

## SHIPPING NOTICE 01/2025 (Rev 01)

### THE CARRIAGE OF ADDITIONAL GUESTS ON PRIVATE YACHTS

**To: OWNERS, MANAGERS, OPERATORS AND MASTERS OF CAYMAN ISLANDS YACHTS AND YACHT BUILDERS**

#### PREAMBLE

Section 459 of the Merchant Shipping Act 2024 permits the Chief Executive Officer of the Maritime Authority of the Cayman Islands (CEO), with the approval of the Minister, to, by order, make such provisions to give effect to any provisions of an international agreement relating to merchant shipping or seafarers adopted by the United Kingdom and extended to the Islands and not otherwise prescribed in the Act.

In accordance with section 459 of the Merchant Shipping Act 2024, the CEO makes the following order in respect of the Merchant Shipping (Pleasure Yachts Carrying Passengers) Regulations, 2011.

#### 1. BACKGROUND

- 1.1 The Cayman Islands Shipping Registry (CISR) frequently receives inquiries regarding the carriage of additional guests on Large Yachts<sup>1</sup> and Passenger Yachts<sup>2</sup> operating as *pleasure yachts not engaged in trade* (i.e. in private use). The Cayman Islands Merchant Shipping Act (2024) definitions of a "pleasure vessel" and "private use" are provided in **Appendix C** to this notice.
- 1.2 The purpose of this shipping notice is to set out CISR's regulatory framework and policy, as well as expectations regarding the scope of the operator's risk assessment.
- 1.3 The current size of *pleasure yachts not engaged in trade* could not have been envisaged when these vessels were exempted from the International Convention for the Safety of Life at Sea (SOLAS), 1974. As such CISR, being a responsible Flag State and in response to growing concerns raised by Port and Coastal States, including feedback from the Caribbean and Paris Memorandum of Understandings (MoUs) for Port State Control (PSC), regarding the lack of international regulation, particularly when large numbers of people are embarked, have introduced proportionate measures to ensure the safety of the Owner, his/her family and friends, the seafarers, and the maritime environment.
- 1.4 As an aside, it should be noted that the United States Coast Guard do regulate foreign flagged private yachts ≥300GT operating in U.S. navigable waters as per [GC-CVC Policy Letter 15-4](#) (i.e., they require a Yacht Code Certificate). But this does not specifically address the carriage of additional guests on private yachts.

<sup>1</sup> REG Yacht Code Part A vessels

<sup>2</sup> REG Yacht Code Part B vessels

- 1.5 For the purposes of this notice, the term 'additional guests' means persons embarked above the maximum number of passengers that a Large Yacht or Passenger Yacht is normally permitted to carry in commercial use, which is up to 12 and 36 respectively.
- 1.6 Included in the number of 'additional guests' are security, catering and entertainment personnel hired for the event, as typically they will have very limited familiarity with the layout of the yacht, the safety procedures and use of safety equipment.
- 1.7 Up until September 2025 CISR have issued time limited exemptions for events at anchor whilst in private use. These will no longer be required for small events (as defined in section 2.4) when vessels are under shore side ISM Code management. This shipping notice serves as a general exemption to the Merchant Shipping (Pleasure Yachts Carrying Passengers) Regulations, 2011.
- 1.8 Up until September 2025 CISR have issued time limited exemptions for Large Yachts cruising in private use with up to 36 passengers. These will no longer be required when vessels are under shore side ISM Code management. This shipping notice serves as a general exemption to the Merchant Shipping (Pleasure Yachts Carrying Passengers) Regulations, 2011.
- 1.9 CISR have not previously issued exemptions for Passenger Yachts cruising in private use with more than 36 passengers. Moving forwards, no exemption will be required for the carriage of up to 60 passengers. This shipping notice serves as a general exemption to the Merchant Shipping (Pleasure Yachts Carrying Passengers) Regulations, 2011.
- 1.10 This shipping notice replaces Guidance Note 04/2022, which is hereby revoked. A separate shipping notice will be issued regarding the carriage of additional guests on yachts engaged in commercial use.

