

Pursuant to Article 9a of the Maritime Code (Official Gazette No 181/04, 76/07, 146/08, 61/11, 56/13 and 26/15), the Minister of the Sea, Transport and Infrastructure, with the consent of the Minister of Tourism, hereby promulgates the

**ORDINANCE ON THE CONDITIONS FOR CONDUCTING THE ACTIVITY OF
CHARTERING OF VESSELS WITH OR WITHOUT CREW AND THE PROVISION OF
GUEST ACCOMMODATION SERVICES ON VESSELS**

PART ONE
INTRODUCTORY PROVISIONS

Subject matter of regulation and the scope of application

Article 1

(1) This Ordinance lays down terms and conditions for performing the activity of chartering of yachts or boats with or without crew, including the provision of guest accommodation services on yachts or boats (hereinafter referred to as “vessel”), in the internal waters and the territorial sea of the Republic of Croatia.

(2) The provisions of this Ordinance shall also apply to a vessel, which is provided for a charge to an end user in a third country so far as the navigation takes place in the Republic of Croatia.

(3) The provisions of this Ordinance shall apply to a vessel, which is provided to an end user in a Member State of the European Union (hereinafter referred to as “EU”) so far as the navigation takes place in the Republic of Croatia, only where expressly provided for in this Ordinance.

Explanation of terms

Article 2

Specific terms in this Ordinance have the following meaning:

1. *vessel* is a waterborne craft, defined in the Maritime Code as a boat or a yacht and used for charter activities
2. *charter activity* includes the lease of a vessel or the provision of accommodation services on a vessel in the internal waters and the territorial sea of Republic of Croatia, in compliance with a special regulation governing the provision of services in nautical tourism
3. *chartering of a vessel* means providing a vessel to an end user for entertainment purposes, with or without crew, without guest accommodation service, for an appropriate fee which is pre-established and publicly available
4. *provision of accommodation service* means providing a vessel to an end user, with or without a crew, for a time period during which passengers overnight on a vessel, for an appropriate fee which is pre-established and publicly available

5. *charter company* is a natural or legal person being the owner or user of a vessel, or having, under written contract, assumed responsibility for operating the vessel, and by assuming such responsibility, having assumed authorities and responsibilities as laid down in this Ordinance and in positive regulations of the Republic of Croatia related to safety of navigation and the protection of the sea from pollution
6. *yacht with professional crew* is a yacht chartered or used for the provision of accommodation services, exclusively with crew members having signed with a yacht owner or user, or with a charter company, a contract of employment or any other contract regulating the employer-employee relationship with regard to working conditions, remuneration and duties
7. *personal watercraft* is a boat of less than 4 meters in length, equipped with an internal combustion engine and a water jet pump as its primary source of propulsion and designed so that a person or persons sit, stand or kneel on it
8. *third country* is a country which is not the Republic of Croatia or a Member State of the European Economic Area (hereinafter referred to as "EEA")
9. *recognized organization* is an organization recognized in compliance with the Regulation of the European Parliament and of the Council (EC) No 391/2009 on common rules and standards for ship inspection and survey organisations
10. *immediate family of the owner of the vessel* is a spouse and a common law partner, lineal next of kin up to the second degree, collateral next of kin up to the first degree, and an adoptive parent and an adoptive child
11. *master of a vessel* is a person operating a vessel and responsible for its safety and legitimate use
12. *Ministry* is the ministry competent for maritime affairs
13. *Minister* is the minister of the ministry competent for maritime affairs.

PART TWO CHARTER ACTIVITY

CHAPTER I VESSEL WHICH CAN BE USED FOR CONDUCTING CHARTER ACTIVITY

Vessel

Article 3

A charter activity may be conducted by:

1. a vessel of Croatian nationality
2. a vessel of the EEA Member State nationality or
3. a vessel of a third-country nationality for which authorization for cabotage has been obtained.

