ILS may relinquish Power of Attorney. Neither the vessel nor the beneficial owner need then visit the BVI.

## Registration process

In order to register a vessel in the BVI the name of the vessel must be cleared (as for a corporation). This takes up to three days and to do so the following information is required:

- Registry where vessel is currently registered or name and address of yard where vessel is being built
- Name under which vessel is currently registered, if applicable
- Nationality of current registry, if applicable
- Port at which vessel is lying, if applicable
- Approximate tonnage (gross or net)
- Method of propulsion
- Proposed trade of vessel (pleasure, fishing etc)
- Proposed date of sale

Once the name of the vessel has been cleared, the following documentation can be completed:

- Either an original builder's certificate with descriptive details of the vessel and the name of the company on whose account the vessel has been built or notarised bill of sale from last registered owner to present owner
- Notarised bill of sale from present owner to BVI corporation
- Declaration of ownership on behalf of body corporate (this will be

prepared and signed by ILS in the BVI; its form is similar to that of the 'Declaration of Eligibility' used in the UK)

- Original measurement and survey certificate (same as carried out in the UK using one of the recognised classification societies or the Yacht Brokers, Designers' and Surveyors' Association)

Upon receipt of the measurement survey documents, the Registrar of Shipping will issue a Ships Carving and Marking note. The vessel must then be inspected by any of the following officials:

- A British Department of Trade and Industry official
- Surveyor
- The authorised officer of the vessel
- A British Customs and Excise officer (not below the rank of assistance officer)
- A British Consul or Vice Consul

The official will complete and sign the certificate and return it to the company for filing with the Registrar of Shipping. Registration documents will then be issued.

In the case of a vessel that is currently registered at a British Port the only documents required are:

- Close Transcript from the current port of registry
- Power of Attorney authorising ILS staff to register the vessel
- Bill of sale

Only a vessel owned by a British subject or BVI corporation is entitled to be registered as a BVI vessel.

ILS can then arrange for Radio Station Licences and/or Communications Licences to be obtained.

The complete process should take no longer than one month. However, this does depend on how quickly supporting documentation is received by ILS from the

outgoing registry and the survey is completed.

### **Preliminary Registration**

The general rule is there is no preliminary registration period.

However, it is possible to obtain a preliminary certificate to allow conditional short term permission to operate the vessel after carving and marking is issued and before issue of Permanent Certificate of Registry.

### **What ILS can provide**

- Structuring/establishment of the corporate vehicle to hold the vessel
- Representative manager for the vessel
- Officers of the company, subject to restrictions
- Statutory certificate of vessel registration
- Establishment of bank accounts
- Preparation of operating agreements
- Arrangements for settlement of accounts in respect to survey and registration
- Administration

***Please note that ILS (Isle of Man) Limited does not offer tax advice. If you are not professionally qualified to give tax advice, we will be happy to make an appropriate introduction.***