## **2. REGULATORY FRAMEWORK**

- 2.1 As per other Administrations, CISR acknowledge that Passenger Ships (i.e. a ship which carries more than 12 passengers) when operating as a *pleasure yacht not engaged in trade* (i.e. in private use) are exempt from complying with the SOLAS Passenger Ship requirements, unless a Flag State, Coastal State or Port State decides otherwise. It is important to highlight that there is no obligation on Port States to accept arrangements allowing more passengers than the ship is designed for, particularly if the number of passengers contravene the definition of a 'pleasure vessel' in their national legislation.
- 2.2 Under the provisions of the Cayman Islands Merchant Shipping Act (2024) section 159(1), CISR are exempting *pleasure yachts not engaged in trade* on international voyages from the full requirements of the Merchant Shipping (Pleasure Yachts Carrying Passengers) Regulations, 2011, to permit the carriage of additional guests. However, we continue to provide a robust safety framework for the Owner, his/her family and friends, and the seafarers, and the maritime environment.
- 2.3 For events alongside, an agreement from CISR is not required for Large Yachts or Passenger Yachts but a Letter of No Objection (LONO) can be provided if requested by the Harbour Master/Port Authority, insurer, Master or ISM Company.

- 2.4 For small events at anchor an exemption from CISR is not required. A small event is when all the additional guests can be transferred to shore using the yacht's own tenders on a single trip, or when 36 passengers are embarked on a Large Yacht, or when 60 passengers are embarked on a Passenger Yacht, whichever is more.
- 2.5 For large events at anchor an exemption from CISR is still required. A draft exemption with the supporting risk assessment is normally submitted to the local authorities for review before being issued as final. The risk assessment for very large events typically determines that it is appropriate to have a local passenger vessel on standby due to demands on the yacht's crew in an emergency.
- 2.6 A **Large Yacht >500GT** in private use may cruise with up to 36 passengers without a CISR exemption. This will remain valid until a change of ISM Company, and subject to the following: -
- A valid Large Yacht Certificate or Statement of Compliance (only ISPS and MLC may be excluded).
  - A risk assessment approved by the ISM Company's designated person ashore.
- 2.7 A **Large Yacht <500GT** in private use may cruise with up to 36 passengers (if appropriate) with a CISR exemption. This will be harmonized with the yacht's certification (i.e. up to 5 years) and will remain in effect until a change of ownership, subject to the following: -
- A valid Large Yacht Certificate or Statement of Compliance (only MLC may be excluded).
  - A risk assessment accepted by CISR.
- 2.8 A **Passenger Yacht** in private use may cruise with up to 60 passengers without a CISR exemption. This will remain valid until a change of ISM Company, subject to the following:-
- A valid Passenger Yacht Safety Certificate.
  - Compliance with REG Yacht Code Part B section 10.2(1) if carrying more than 120 persons.
  - A risk assessment approved by the ISM Company's designated person ashore.
- 2.9 It should be noted that compliance with CISR's interpretation and policy does not obviate the requirement to comply with any regional, national or local regulations and policy of the Administration or Authority that has jurisdiction over the waters or harbour/marina that the yacht is operating in.
- 2.10 A summary of the standard maximum number of guests that can be embarked, for the various scenarios, is provided in **Appendix A**. Requests for higher numbers will require the relevant authority to accept/acknowledge our draft exemption before issuance of the final exemption.

### **3. RISK ASSESSMENT**

- 3.1 When risk assessments are not required to be submitted to CISR for review they may be examined for adequacy during CISR's annual surveys, ISM shipboard or company audits.
- 3.2 Large events at anchor or alongside are often arranged at short notice, therefore it is highly recommended that a pre-populated risk assessment, with all foreseeable hazards and likely control measures, is developed as part of the safety management system. This risk

assessment should meet the expected standard and may then be readily tailored for a specific event.