Seaworthiness of a vessel

Article 4

(1) The vessel referred to in Article 3 of this Ordinance shall meet the following conditions:

1. shall be registered for economic use in the state of its nationality
2. technically fit for conducting charter activities in the Republic of Croatia
3. shall have the minimum number of crew members of adequate qualifications
4. shall be in possession of other valid certificates and books complying with regulations of the flag state and
5. shall be in possession of a third-party liability insurance policy also covering harmful events in the internal waters and the territorial sea of the Republic of Croatia.

(2) In addition to the conditions referred to in paragraph 1 of this Article, a vessel of third-country nationality shall obtain from the competent authority of the Republic of Croatia an authorisation for temporary admission of goods with partial relief from import duties, or shall present such valid authorisation obtained from another EU Member State.

(3) Where, in the state of nationality of a vessel, the obligation to register a vessel or the obligation to register the use of a vessel are not required, the provisions of regulations relevant to meeting the requirements referred to in paragraph 1 of this Article shall apply to a vessel of the same technical characteristics flying the Croatian flag and registered for commercial use.

Technical fitness for conducting charter activities

Article 5

(1) A vessel used for the provision of accommodation services shall be built and equipped in a way enabling a several-day accommodation and stay of crew and passengers.

(2) A personal watercraft used for chartering shall be equipped with a system for remote start-up and shut-down of the propulsion machinery.

Technical survey

Article 6

(1) Technical fitness of a vessel to conduct charter activities in the Republic of Croatia shall be determined through a technical survey.

(2) A technical survey of a vessel of foreign nationality shall be carried out within a period of time and the scope identical to the period and the scope of the survey of Croatian flag vessels of the same technical characteristics registered for economic use.

A technical survey of the vessel referred to in paragraph 1 of this Article may be carried out by:

1. maritime administration of the flag state
2. recognized organization authorized by that administration
3. the Ministry, harbour master's office or harbour master's branch office for vessels having a hull up to 24 meters in length or
4. the Croatian Register of Shipping for vessels having a hull over 24 meters in length.

Technical fitness of vessels of foreign nationality

Article 7

(1) A vessel of foreign nationality shall be equipped at least with the equipment as laid down in the provisions of regulations governing statutory certification of vessels of Croatian nationality having the same technical characteristics and use.

(2) Where documents of the vessel referred to in paragraph 1 of this Article do not indicate the navigation area or where it does not conform to navigation areas required for vessels of Croatian nationality, it shall be equipped with equipment required for the internal waters and the territorial sea of the Republic of Croatia.

CHAPTER II
VESSEL'S CREW

Vessel's crew

Article 8

A vessel, except the vessel referred to in Article 4 (3) of this Ordinance, shall have the minimum number of crew of adequate qualifications required for safe navigation in compliance with the provisions of regulations applicable in the state of nationality of a vessel.

Qualification of crew members on a vessel

Article 9

(1) A crew member of the vessel referred to in Article 8 of this Ordinance shall be qualified and shall be in possession of a certificate in support of the qualification.

(2) Where a crew member possesses a certificate in support of his/her qualification, issued by the competent authority of the state which is not the state of nationality of a vessel, then he/she shall also possess an evidence proving that it has been recognized by the state of nationality of a vessel.

(3) The provision of paragraph 2 of this Article shall not apply to certificates issued in compliance with the provisions of regulations governing the manner and conditions for obtaining certificates of qualification of crew members of a vessel in the Republic of Croatia.

Residence and work of foreign national crew members

Article 10

A foreign citizen, a crew member of the vessel referred to in Article 3 of this Ordinance, shall comply with the provisions of special regulations governing residence and work of foreign nationals in the Republic of Croatia.

CHAPTER III Responsibilities of a charter company

Obligation to submit a request for the assignment of user rights to work on the central database

Article 11

(1) Prior to chartering a vessel, a charter company is required to submit to the Ministry a written request for the assignment of user rights to work on the central database, where all registrations of crew and passenger lists on vessels are being recorded.

(2) For a vessel chartered to an end user in a third country, the beginning of chartering, as referred to in paragraph 1 of this Article, shall be considered the first entry in a port open for international traffic in the Republic of Croatia.

