

For Six Month Period Ending 10/31/08  
(insert date)

I - REGISTRANT

1. (a) Name of Registrant *Office of Deputy Commissioner  
of Maritime Affairs.* (b) Registration No. *4860*

(c) Business Address(es) of Registrant  
*Vanuatu Maritime Services Limited.  
39 Broadway, Suite 2020  
New York, NY 10006*

CRM/ISS/REGISTRATION UNIT  
2008 NOV 14 AM 11:28

2. Has there been a change in the information previously furnished in connection with the following:

- (a) If an individual:
  - (1) Residence address(es) Yes  No
  - (2) Citizenship Yes  No
  - (3) Occupation Yes  No
- (b) If an organization:
  - (1) Name Yes  No
  - (2) Ownership or control Yes  No
  - (3) Branch offices Yes  No

(c) Explain fully all changes, if any, indicated in items (a) and (b) above.

*we moved on November 07, 2008 from: 42 Broadway,  
Suite 1200-18. New York, NY 10004 to: 39 Broadway,  
Suite 2020. New York, NY 10006.*

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4 AND 5(a).

3. If you have previously filed Exhibit C', state whether any changes therein have occurred during this 6 month reporting period.

Yes  No

If yes, have you filed an amendment to the Exhibit C? Yes  No

If no, please attach the required amendment.

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name	Position	Date connection ended
------	----------	-----------------------

(b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period?

Yes  No

If yes, furnish the following information:

Name	Residence address	Citizenship	Position	Date assumed
------	-------------------	-------------	----------	--------------

5. (a) Has any person named in item 4(b) rendered services directly in furtherance of the interests of any foreign principal?

Yes  No

If yes, identify each such person and describe his service.

(b) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name	Position or connection	Date terminated
------	------------------------	-----------------

(c) During this 6 month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? Yes  No

If yes, furnish the following information:

Name	Residence address	Citizenship	Position	Date assumed
------	-------------------	-------------	----------	--------------

6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(c) of the supplemental statement?

Yes  No

If no, list names of persons who have not filed the required statement.

II - FOREIGN PRINCIPAL

7. Has your connection with any foreign principal ended during this 6 month reporting period?

Yes  No

If yes, furnish the following information:

Name of foreign principal

Date of termination

8. Have you acquired any new foreign principal<sup>2</sup> during this 6 month reporting period?

Yes  No

If yes, furnish the following information:

Name and address of foreign principal

Date acquired

9. In addition to those named in Items 7 and 8, if any, list foreign principals<sup>2</sup> whom you continued to represent during the 6 month reporting period.

The Republic of Vanuatu

10. EXHIBITS A AND B

(a) Have you filed for each of the newly acquired foreign principals in Item 8 the following:

Exhibit A<sup>3</sup> Yes  No   
Exhibit B<sup>4</sup> Yes  No  N/A

If no, please attach the required exhibit.

(b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during the 6 month period? Yes  No

If yes, have you filed an amendment to these exhibits? Yes  No

If no, please attach the required amendment.

2 The term "foreign principal" includes, in addition to those defined in Section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a) (9).) A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

3 The Exhibit A, which is filed on Form NSD-3 (Formerly CRM-157), sets forth the information required to be disclosed concerning each foreign principal.

4 The Exhibit B, which is filed on Form NSD-4 (Formerly CRM-155), sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

## III - ACTIVITIES

11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, and 9 of this statement? Yes  No

If yes, identify each such foreign principal and describe in full detail your activities and services:

The office of Deputy Commissioner, c/o Vanuatu Maritime Services Limited, is responsible for the promotion of the Registration of Vessels under the flag of Vanuatu. Part of our services are to contact individuals among of the shipping industry by letter, fax, phone, e-mail or visits to inform them of the Vanuatu ship Registry, we prepare official documents on behalf of the Vanuatu Government for ship owners and financial institutions.

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity<sup>5</sup> as defined below? Yes  No

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates and places of delivery, names of speakers and subject matter.

13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals? Yes  No

If yes, describe fully.

