



FAS

FAROE ISLANDS
INTERNATIONAL
SHIP REGISTER

FAROE ISLANDS A FAST GROWING REGISTRY

WHY:

WE WANT TO DIVERSIFY OUR ECONOMY!

For centuries the Faroe Islands have been a nation of seafarers and the strengthening of the shipping business is to be seen as a natural addition and supplement to the traditional fisheries and fish farming.

HOW:

By enacting laws that strengthen the financial competitiveness of Faroese shipping business as well as it attracts foreign shipowners to register their ships and companies in the Faroes.

WE HAVE:

- A deeply rooted maritime culture – where shipping occupies 10% of the population and produces 20% of the GDP
- Flexible and highly qualified multilingual workforce – ashore and at sea
- Scandinavian / European legislation
- Tax code accepted on OECD / G20 "white list"

THE FAROE ISLANDS

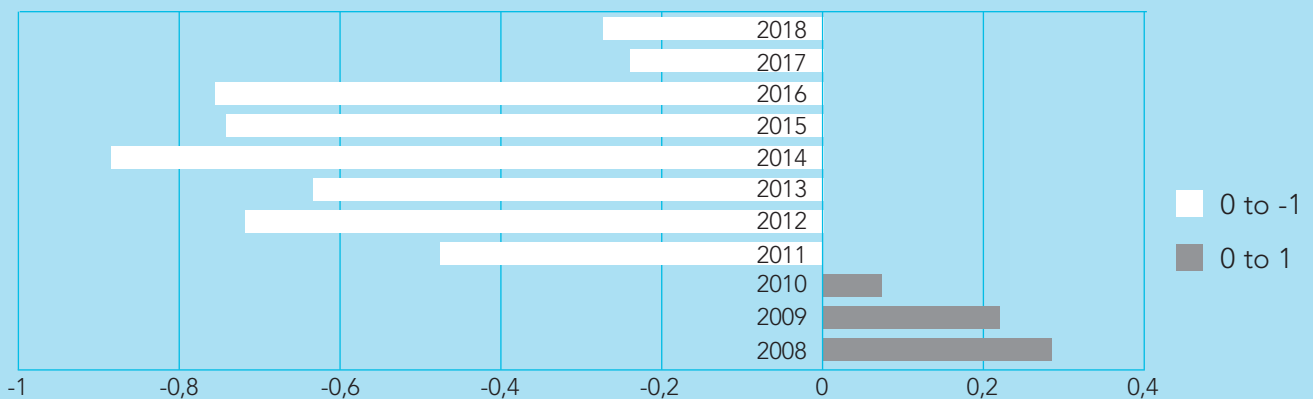
International Ship Register FAS

FAS was enacted in 1992 and revised in 2008. The registry is run by the staff at the Faroese Maritime Authority FMA.

- FAS is open to merchant vessels 100 GT and above
- The requirements for registration of vessels that are 20 years of age or more are higher than those for vessels under 20 years of age
- Bareboat – granted for up to 5 years with the possibility for annual extension
- A Faroese company must be registered as the ship owner. The minimum share capital of a Faroese private limited company is EUR 6,711.00.
- Registration of liens – any currency of denomination - and other rights (Danish Jurisdiction)