Obligations of a charter company

Article 12

(1) A charter company shall:

1. dispose of the equipment for electronic registration of crew and passengers lists, which includes the Internet connection and equipment for advanced electronic signature
2. report a crew and passengers list to the central database of the Ministry prior to any navigation
3. have a guest reception area, owned, leased or concessioned under a concession permit
4. designate at least one person with whom it has signed a contract of employment or any other contract regulating the employer-employee relationship with regard to working conditions, remuneration and duties, being in charge of technical seaworthiness and the delivery of a charter company's vessel, in compliance with the provisions of this Ordinance and positive regulations of the Republic of Croatia, as well as of providing assistance to guests during voyage
5. carry out delivery of a vessel with the master of a vessel and
6. charge the sojourn tax according to special regulations.

(2) The provisions of paragraph 1 (3), (4) and (5) of this Article shall not apply to charter companies providing accommodation services exclusively on yachts with professional crew.

(3) The provisions of paragraph 1 (1), (2) and (6) of this Article shall not refer to charter companies chartering vessels without providing accommodation on a vessel.

Assignment of user rights to work on the central database

Article 13

(1) In a request for the assignment of user rights to work on the central database, a charter company shall submit the following data:

1. title or name, and the seat of a charter company
2. personal identification number (hereinafter referred to as "ID") and/or VAT identification number (hereinafter referred to as "VAT ID") of a charter company
3. name and surname of a responsible person
4. name and surname of a person responsible for safety (Article 12 (1) (4) of this Ordinance)
5. name and surname of persons to enter registrations in the central database
6. list of all vessels (name and/or mark), a copy of a registration sheet or a navigability licence and all other certificates and documents in support of conditions referred to in Article 4 of this Ordinance
7. information on a berthing place of a vessel and a guest accommodation area, i.e. on a charter base and
8. e-mail address and other contact information.

(2) A vessel may be used solely by one charter company at a time.

Provision of personal identification number and tax identification number of non-EU companies

Article 14

(1) A charter company not having a head office in the EU shall provide its ID and VAT ID numbers issued by tax authorities of the Republic of Croatia in the event when a vessel is chartered to an end user in the Republic of Croatia or in a third country.

(2) The charter company referred to in paragraph 1 of this Article shall provide data on a tax agent in the Republic of Croatia.

Provision of personal identification number and tax identification number of companies domiciled in the EU

Article 15

(1) A charter company domiciled in a Member State of the EU shall provide its ID and VAT ID numbers issued by tax authorities of the Republic of Croatia in the event when a vessel is chartered to an end user in the Republic of Croatia or in a third country.

(2) When the charter company referred to in paragraph 1 of this Article charters a vessel to an end user, solely in a third country, it shall then provide a VAT ID number issued by a competent authority of a country of the charter company's domicile.

(3) After having appointed a tax agent in the Republic of Croatia, the charter company referred to in paragraph 1 of this Article shall submit its data to the Ministry.

Provision of certificates and documents of a vessel

Article 16

(1) A charter company registered in the yacht register, i.e. boat register of the Republic of Croatia as owner or user of a vessel shall not be obliged to submit a copy of the certificate of registry or the navigability licence, or any other certificates and documents referred to in Article 13 (1) (6) of this Ordinance.

(2) For a vessel of Croatian nationality, other than the vessel referred to in paragraph 1 of this Article, a charter company shall provide a charter party, i.e. a business cooperation agreement concluded with a vessel owner or user, which shall contain the ID number of the owner or user of a vessel.

(3) The agreement referred to in paragraph 2 of this Article shall be certified by a notary public.

Responsibilities of a charter company related to vessels of the EEA Member State nationality

Article 17

(1) For a vessel of the EEA Member State nationality, a charter company shall, in addition to certificates and documents referred to in Article 13 (1) (6) of this Ordinance, provide:

1. a record or a report on the last technical survey conducted, as referred to in Article 6 of this Ordinance, which shall clearly indicate place, date, scope and results of the survey and a person conducting out the survey
2. a charter party, i.e. a business cooperation agreement concluded with the owner or user of a vessel, which shall contain the ID or VAT ID number of the owner or user of a vessel, if a charter company is not the owner of a vessel and
3. proof that a navigation safety fee has been paid.

