



**AGREEMENT**

**GOVERNING THE DELEGATION OF STATUTORY  
CERTIFICATION SERVICES FOR SHIPS REGISTERED IN  
SAINT CHRISTOPHER (St. KITTS) AND NEVIS**

**between**

**THE GOVERNMENT OF SAINT CHRISTOPHER AND NEVIS**

**and**

**LLOYDS REGISTER**

**AGREEMENT GOVERNING THE DELEGATION OF STATUTORY  
CERTIFICATION SERVICES FOR SHIPS REGISTERED IN SAINT  
CHRISTOPHER (KITTS) AND NEVIS TO LLOYDS REGISTER BY THE  
GOVERNMENT OF THE FEDERATION OF SAINT CHRISTOPHER AND  
NEVIS REPRESENTED BY THE DEPARTMENT OF MARITIME AFFAIRS,  
MINISTRY OF PUBLIC WORKS, UTILITIES, TRANSPORT AND POSTS**

This agreement made in accordance with the provisions of Section 411(4) of the Merchant Shipping Act No. 24 of 2002, and in compliance with the IMO "Guidelines for the Authorization of Organizations Acting on Behalf of the Administration," IMO Assembly Resolution A.739(18) and the Annex thereto, is between the Government of the Federation of Saint Christopher (St. Kitts) and Nevis, represented by the Department of Maritime Affairs, Ministry of Public Works, Utilities Transport and Posts, hereinafter referred to as the "Administration", and Lloyd's Register, Lloyds Register EMEA, Lloyds Register Asia, Lloyds Register Central and South America Ltd and Lloyds Register North America Inc., hereinafter collectively referred to as "LR," with respect to the performance of marine statutory surveys and issuance of relevant certificates to ships registered within the Federation of Saint Christopher and Nevis and their owners/managers.

**1. Purpose**

- 1.1. The purpose of this Agreement is to delegate authority to perform statutory certification services and to define the scope, terms, conditions and requirements of that delegation.

**2. General Conditions**

- 2.1. Statutory certification services comprise the assessment of St. Kitts & Nevis registered ships classed with LR and owners/managers of St Kitts & Nevis registered ships, in order to determine the compliance of such ships or owners/managers with the applicable requirements of the international conventions, codes and national requirements (hereinafter referred to as "applicable instruments") and the issue of relevant certificates as set out in Annex 1 hereto.
- 2.2. In so far as the certification services covered by this Agreement are concerned, LR agrees to co-operate with Port State Control officers to facilitate the rectification of reported deficiencies on behalf of the Administration, when so requested, and report to the Administration. In such cases, the procedures set out in Annex 3 hereto are to be followed by LR and the Administration.
- 2.3. Statutory services rendered and statutory certificates issued by LR will be accepted as services rendered by or certificates issued by the Administration provided that LR maintains compliance with the provisions of Appendix 1 of the annex to Assembly Resolution A.739(18) and IMO Assembly Resolution A.789(19).

2.4. Authorisations for services outside the scope of Annex 1 to this Agreement will be dealt with as mutually agreed on a case-by-case basis.

2.5. LR shall endeavour to avoid undertaking activities which may result in a conflict of interest.

### **3. Interpretations, Equivalents and Exemptions**

3.1. While interpretations of the applicable instruments, as well as the determination of equivalents or the acceptance of substitutes to the requirements of the applicable instruments are the prerogative of the Administration, LR will co-operate in their establishment as necessary.

3.2. Exemptions from the requirements of the applicable instruments are the prerogative of the Administration and must be approved by the Administration prior to issuance.

3.3. In instances where, temporarily, the requirements of an applicable instrument cannot be met under particular circumstances, the LR surveyor will specify such measures or supplementary equipment as may be available to permit the ship to proceed to a suitable port where permanent repairs or rectification can be effected or replacement equipment fitted.

### **4. Information and Liaison**

4.1. LR will report to the Administration such information at such frequency as agreed between LR and the Administration, as delineated in Annex 2 to the Agreement. For the purposes of such reporting, exchange of information and liaison, the Registrar appointed pursuant to section 446 (5) of the Merchant Shipping Act No. 24 of 2002, is to be the point of contact for the Administration and LR will deal with the Registrar (hereinafter referred to as "International Registrar of Shipping & Seamen") accordingly.

4.2. The Administration shall be granted access to all plans and documents, including reports on surveys on the basis of which certificates are issued or endorsed by LR.

4.3. The Administration will provide LR with all necessary documentation for the purpose of LR's provision of statutory certification services. The Administration shall endeavour to inform LR of any changes to National Legislation or requirements prior to their implementation date or failing that as soon as possible thereafter.

4.4. LR and the Administration, recognising the importance of technical liaison, agree to co-operate toward this end and maintain an effective dialogue.

4.5. Regulations, rules, instructions and report forms shall be written in English.

**5. Supervision**

- 5.1. The Administration will be given the opportunity to satisfy itself that LR's quality system continues to comply with the requirements of Appendix 1 of the Annex to Assembly resolution A.739(18) and IMO Assembly Resolution A.789(19).
- 5.2. The Administration may choose to recognise audits performed on LR by an independent audit group effectively representing the interests of the Administration or IMO, such as the IACS Quality Committee.
- 5.3. Should the Administration choose to conduct direct auditing of LR, the frequency and extent of audit will be subject to mutual agreement between the Administration and LR.