<sup>5</sup> The term "political activities" means any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV - FINANCIAL INFORMATION

14. (a) RECEIPTS - MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes  No

If no, explain why.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies<sup>6</sup>.

Date	From whom	Purpose	Amount
05/01/08 - 10/31/08	Republic of Vanuatu	Contract six months stipend	\$ 419,970

Total  
\$ 419,970

(b) RECEIPTS - FUND RAISING CAMPAIGN

During this 6 month reporting period, have you received, as part of a fund raising campaign<sup>7</sup>, any money on behalf of any foreign principal named in items 7, 8, or 9 of this statement? Yes  No

If yes, have you filed an Exhibit D<sup>8</sup> to your registration? Yes  No

If yes, indicate the date the Exhibit D was filed. Date \_\_\_\_\_

(c) RECEIPTS - THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value<sup>9</sup> other than money from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal? Yes  No

If yes, furnish the following information:

Name of foreign principal	Date received	Description of thing of value	Purpose
---------------------------	---------------	-------------------------------	---------

6, 7 A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. (See Rule 201(e).)

8 An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fund raising campaign and transmitted for a foreign principal.

9 Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) DISBURSEMENTS - MONIES

During this 6 month reporting period, have you

- (1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, or 9 of this statement?      Yes       No
- (2) transmitted monies to any such foreign principal?      Yes       No

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To whom	Purpose	Amount
01/05/08 - 10/31/08	Vendors	Office Expenses	\$ 176,919.15
01/05/08 - 10/31/08	Vendors	Travel Expenses	\$ 7,297.37
01/05/08 - 10/31/08	Vendors	Entertainment	\$ 5.00
01/05/08 - 10/31/08	Vendors	Advertising	\$ 963.00
01/05/08 - 10/31/08	Staff	Employee Expenses	\$ 297,820.17
<b>Total</b>			<b>\$ 483,004.69</b>

Date	Transferred Funds	Purpose	Amount
01/05/08 - 10/31/08	Republic of Vanuatu	Fees	\$ 267,746.43

**(b) DISBURSEMENTS – THINGS OF VALUE**

During this 6 month reporting period, have you disposed of anything of value<sup>10</sup> other than money in furtherance of or in connection with activities on behalf of any foreign principal named in Items 7, 8, or 9 of this statement?

Yes  No

If yes, furnish the following information:

Date disposed	Name of person to whom given	On behalf of what foreign principal	Description of thing of value	Purpose
---------------	------------------------------	-------------------------------------	-------------------------------	---------

**(c) DISBURSEMENTS – POLITICAL CONTRIBUTIONS**

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value<sup>11</sup> in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes  No

If yes, furnish the following information:

Date	Amount or thing of value	Name of political organization	Name of candidate
------	--------------------------	--------------------------------	-------------------

10, 11 Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks" and the like.

V - INFORMATIONAL MATERIALS

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials <sup>12</sup>?  
Yes  No

IF YES, RESPOND TO THE REMAINING ITEMS IN SECTION V.

17. Identify each such foreign principal.

*The Republic of Vanuatu*

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating informational materials? Yes  No

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of informational materials include the use of any of the following:

- Radio or TV broadcasts
- Magazine or newspaper articles
- Motion picture films
- Letters or telegrams
- Advertising campaigns
- Press releases
- Pamphlets or other publications
- Lectures or speeches
- Internet
- Other (specify) *Quarterly update / safety letters.*

20. During this 6 month reporting period, did you disseminate or cause to be disseminated informational materials among any of the following groups:

- Public officials
- Newspapers
- Libraries
- Legislators
- Editors
- Educational institutions
- Government agencies
- Civic groups or associations
- Nationality groups
- Other (specify) *Fleet Safety Letters to Vanuatu Ship Owners*

21. What language was used in the informational materials:

- English
- Other (specify) \_\_\_\_\_

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period? Yes  No

23. Did you label each item of such informational materials with the statement required by Section 4(b) of the Act? Yes  No

<sup>12</sup> The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.