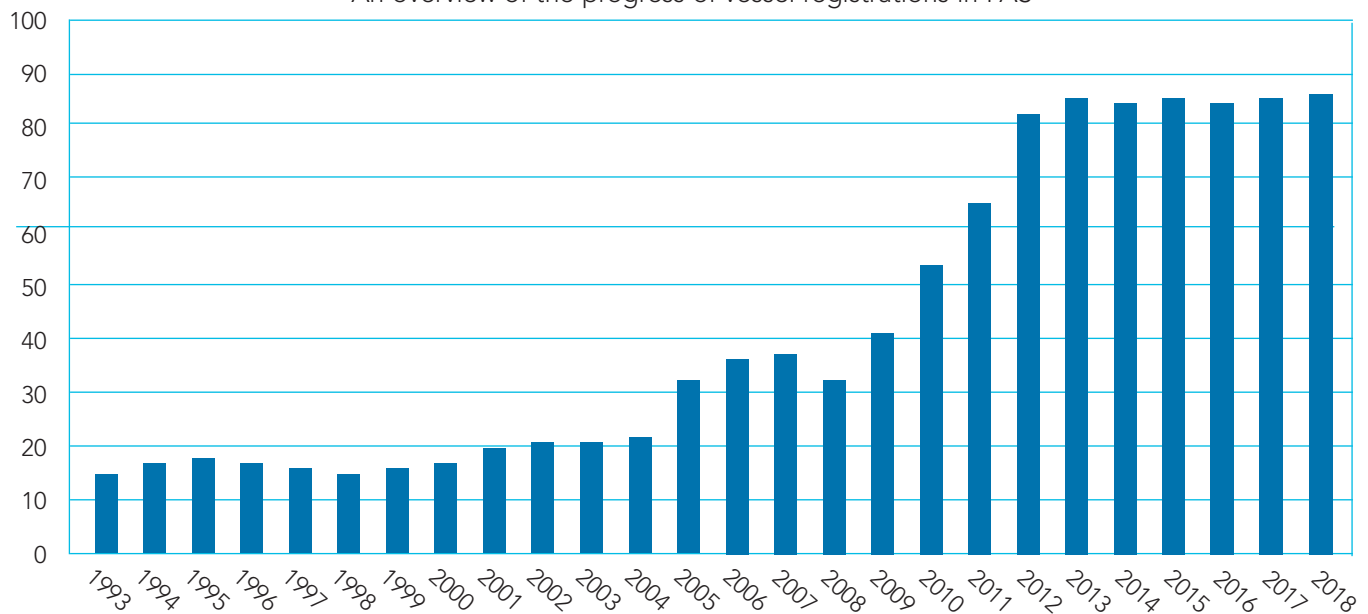
FAROESE FLAG PERFORMANCE 2008 – 2018

– Calculations as per Paris Mou Excess Factor –



FAS REGISTERED SHIPS 1993 – 2018

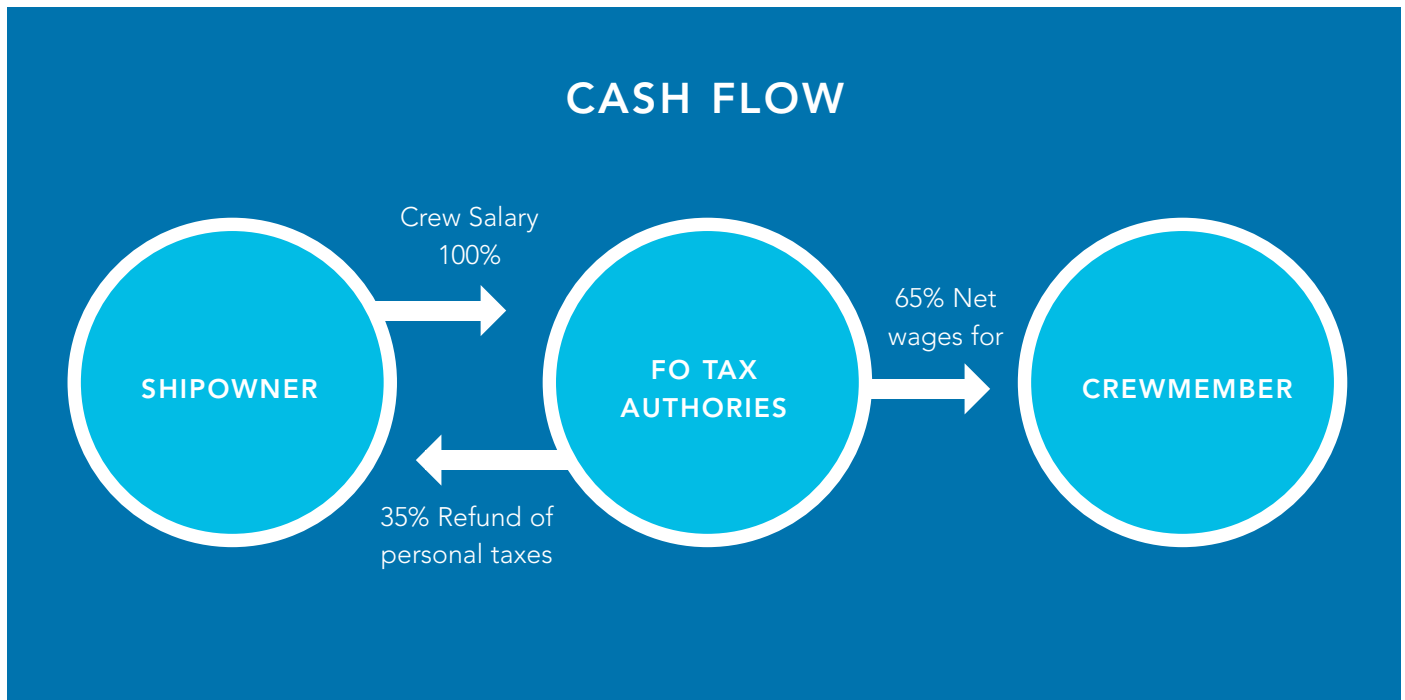
An overview of the progress of vessel registrations in FAS