**6. Other Conditions****6.1. Remuneration**

Remuneration for statutory certification services carried out by LR on behalf of the Administration will be charged by LR directly to the party requesting such services.

**6.2. Confidentiality**

LR it's officers employees or agents agree to maintain as confidential and not to disclose to any third party any information derived from the Administration in connection with the services provided without the consent of the Administration except to the extent that it is reasonably necessary to enable LR to carry out the services in accordance with the terms of this Agreement.

Such obligation shall continue in full force and effect during the term of and after the termination of this Agreement provided that the following shall not be subject to such restrictions:

- i) any information which was in the possession of LR prior to its disclosure to LR by the Administration or
- ii) any information which is or lawfully become part of the public domain or
- iii) any information which shall otherwise lawfully become available to LR from a source independent of the Administration, or
- iv) any information which LR is legally obliged to make available to third parties, e.g. to the Paris MOU Sirenac database or to Equasis in accordance with EU Directive 94/57/EC, as amended.

Unless provided otherwise in this Agreement, the Administration agrees to maintain as confidential and not to disclose to any third party any information derived from LR in connection with the control functions exercised by the Administration in accordance with the terms of this Agreement, unless bound to do so by a recognised Court of Law.

### 6.3. Surveyors

Normally, surveys shall be carried out by surveyors working exclusively for LR. LR may use exclusive surveyors of another organisation with which LR has a bilateral agreement provided that the other organisation is recognised by the Administration. However, the Administration may recognize, on a case-by-case basis, exceptions to the use of exclusive surveyors:

- exceptionally, by prior agreement, when it is not possible to provide a full-time employee of LR.
- for the survey of completion of minor outstanding repairs following a statutory survey.

Where an exception is used LR must be able to demonstrate the satisfactory qualifications, integrity and independence of the non-exclusive surveyor.

However, LR may use sub-contractors and other suppliers of support services approved in accordance with LR's quality procedures to assist the exclusive surveyor.

### 6.4. Amendments

Amendments to this Agreement and appendices will become effective only after consultation and written agreement between the Administration and LR.

### 6.5. Governing Law and Settlement of Disputes.

6.5.1. The Agreement shall be governed by and construed in accordance with English law. Any dispute arising in connection with this Agreement which cannot be settled by private negotiations between the parties shall be settled finally by arbitration in accordance with the Rules of Conciliation and Arbitration in the International Chamber of Commerce. The place of such Arbitration shall be Basseterre, St. Kitts. The arbitration shall be final and binding upon the parties.

6.5.2. In the performance of statutory certification services hereunder, LR, its officers, employees and others acting on its behalf are entitled to all the protections of law and the same defences and/or counterclaims as would be available to the Administration and its own staff surveyors or employees if the latter had conducted the statutory certification services in question.

### 6.6. Liability

6.6.1 In the context of this Agreement, if a liability is finally and definitively imposed on the Government of St Kitts & Nevis for loss or damage which is proved in a court of law to have been caused by any negligent act or omission by LR, its officers,

employees or others who act on behalf of LR under this Agreement, the Administration is entitled to seek from LR compensation up to but not exceeding the amount of financial liability as defined in the standard terms and conditions of LR or up to but not exceeding the amount of US\$ 1 million (one million), whichever is the greater for the case in point.

- 6.6.2. Neither party shall be liable to the other for any special, indirect or consequential losses or damages resulting from or arising out of services performed under this Agreement, including without limitation loss of profit, loss of production, loss of contract, loss of use, business, interruption or any other special, indirect or consequential losses suffered or incurred by any party howsoever caused.
- 6.6.3 If the Administration is summoned or is expected to be summoned to answer for such liability as mentioned above in this Article, LR shall be informed without undue delay. The Administration shall, for information purposes, send all claims, documents and other relevant material to LR. LR shall be entitled to provide support and/or participate in the defence of such claim, if LR deems it necessary or appropriate. LR shall be expected to provide support and/or participate in the defence of such claim, if the Administration so requests it. If the Administration knowingly fails to plead all appropriate available defensive measures then LR shall not be required to indemnify the Administration in accordance with sub-clause 6.6.1 above.
- 6.6.4 The Administration shall not knowingly enter into any commitment or agreement within the framework of this Agreement, which involves acceptance of such liability as mentioned in sub-clauses 6.6.1 above, without the prior written consent of LR.
- 6.6.5 While acting for the Administration under this Agreement, LR shall be free to create contracts directly with its clients and such contracts may contain LR's normal contractual conditions for limiting its legal liability.
- 6.6.6 For the avoidance of doubt, nothing contained herein shall create or is intended to create any new cause of action in favour of the Administration or third parties.

## 6.7. Termination

- 6.7.1. If this Agreement is breached by one of the parties, the other party will notify the violating party of its breach in writing to allow the notified party the opportunity to remedy the breach