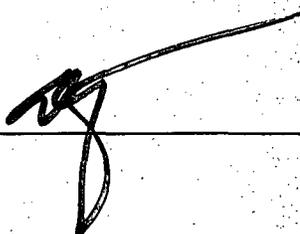
VI - EXECUTION

In accordance with 28 U.S.C. §1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature )

(Type or print name under each signature<sup>13</sup>)

11/13/08



2008 NOV 14 AM 11: 28  
CRM/ISS/REGISTRATION UNIT

<sup>13</sup> This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.





U.S. Department of Justice

National Security Division

Washington, DC 20530

THIS FORM IS TO BE AN OFFICIAL ATTACHMENT TO YOUR CURRENT SUPPLEMENTAL  
STATEMENT - PLEASE EXECUTE IN TRIPLICATE

SHORT-FORM REGISTRATION INFORMATION SHEET

SECTION A

The Department records list active short-form registration statements for the following persons of your organization filed on the date indicated by each name. If a person is not still functioning in the same capacity directly on behalf of the foreign principal, please show the date of termination.

**Short Form List for Registrant: Office of the Deputy Commissioner of Maritime Affairs**

Last Name	First Name and Other Names	Registration Date	Termination Date	Role
Sheetz	Donald J.	10/12/1993	N/A	Deputy Commissioner
Rescigno	Dorothy A.	01/04/2008	N/A	Deputy Commissioner
Bjorkner	Arthur C.	01/04/2008	N/A	Deputy Commissioner



U.S. Department of Justice

National Security Division

Washington, DC 20530

SECTION B

In addition to those persons listed in Section A, list below all current employees rendering services directly on behalf of the foreign principals(s) who have not filed short-form registration statements. (Do not list clerks, secretaries, typists or employees in a similar or related capacity). If there is some question as to whether an employee has an obligation to file a short-form, please address a letter to the Registration Unit describing the activities and connection with the foreign principal.

Name	Function	Date Hired
	N/A	

Signature: [Handwritten Signature]

Date: 11/13/08

Title: [Handwritten Title]