WE OFFER:

- An open ship register based on Scandinavian quality standards
- Financial benefits, including Tax Refund of crewmembers' personal taxes and a favourable Tonnage Tax System
- Based on our key words "quality, accountability, flexibility & transparency" we render a personal, swift and effective service

WAGE REFUND SYSTEM



Crewmembers pay a 35% flat rate tax.

The shipping company receives a 100% refund of taxes paid, automatically transferred at the beginning of each subsequent month.

Tonnage Tax System

The Faroese TTS is built on the same principles as similar systems in the Nordic countries and the EU, only with fewer restrictions.

- No tonnage ratio with regard to the number of Faroese-flagged vessels.
- Enrolment binding for 3 years.
- No ownership requirements – owned and chartered tonnage may be registered (ships from 100 GT).
- Low rates – no indexation
- No taxation on the profit resulting from the sale of a vessel in the system to a company not in the system.
- Activities closely linked to ship operations may also be included in TTS.

WE ARE PROUD OF THE FACT THAT THE FAROE ISLANDS HAVE ONLY POSITIVE PERFORMANCE INDICATORS IN THE MOST RECENT FLAG STATE PERFORMANCE TABLE.

SHIPPING INDUSTRY FLAG STATE PERFORMANCE TABLE 2017/2018

■ squares suggest positive performance indicators

	Port State Control						Ratification of Conventions							A.739	Age	Reports		IMO	
	Paris MOU White List	Not on Paris MOU Black List	Tokyo MOU White List	Not on Tokyo MOU Black List	USCG Qualship 21	USCG Target List (safety)	SOLAS 74 (and 88 Protocol)	MARPOL including Annexes I - II	MARPOL Annexes III - VI	LL 66 (and 88 Protocol)	STCW 78	ILO MLC	OLO/FUND 92	Recognized Organizations	Low Average Age (Ship Numbers)	On latest STOW 95 'white list'	Completed full ILO Reports	IMO Meetings Attendance	IMO Audit Scheme
China	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Colombia	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Comoros	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Cook Islands	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Costa Rica	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Cote d'Ivoire	■	■	■	■	■	■	■	■	■	■	■	■	■	N/S	■	■	■	■	■
Croatia	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Cuba	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Cyprus	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Dem. People's Rep. Korea	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Dem. Rep. of the Congo	■	■	■	■	■	■	■	■	■	■	■	■	■	N/S	■	■	■	■	■
Denmark	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Dominica	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Egypt	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Estonia	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Faroe Islands	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
France	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

■ - Indicates where a flag administration suffered no detentions within the particular PSC region, but did not meet the relevant minimum requirement of inspections/arrivals, as set by the PSC authorities, to be included in an MOU white list or the Qualship 21 program. In order to be identified in this way with respect to the Paris and Tokyo MOU white lists, a flag must have undergone at least one inspection in the previous three years. With the respect to the Qualship 21 program, a flag must have made at least three distinct arrivals in each of the previous three years. This is in alignment with the way in which the PSC authorities present this information.



"THE FAROESE FLAG AND THE WAGE REFUND SYSTEM IN FAS MEANS THAT WE HAVE HAD SIGNIFICANT SAVINGS ON OUR DAILY MANNING COSTS COMPARED TO THE SWEDISH FLAG."

Lars Höglund, Furetank AB.

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