- 3.3 If the risk assessment is properly carried out, the exemption letter issued by CISR needs only reference the latest revision of the risk assessment tailored for the specific event and the key conditions/limitations (i.e. nature of the event, date(s), location/cruising area, number of persons).

The following is a non-exhaustive list of matters to be considered in the risk assessment:

Events alongside

- harbour master agreement
- insurer agreement
- agreement of adjacent vessels, particularly if designated as a secondary means of escape in an emergency
- impact on stability
- state of tide during event
- forecast weather conditions
- guest counting, ship and shoreside
- guest and staff briefing
- limitations on smoking
- risk from temporary entertainment or outside cooking equipment
- control of guests wandering outside designated event areas
- crew compliance with hours of work and rest
- additional security and catering staff
- the need for crowd control training
- widely separated points of egress
- gangway overloading
- evacuation time
- secure assembly station shoreside

Events at anchor/river buoy

As per events alongside, plus: -

- port authority / coastal state agreement, as appropriate
- garbage management
- sewage management
- liferaft capacity for 100%
- lifejackets sufficient for 110% of the total number of persons carried on board including child lifejackets or infant lifejackets for each child or infant onboard.
- muster station 'loadings'; considering the need for 'virtual crew corridors' and ample space for crew to undertake emergency duties unimpeded (i.e. fire team dressing, flaking out fire hoses, preparations for evacuation).
- maximum significant wave height for safe guest transfer
- estimation of the total evacuation time, ship to shore / need for a local passenger vessel on standby.

### Cruising

As per events alongside and at anchor/river buoy, plus: -

- coastal state agreement
- nature and conditions of the voyage
- proximity of search and rescue services
- an International Sewage Pollution Prevention Certificate covering the total number of persons.

3.4 Contact details for Port and Coastal States can be found on IMO's [Global Integrated Shipping Information System \(GISIS\)](#) under 'Contact Points'.

3.5 See **Appendix B** for an example Risk Assessment based upon the Code of Safe Working Practices for merchant seafarers (COSWOP) format.

## **4 APPLICATIONS**

4.1 Applications for a CISR exemption letter or LONO for the carriage of additional guests in private use are to be sent with a detailed Risk Assessment and completed [Request for Services](#) form to [technical@cishipping.com](mailto:technical@cishipping.com).

## Appendix A

### Summary table for the carriage of additional guests in private use

#### Cruising

The maximum <u>total number of guests</u> (i.e., number of guests certified to carry plus 'additional guests')		Exemption Required
Large Yacht ≥ 500 GT	36 <sup>1</sup>	No <sup>1</sup>
Large Yacht <500 GT	36 <sup>1</sup>	Yes <sup>1</sup>
Passenger Yacht	60 <sup>1</sup>	No <sup>1</sup>

<sup>1</sup> If more than the above numbers are proposed, a draft of the Flag State exemption will require Coastal State acceptance before being finally issued.

#### At Anchor

The maximum number of <u>additional guests</u>		Exemption Required
Large Yacht ≥ 500 GT	Additional guests ≤ aggregate tender capacity <sup>2,3</sup> or 36 guests in <u>total</u> , whichever is more.	No <sup>3</sup>
Large Yacht <500 GT		Yes <sup>3</sup>
Passenger Yacht	Additional guests ≤ aggregate tender capacity <sup>2,3</sup> or 60 guests in <u>total</u> , whichever is more.	No <sup>3</sup>

<sup>2</sup> Aggregate tender capacity is the total capacity of yacht's own tenders (both those normally stowed onboard and any auxiliary tenders).

<sup>3</sup> If more than the above numbers are proposed, a draft of the Flag State exemption will require Port Authority or Coastal State acceptance, as appropriate, before being finally issued.

Examples: -

- If a Large Yacht ≥ 500GT is designed to normally carry 12 guests and has two shipboard tenders designed to carry 8 guests each and an auxiliary tender designed to carry 12 guests, no exemption is required for up to 40 guests (i.e. 12+8+8+12).
- If a Large Yacht ≥ 500GT is designed to normally carry 12 guests and has only one shipboard tender designed to carry 8 guests, no exemption is required for up to 36 guests; although the safety case risk assessment may determine that an additional local tender (with tender operator) will need to be hired.
- If a Passenger Yacht is designed to normally carry 28 guests and has two shipboard tenders designed to carry 12 guests each and an auxiliary tender designed to carry 12 guests, no exemption is required for up to 64 guests (i.e. 28+12+12+12).

