

REPUBLIC OF NAURU
VESSEL REGISTRATION BILL 2024
SECOND READING SPEECH
HON. Lionel Rouwen Aingimea, MP
26 November 2024

Mr. Speaker Sir,

I introduce to the House today the *Vessel Registration Bill 2024*.

Mr Speaker, and Honourable Members, currently, Nauru has 2 separate Acts dealing with the registration of vessels. *These are the Shipping Registration Act 1968 and the Shipping (Registration of Foreign) Vessels Act 2018*. Just for the background, the *Shipping Registration Act 1968* has been in place for a long period of time. In 2018, a new Act was required to be enacted to allow for registration of vessels owned by foreign owners. Most of these vessels were required to be registered due to them being granted fishing licences. The requirement for a number of these vessels was that they are required to carry Nauru flags.

Mr. Speaker, in order to ensure that Nauru's fishing industry is promoted and provides revenue for the country, the Government in 2018 allowed the registration of foreign owned vessels to fly the Nauruan flag. By flying the Nauruan flag, these vessels became national Nauruan vessels. The immediate requirement for this was to establish a registry for the registration of the vessels.

As the Members may be aware, there are various requirements for a vessel which includes the requirement for initial registration, survey checks, builder's certificate, sea worthiness certificate, owner's certificate and so forth. In addition, all the vessels are required to operate within the laws of the Republic whilst they are in the Republic's exclusive economic zone. The Nauruan flagged vessels including any other vessel allowed to sail in the exclusive economic zone are required to comply with all the international maritime conventions. In addition to these conventions, there are other international obligations under the Law of the Sea.

Mr. Speaker and Honourable Members, the proposed Bill will repeal the 2 existing Acts. The intention of the Bill is to consolidate the registries existing

under the 2 Acts into one Act. Furthermore, the intention is to ensure that there is in future only one registry which is located in Nauru. Currently, the shipping registry for foreign vessels is based in Singapore. The Government of Nauru is losing revenue by engaging a private entity to operate Nauru's shipping registry. The current operator of Nauru's Shipping Registry is the Nauru Maritime Administration. The actual corporation is the Nauru Projects Limited.

The Bill is divided into 9 separate Parts. Part 1 provides for the preliminary provisions which are normal for all Bills. The objectives of the Bill in Part 1 are to:

- (a) provide a uniform procedure for registration of both Nauruan-owned vessels and foreign vessels;
- (b) establish the office of the Registrar responsible for the registration of all vessels required or eligible to be registered under the Bill;
- (c) establish the register of vessels constituting Nauruan vessels required to be registered and foreign vessels eligible to be registered under the Bill;
- (d) domesticate the application of international maritime organisation related conventions and other international instruments which relate to the registration, operation of vessels;
- (e) provide for the safe and secure operation of a vessel for the crew and other associated persons in line with applicable conventions and other international conventions to which the Republic is a party;
- (f) promote compliance with the requirements of maintaining marine environment free from any adverse effects of operations of vessels;
- (g) provide for the compliance of the registration and operations of vessels in accordance with the requirements of the Financial Action Task Force Standards and in particular, international law on counter terrorism and transnational organised crime, targeted financial sanctions and other related matters; and

- (h) provide for the enforcement of the obligations of relevant stakeholders under the Act.

Mr Speaker, Part 2 provides for the interpretation provisions.

Part 3 provides for the Administration provisions of the Bill. There is established a Registrar of Vessels. The Registrar's functions are provided in Clause 9 of the Bill which deals with the establishment of the register of a vessel, registering vessels and enforcing the Bill. The Registrar is empowered to have a common seal for the purposes of executing any correspondence or documents. There is to be a Register of Vessels. There are a number of things that are to be recorded in the Register, which is the responsibility of the Registrar. The Registrar must maintain current records at all times.

Mr. Speaker and Honourable Members, Part 4 of the Bill provides for the registration process of a vessel. There is a prohibition for operating a vessel without registration. Anyone contravening this provision is liable to be fined up to \$30,000 or 2 years imprisonment. The body corporate penalty is \$100,000. In the case of a foreign vessel and consistent with the corporations' law, there is a requirement to have a local representative in Nauru as provided in Clause 18. This is not a new requirement. Currently, foreign fishing vessels registered in Nauru comply with this. The application procedure is a comprehensive one which requires substantive details in Clause 30. A vessel once registered is required to carry with it a Certificate of Registry. Where a vessel no longer intends to fly a Nauru flag, it must surrender the Certificate. There is provision also for a temporary pass to be given to certain vessels for special voyage. This is currently already in practice.

There are certain vessels which are not to be registered. This includes vessels used for storage of illegal drugs and stolen goods, people smuggling, wars and armed conflict, civil unrest, terrorism, proliferation or activities in support of terrorism or anything contrary to the Nauruan laws.

The Bill also provides for registration of security of a vessel by way of a mortgage or any other charge. It allows for transfer, variation or amendments of any particulars registered. This includes transfer of ownership through bankruptcy through death of an owner or any court order. The Registrar is also given powers to suspend a Certificate of Registry for a number of reasons provided for in Clause 40. Under Clause 41, a Certificate of Registry for a vessel can be cancelled. This is called the Closure of a Certificate of Registry.

Mr. Speaker, Part 5 of the Bill provides for the rights and obligations of Nauruan flagged vessels. The fundamental requirement is that all Nauruan vessels are required to fly Nauruan flags. The Cabinet has the power to allow for any specialised flags to be flown in case of any special purposes of the Republic or travel of any dignitaries. Furthermore, Clause 46 deems, a vessel which is granted the registration to fly the Nauru flag, to be a Nauruan nationality. Liability for any of those vessels remain with the registered owners.

Mr. Speaker and Honourable Members, Part 6 provides for enforcement of the Bill. The very nature of this Bill allows for extra-territorial jurisdiction to Nauruan courts. In case of offences, vessels are liable to be seized or forfeited. The general offences include giving misleading information, hindering an officer, improperly assuming Nauruan nationality and giving false information to an authorised officer regarding the vessel.

Mr. Speaker, Part 7 provides for the requirement to keep records, sharing and disclosure of information with relevant institutions, departments and law enforcement agencies. Again, the cardinal principle is that basic information regarding vessels are kept and maintained. Further, information will be kept confidential and will be disclosed at the discretion of the Registrar or an order of the court or in the implementation of any laws. It also includes providing information for the purposes of investigation by law enforcement agencies.

Mr. Speaker and Honourable Members, Part 8 provides for the miscellaneous matters and Part 9 contains repeals and transitional matters.

Mr Speaker, the explanatory memorandum summarises the Bill's provisions. Sir, I respectfully request that the accompanying memorandum be read and incorporated into the Hansard Reports.

I commend the Bill to the House.