(2) The agreement referred to in paragraph 1 of this Article shall be certified by the authority competent for authentication of signatures.

Responsibilities of a charter company related to vessels of third-country nationality

Article 18

(1) For vessels of third-country nationality, a charter company shall, in addition to certificates and documents referred to in Article 13 (1) (6) of this Ordinance, provide:

1. a record or a report on the last technical survey conducted, as referred to in Article 6 of this Ordinance, which shall clearly indicate the date, place scope and results of the survey and the name of a person conducting the survey

2. a charter party, i.e. a business cooperation agreement with the owner or user of a vessel, which shall contain the ID or VAT ID of the owner or user of a vessel, if a charter company is not the owner of a vessel
3. proof that a navigation safety fee has been paid.
4. authorisation for temporary admission of goods with partial relief from import duties from the competent authority of the Republic of Croatia or shall present such valid authorisation obtained from another EU Member State and
5. a request for obtaining authorization for cabotage.

(2) The agreement referred to in paragraph 1, point 2 of this Article shall be certified by the authority competent for authentication of signatures.

Provision of additional information

Article 19

Where the submitted certificates and documents referred to in Article 13 (1) (6) of this Ordinance, and in Article 17 (1) of this Ordinance, or in Article 18 (1) (1) of this Ordinance do not clearly indicate the compliance with requirements set out in Article 4 of this Ordinance, the Ministry shall request the applicant to submit additional information and, where necessary, to deliver statutory rules and corresponding regulations applicable in the state of nationality of a vessel.

Authorization for cabotage

Article 20

(1) Charter services in compliance of the provisions of this Ordinance may be conducted by vessels of third-country nationality, having procured authorization for cabotage.

(2) The authorization referred to in Paragraph 1 of this Article shall be issued by the Minister and shall be valid for the duration of a calendar year.

(3) The Minister may limit the annual number of authorizations referred to in paragraph 1 of this Article, taking into account that no major disturbance occurs within a particular supply segment on the charter market, for which he/she may seek the opinion of the Croatian Chamber of Commerce or relevant employers' associations.

(4) In the event of significant disturbances in a particular segment of the market, the Minister shall issue a provisional measure to restrict the issuance of authorization for cabotage for a period of 3 months.

Berthing place of a vessel and guest accommodation area

Article 21

(1) A berth is a place in the sea where a vessel is chartered to an end user in the Republic of Croatia.

(2) The berth referred to in paragraph 1 of this Article may be:

1. in a port open for public transport
2. in a concession area (marina, camp etc.) or
3. at a micro location, outside the port open for public transport or a concession area, for which a concession permit has been obtained.

(3) Guest reception area is a place where a charter company carries out a vessel delivery with the master of a vessel.

(4) A charter base is a group of berths at the same location used by a charter company including the guest reception area.

Registration of crew and passenger lists

Article 22

(1) Registration of crew and passenger lists for any vessel shall be carried out electronically in the central database of the Ministry at the latest at the moment of a vessel leaving the port.

(2) Registration of crew and passenger lists shall also be made in cases where a vessel is used by the vessel owner or user of a vessel or by immediate family members of the owner or user of a vessel.

(3) Identification of signatories of crew and passenger lists and confirmation of authenticity of the electronic record shall only be done with an advanced electronic signature.

(4) A crew and passenger list, printed as a return document following the electronic registration of a crew and passenger list, shall be available on board a vessel, and a person responsible for operating a vessel shall present it, upon request, to an authorized person.

(5) In the event where registration of a crew and passenger list cannot be made electronically, it shall be authorized at the competent harbour master's office or harbour master's branch office. Thus authorized crew and passenger list shall be subsequently entered in the central database.

(6) A crew and passenger list form can be found in Annex 1, constituting an integral part of this Ordinance.

(7) In addition to data entered in a crew and passenger list, in accordance with the form in Annex 1 of this Article, a charter company shall also fill out other data, in compliance with special regulations.