## Appendix B

### Example Risk Assessment

Ship Name: SAUCY SUE

Risk Assessment no.: RA036

Work Activity: Carriage of 28 Guests in Private Use whilst Cruising in the Mediterranean

Current Assessment Date: 01.05.23

Last Assessment date: 01.05.22

Hazard no.	Description of Identified Hazard	Existing Control Measure
1.	Event not permitted by Authorities that have jurisdiction	a) Harbour Master Agreement is always sought b) Coastal State Agreement is always sought c) Flag State Agreements is always sought
2.	Event not permitted under Insurer standard terms	a) Insurer Agreement is always sought
3.	Inadequate stability	Master judgment only; not supported by calculations.
4.	Gangway Overloading	a) warning sign of maximum working load posted
5.	No Search and Rescue Services	a) Vessel operation will be limited to the Mediterranean and 60nm from a <u>safe haven</u> .
<i>Etc.</i>		

#### Assessment of Risk Factor

Likelihood of Harm	Severity of Harm			Hazard no.	Likelihood of Harm	Severity of Harm	Risk Factor
	Slight Harm	Moderate Harm	Extreme Harm				
Very Unlikely	Very Low Risk	Very Low Risk	High Risk	1.	Unlikely	Slight Harm	Very Low Risk
Unlikely	Very Low Risk	Medium Risk	Very High Risk	2.	Very Unlikely	Slight Harm	Very Low Risk
Likely	Low Risk	High Risk	Very High Risk	3.	Likely	Extreme Harm	Very High Risk
Very Likely	Low Risk	Very High Risk	Very High Risk	4.	Likely	Moderate Harm	High Risk
				5.	Unlikely	Moderate Harm	Medium Risk
				6.	<i>Etc.</i>		

NB. If the Risk Factor is Medium or above, additional control measures should be implemented.

#### Additional Control Measures

Hazard no.	Further Risk Control Measures	Remedial Action Date	Review Date
3.	a) Naval Architect to produce a load case for 28 guests on uppermost deck and submit to Class for approval	31.05.23	N/R
4.	b) To be covered in guest pre-boarding briefing c) Crew member to be always posted at gangway.	01.05.23	01.05.24
5.	b) The availability of SAR services to be checked as part of the passage planning; shipboard checklist to be update accordingly	01.05.23	01.05.24
<i>Etc.</i>			



## Appendix C

### Cayman Islands Merchant Shipping Act, 2024

#### Definitions

“**pleasure vessel**” means —

(a) a vessel which at the time it is being used is —

- (i) in the case of a vessel wholly owned by an individual or individuals, used only for the sport or pleasure of the owner or the immediate family or friends of the owner;
- (ii) in the case of a vessel owned by a body corporate, one on which the persons on the vessel are employees, officers or shareholders (including beneficial owners of shares) of the body corporate, or their immediate family or friends; or
- (iii) in the case of a vessel owned by a trust or other ownership arrangement, one on which the persons on the vessel are beneficiaries under the trust or beneficial owners of the ownership arrangement, or their immediate family or friends;
- (iv) in **private use**; or

(b) a vessel wholly owned by or on behalf of a club formed for the purpose of sport or pleasure which, at the time it is being used, is used only for the sport or pleasure of members of the club or their immediate family, and for the use of which any charges levied are paid into club funds and applied for the general use of the club;

“**private use**” in relation to a pleasure vessel, means that the vessel is used on a private voyage or excursion, and during such use is not engaged in trade by transporting merchandise or carrying passengers for reward or remuneration (other than as a contribution to the actual cost of the vessel or its operation for the period of the voyage or excursion), and is not offered to the public for use;