

(Translation: Only the Faroese document has legal validity)

Executive order No. 129 of 23 July 2025 on insurance or other guarantee to cover the owner's liability in connection with wreck removal, etc.

Under the provisions in section 168 subsection 4, section 169 subsection 4 and section 514 a in Decree No. 187 of 8 February 2017 on the entry into force for the Faroe Islands of the merchant shipping act as amended by Decree No. 1000 of 30 June 2025, the following shall be laid down:

Obligation to hold insurance and requirement for certificate

Section 1. The registered owner of a ship flying the Faroese flag with a gross tonnage of or above 20 shall have taken out insurance or other guarantee covering the owner's liability in connection with wreck removal, etc. pursuant to part 8a in Decree on the entry into force for the Faroe Islands of the merchant shipping act.

Section 2. Ships with a gross tonnage of or above 300 shall, prior to engagement in trade, have a certificate confirming that the ship is covered by insurance or other guarantees pursuant to section 1, cf however section 7.

Subsection 2. Subsection 1 shall also apply to foreign ships calling at or departing from a Faroese port or an offshore installation in Faroese territorial waters.

Certificates for Faroese ships

Section 3. The Faroese Maritime Authority issues certificates to Faroese ships pursuant to section 2, cf however sections 10-13.

Section 4. To obtain a certificate, the applicant shall submit an insurance certificate from the provider of the insurance or the other guarantee.

Subsection 2. It shall be evident from the insurance certificate pursuant to subsection 1:

- 1) that the registered owner of the ship has taken out insurance or other guarantee as security for covering his liability pursuant to the Nairobi International Convention on the Removal of Wrecks, and it shall cover the liability limit deriving from section 175 of Decree on the entry into force for the Faroe Islands of the merchant shipping act, and
- 2) that the provider of the insurance or other guarantee confirms that the insurance or guarantee covers the liability pursuant to section 1, and that the provider of the insurance or guarantee obliges itself to pay compensation to the one who has a legitimate claim against the registered owner of the vessel to be paid compensation for costs covered by the Nairobi International Convention on the Removal of Wrecks.

Subsection 3. The application must, in addition to insurance document pursuant to subsection 2, be accompanied by information regarding:

- 1) The name of the ship, port sign and port of registry,
- 2) the IMO ship identification number,

- 3) the registered owner's name and principal place of business,
- 4) the name and principal place of business of the insurance company or guarantee, and
- 5) validity of the insurance or guarantee.

Section 5. The Faroese Maritime Authority may require documentation that the provider of the insurance has the right to do insurance business and has been approved by the controlling authority in the country where the company has its business address or principal place of business. In special cases, the Faroese Maritime Authority may require that it is also documented that mentioned companies are solvent and capable of meeting their obligations. Similar requirements may be made of companies and others offering to provide a guarantee.

Subsection 2. The Faroese Maritime Authority may require the applicant to procure documentation pursuant to subsection 1, and may reject to issue a certificate if the requirements pursuant to subsection 1 are not met.

Section 6. If the Faroese Maritime Authority considers that the insurance or guarantee is sufficient, the ship shall be issued with a certificate.

Subsection 2. The Faroese Maritime Authority shall determine the form and content of the certificate in accordance with the provisions of article 12 of the Nairobi International Convention on the Removal of Wrecks.

Section 7. For ships covered by section 1, and which are owned by the state and for which the state has assumed liability, the relevant ministry or public institution shall submit a certificate confirming that the state has assumed such liability. The certificate must be kept on board and presented to the authorities upon request. The Faroese Maritime Authority shall issue certificates to ships with a gross tonnage of or above 300 covered by such declarations.

Certificates for foreign ships

Section 8. As regards foreign ships registered in a State that has acceded to the Nairobi International Convention on the Removal of Wrecks, certificates shall be recognised that have been issued by the competent authority in the relevant State. The certificate shall, however, have been drawn up in accordance with the provisions of article 12 of the Nairobi International Convention on the Removal of Wrecks.

Section 9. As regards foreign ships registered in a State that has not acceded to the Nairobi International Convention on the Removal of Wrecks, certificates shall be recognised that have been issued by a competent authority in a State that has acceded to the Nairobi International Convention. The certificate shall, however, have been drawn up in accordance with the provisions of article 12 of the Nairobi International Convention on the Removal of Wrecks.

Section 10. As regards foreign ships registered in a State that has not acceded to the Nairobi International Convention on the Removal of Wrecks and which ship does not hold a valid certificate pursuant to section 9, an application shall be forwarded to the Faroese Maritime Authority. The provisions in sections 4-6 shall apply similarly.