Entry of the seafarer's discharge book number and of the purpose of navigation

Article 23

(1) When registering a crew and passenger list, a charter company shall for any crew member of a yacht of Croatian nationality with professional crew, under the section "Type and number of identity document" enter the number seafarer's discharge book.

(2) On a vessel navigating without passengers, the purpose of navigation shall be indicated when registering a crew list.

Record of a crew and passenger list

Article 24

A charter company shall keep record of a crew and passengers list and present it upon request to an authorized person.

Vessel delivery

Article 25

(1) The vessel delivery referred to in Article 6 (1) (3) of this Ordinance includes at least the following elements:

1. check of competency of the master of a vessel
2. submission of all valid certificates and documents of a vessel
3. check of the proper functioning of shipboard devices and equipment
4. familiarization with basic rules of safety of navigation and prevention of marine pollution
5. familiarization with phone numbers of the Maritime Search and Rescue (SAR) services and phone numbers of other emergency services
6. familiarization with the procedure in case of marine accident and
7. familiarization with the weather report and weather warning system etc.

(2) A record on delivery procedure shall be made and signed by a person performing the delivery on behalf of a charter company and by the master of a vessel.

(3) The record referred to in Paragraph 2 of this Article shall be prepared in two copies, one of which shall be available on board a vessel, and the other on the premises of a charter company, and it shall be presented, upon request, to an authorized person.

Certificates and documents

Article 26

(1) Certificates and documents referred to in Article 25 (1) (2) of this Ordinance, being delivered to the master of a vessel, shall be:

1. proof that a vessel is seaworthy
2. proof that the master of a vessel is qualified to operate the vessel in accordance with national regulations of the flag state, i.e. in accordance with regulations of the Republic of Croatia
3. proof of third-party liability insurance policy

4. a list of crew and passengers, except for vessels being exclusively chartered without the provision of accommodation and
5. record of a vessel delivery

(2) Certificates and documents referred to in paragraph 1 of this Article shall always be available on board a vessel for verification purposes by authorized persons.

(3) On a vessel of foreign nationality, in addition to documents referred to in paragraph 1 of this Article, the following shall also be available:

1. proof that a navigation safety fee has been paid
2. a decision on the allotment of VAT ID number
3. authorization for cabotage for a vessel of third-country nationality.

(4) On a vessel chartered to an end user, without the provision of accommodation service, a bill issued in compliance with special regulations shall also be available.

CHAPTER IV NAVIGATION IN THE REPUBLIC OF CROATIA

Article 27

Navigation of a vessel of third-country nationality without authorization for cabotage

A vessel of third-country nationality for which authorization for cabotage has not been obtained may navigate in the internal waters of the Republic of Croatia in order to enter a port open to international traffic or a port in which the shipyard where it is going to be repaired is located, to leave such a port, and to sail between the ports open to international traffic by the shortest customary route without stopping, solely when only professional crew is on board.

Arrival of a vessel chartered to an end user in a third country

Article 28

The master of a vessel chartered to an end user in a third country, when entering the Republic of Croatia by sea, shall:

1. undergo border control and
2. verify a crew and passenger list in the harbour master's office or harbour master's branch office and provide a copy of the contract concluded with an end user.

Arrival of a vessel chartered to an end user in the EU Member State

Article 29

The master of a vessel chartered to an end user in the EU Member State, when entering the Republic of Croatia by sea, shall:

1. undergo border control
2. verify a crew and passenger list in the harbour master's office or harbour master's branch office
3. present a copy of the contract concluded with an end user or any other document in support of chartering of a vessel by an end user and
4. pay the required fees in compliance with special regulations.

Prohibition of navigation

Article 30

(1) Where, during border control, it has been established that the vessel referred to in Article 28 and Article 29 of this Ordinance, or the master do not comply with the requirements of this Ordinance or with other positive regulations of the Republic of Croatia, navigation of a vessel shall be prohibited until the established deficiencies have been remedied.

(2) If the deficiency cannot be remedied within a reasonable time, a vessel shall be ordered to leave the internal waters and the territorial sea of the Republic of Croatia.

Departure of a vessel from the Republic of Croatia

Article 31

(1) Before departure from the Republic of Croatia, the master of the vessel referred to in Article 28 shall:

1. undergo border control
2. verify a crew and passenger list in the harbour master's office or harbour master's branch office and
3. provide a document issued by the taxpayer, indicating the amount of the VAT payable to the state budget of the Republic of Croatia.

(2) Before departure from the Republic of Croatia, the master of the vessel referred to in Article 29 of this Ordinance and the master of a vessel chartered in the Republic of Croatia shall:

1. undergo border control and
2. verify a crew and passenger list in the harbour master's office or harbour master's branch office.

(3) Upon honouring the commitments as referred to in paragraph 1 or paragraph 2 of this Article, the master of a vessel shall leave the internal waters and the territorial sea of the Republic of Croatia by the shortest customary route.

Maritime agent

Article 32

A charter company's activities in compliance with the provisions of this Ordinance, for a vessel of foreign nationality, may be performed by a legal and natural person registered in the Register of Maritime Agents of the Republic of Croatia.

CHAPTER V
MODIFICATION, AVAILABILITY AND EXCHANGE OF DATA
Notification of modification of data

Article 33

A charter company shall without delay notify the Ministry of any modification of data referred to in Articles 13, 14, 15 and 32 of this Ordinance.

Availability and data exchange

Article 34

(1) Charter companies shall have access to data in the central database related to their vessels, and the competent state administration bodies shall have access to data related to all vessels of all charter companies.

(2) The Ministry shall via electronic means submit to the Tax Administration no later than the first day of the month for the previous month data regarding:

1. a vessel which has been chartered in a third country and has sailed in the Republic of Croatia and
2. a vessel which has been chartered in the Republic of Croatia and has departed to a third country.

(3) Vessel data referred to in paragraph 2 of this Article shall contain:

1. title or name, and the seat of a charter company, owner or user of a vessel and tax agent, where appointed by a charter company
2. ID and/or VAT ID of a charter company, owner or user of a vessel and tax agent where appointed by a charter company
3. name and/or mark of a vessel
4. nationality of a vessel
5. date of embarkation of guests
6. port of embarkation of guests
7. date of disembarkation of guests

8. value and currency of the contract
9. date of arrival in the Republic of Croatia
10. date of departure from the Republic of Croatia and
11. next state and port of arrival.

PART THREE
TRANSITIONAL AND FINAL PROVISIONS

Transitional provisions

Article 35

(1) A charter company which, on the date of entry into force of this Ordinance, provides accommodation services on a vessel in the Republic of Croatia, shall align its activity with the provisions of this Ordinance by 31 December 2017 at the latest, and no later than 30 days following the entry into force of this Ordinance it shall provide information on ID and/or VAT ID number, in accordance with the provisions of Article 14, Article 15, Article 16 (2) and Article 17 (1) of this Ordinance.

(2) Authorization for cabotage issued pursuant to the provisions of the Ordinance on the Conditions for Conducting the Activity of Chartering of Vessels with or without Crew and the Provision of Guest Accommodation Services on Vessels (Official Gazette, No 99/13) shall be valid for a period for which it has been issued.

Final provisions

Article 36

By the day of entry into force of this Ordinance, the Ordinance on the Conditions for Conducting the Activity of Chartering of Vessels with or without Crew and the Provision of Guest Accommodation Services on Vessels (National Gazette, No 99/13) shall be repealed.

Article 37

This Ordinance shall be published in the National Gazette and shall enter into force on 1 May 2017.

CLASS: 011-01/17-01/74
REG.NO: 530-03-2-17-1
Done at Zagreb, 25 April 2017

MINISTER

Oleg Butković

10								
11								
12								

NOTE:

Port of embarkation _____

Date of embarkation of passengers: _____

Date of disembarkation of passengers: _____

Date of registration: _____

Registration completed by: _____

_ at ____ o'clock.