Subsection 2. The application shall be forwarded to the Faroese Maritime Authority no later than 14 days before the ship calls at a Faroese port or any other place of loading or unloading in the Faroe Islands or in Faroese territorial waters within 200 nautical miles from the baselines, or starts to operate on regular basis in Faroese territorial waters.

Section 11. In special cases, the Faroese Maritime Authority may issue a certificate to foreign ships registered in a State that has not acceded to the Nairobi International Convention on the Removal of Wrecks, and which do not hold a valid certificate pursuant to section 9, even if these ships do not call a Faroese port, any other place of loading or unloading in Faroe Islands or in Faroese territorial waters within 200 nautical miles from the baselines, or start to operate on regular basis in Faroese territorial waters. The provisions in sections 4-6 shall apply similarly.

Certificates for bareboat registered ships

Section 12. As regards ships the ownership of which is registered in Faroe Islands, but which are bareboat registered in the registry of a foreign State, the Faroese Maritime Authority may issue certificates in accordance with the requirements of sections 1-6.

Subsection 2. If the ship is bareboat registered in a State that has acceded to the Nairobi International Convention on the Removal of Wrecks, certificates shall be recognised that have been issued by the competent authority in the relevant State. The certificate shall, however, have been drawn up in accordance with the provisions of article 12 of the Nairobi International Convention on the Removal of Wrecks

Subsection 3. If the ship is bareboat registered in a State that has not acceded to the Nairobi International Convention on the Removal of Wrecks, certificates shall be recognised that have been issued by a competent authority in a State that has acceded to the Nairobi International Convention on the Removal of Wrecks. The certificate shall, however, have been drawn up in accordance with the provisions of article 12 of the Nairobi International Convention on the Removal of Wrecks.

Section 13. As regards ships the ownership of which is registered in the registry of a foreign State, but which are bareboat registered in Faroe Islands, the Faroese Maritime Authority may issue the certificate in accordance with the requirements of sections 1-6.

Subsection 2. If the ship already holds a valid certificate, a copy of the certificate shall be forwarded to the Faroese Maritime Authority. Subsequently, the Faroese Maritime Authority will contact the issuing authority in the State where ownership of the ship is registered to ask for the Faroese Maritime Authority to be kept informed of any changes related to the validity of the certificate.

Issuance and validity of certificates

Section 14. Certificates shall be issued for a specific period, however, not for any longer than the validity of the insurance or guarantee.

Subsection 2. Certificates pursuant to section 10 shall be issued with a validity of no more than three months. As regards ships operating on a permanent basis in Faroese territorial waters, cf

section 10 subsection 2, the certificate may be issued with a longer validity, however, not for longer than the validity of the insurance or guarantee.

Section 15. Application for certificate pursuant to this executive order may be forwarded to the Faroese Maritime Authority electronically.

Section 16. For the issuance of a certificate pursuant to this executive order, a fee of DKK 1,300 shall be paid to the Faroese Maritime Authority.

Subsection 2. The certificate shall not be issued until payment pursuant to subsection 1 has been received by the Faroese Maritime Authority.

Section 17. The Faroese Maritime Authority shall forward a copy of the certificate issued to the ship's owner or to the one who has applied for being issued with a certificate on behalf of the owner. For foreign ships, a copy of the certificate issued shall also be forwarded to the registry of shipping of the State concerned.

Subsection 2. The certificate shall be kept on board and be presented to the authorities upon request.

Subsection 3. The owner of a ship that holds a certificate shall be obliged to immediately return the certificate to the Faroese Maritime Authority at the expiry of the insurance or guarantee.

Subsection 4. The owner of a ship that holds a certificate shall be obliged to immediately inform the Faroese Maritime Authority if the one concerned gets aware of changes to the insurance or guarantee of importance to the continued validity of the certificate.

Inspection

Section 18. The police, customs authorities or port authorities noting contraventions of this executive order during the performance of their civil service obligations, shall immediately inform the Faroese Maritime Authority hereof.

Subsection 2. The Faroese Maritime Authority may, at the ship's arrival in a Faroese port, check whether it is provided with required certificate pursuant to section 2 or the declaration pursuant to section 7.

Penalties

Section 19. Violation of section 17, subsections 2-4 in this executive order, shall be liable to punishment by fine.

Subsection 2. Companies and other legal persons shall incur criminal liability under the regulations in chapter 5 of the Faroese Penal Code.

Entry into force and transitional provisions

Section 20. This executive order shall enter into force on 29 July 2025.

Subsection 2. Certificates issued by the Danish Maritime Authority shall remain in force according to the expiry date stated on the certificate.

Ministry of Foreign Affairs, Industry and Trade, 23 July 2025

Sirið Stenberg

Minister

/ Herálvur Joensen