**VANUATU MARITIME SERVICES LIMITED**  
**FOREIGN AGENT REGISTRATION**  
**PERIOD 05/01/08- 10/31/08**

	<u>MAY '08</u>	<u>JUNE '08</u>	<u>JULY '08</u>	<u>AUG. '08</u>	<u>SEPT. '08</u>	<u>OCT. '08</u>	<u>TOTALS</u>
<b><u>OPERATING EXPENSES</u></b>							
RENT - 39 BROADWAY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,574.17	\$11,574.17
RENT - 42 BROADWAY	\$25,434.06	\$14,911.62	\$13,037.27	\$13,164.29	\$13,164.29	\$13,164.29	\$92,875.82
RENT - OFFSITE STORAGE	\$78.85	\$78.85	\$81.42	\$83.46	\$83.46	\$81.42	\$487.46
R.E. TAXES - 42 BROADWAY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
F.A.R.A. REGISTRATION FEE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MISC FEES- 42 BROADWAY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INSURANCE - ALLIED RISK CONS.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INSURANCE - BLDG. & CONTENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INSURANCE - LIABILITY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$270.00	\$270.00
INSURANCE - WORKMAN'S COMP	\$618.28	\$391.37	\$0.00	\$940.99	\$517.77	\$0.00	\$2,468.41
INTEREST	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COMPUTER EQUIPMENT	\$0.00	\$2,176.84	\$0.00	\$0.00	\$0.00	\$0.00	\$2,176.84
COMPUTER SOFTWARE	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$0.00	\$2,500.00
COMPUTER MAINTENANCE	\$0.00	\$2,175.00	\$600.00	\$600.00	\$600.00	\$4,011.25	\$7,986.25
COMPUTER SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COPIER - RENTAL (SUPPLIES)	\$1,007.89	\$360.89	\$360.89	\$1,007.89	\$360.89	\$360.89	\$3,459.34
FAX RENTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
POSTAGE METER - RENTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
POSTAGE METER - RESET	\$200.00	\$0.00	\$200.00	\$0.00	\$0.00	\$200.00	\$600.00
TELEPHONE SYSTEM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PROFESSIONAL FEES	\$0.00	\$3.00	\$39.00	\$295.00	\$0.00	\$16.00	\$353.00
LICENSES \$ PERMITS	\$305.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$305.00
PAYROLL SERVICE	\$170.54	\$166.94	\$166.94	\$179.94	\$166.94	\$166.94	\$1,018.24
401K ADM. EXPENSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
REPAIR & MAINTENANCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BANK SERVICE CHARGES	\$434.94	\$527.05	\$402.72	\$674.88	\$511.07	\$555.61	\$3,106.27
SUBSCRIPTIONS	\$231.86	\$0.00	\$233.19	\$835.00	\$229.73	\$0.00	\$1,529.78
DUES - ANNUAL	\$447.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$447.98
SAFETY BUDGET	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
OFFICE SUPPLIES	\$4,873.99	\$1,055.65	\$2,759.34	\$1,011.87	\$1,154.62	\$748.80	\$11,604.27
LONG DISTANCE TELEPHONE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FAX CHARGES	\$567.78	\$661.26	\$565.89	\$566.61	\$635.58	\$619.43	\$3,616.55
COURIER CHARGES	\$3,287.50	\$3,881.87	\$4,402.91	\$3,016.86	\$3,829.79	\$3,452.22	\$21,871.15
MESSENGER SERVICE	\$56.25	\$0.00	\$0.00	\$0.00	\$0.00	\$70.00	\$126.25
POSTAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
OUTSIDE SERVICES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,700.00	\$7,700.00
SPECIAL PRINTING	\$0.00	\$0.00	\$742.37	\$0.00	\$0.00	\$0.00	\$742.37
PENALTIES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CORP. INCOME TAX	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DONATIONS	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100.00
<b>TOTAL OPERATING EXPENSES</b>	<b>\$37,814.92</b>	<b>\$26,390.34</b>	<b>\$23,591.94</b>	<b>\$24,876.79</b>	<b>\$21,254.14</b>	<b>\$42,991.02</b>	<b>\$176,919.15</b>
<b><u>TRAVEL EXPENSE</u></b>							
TRAVEL EXPENSES	\$587.38	\$0.00	\$0.00	\$1,294.50	\$2,000.00	\$0.00	\$3,881.88
LODGING	\$1,540.49	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,540.49
FOOD & BEVERAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ATTENDANCE FEES	\$0.00	\$0.00	\$0.00	\$1,375.00	\$500.00	\$0.00	\$1,875.00
<b>TOTAL TRAVEL EXPENSE</b>	<b>\$2,127.87</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,669.50</b>	<b>\$2,500.00</b>	<b>\$0.00</b>	<b>\$7,297.37</b>
<b><u>ENTERTAINMENT</u></b>							
ENTERTAINMENT EXPENSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TIPS & GRATUITIES	\$5.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5.00
<b>TOTAL ENTERTAINMENT EXP.</b>	<b>\$5.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$5.00</b>
<b><u>ADVERTISING</u></b>							
ADVERTISING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$963.00	\$963.00
MARITIME BULLETINS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NEWS LETTER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BROCHURES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FACT FILES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HANDOUTS & GIVE AWAYS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EXHIBIT STORAGE & TRANSPORT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL ADVERTISING EXPENSE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$963.00</b>	<b>\$963.00</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$39,947.79</b>	<b>\$26,390.34</b>	<b>\$23,591.94</b>	<b>\$27,546.29</b>	<b>\$23,754.14</b>	<b>\$43,954.02</b>	<b>\$185,184.52</b>
<b><u>EMPLOYEE EXPENSES</u></b>							
INSURANCE	\$6,489.67	\$6,489.67	\$6,489.67	\$7,539.51	\$7,539.51	\$7,535.61	\$42,083.64
PAYROLL TAXES	\$2,661.26	\$2,668.58	\$2,666.74	\$2,664.84	\$2,658.62	\$2,724.22	\$16,044.26
SALARY EXPENSE	\$38,458.32	\$38,458.32	\$38,458.32	\$38,458.32	\$38,458.32	\$43,249.99	\$235,541.59
401K EMPLOYER CONTRIBUTION	\$691.78	\$691.78	\$691.78	\$691.78	\$691.78	\$691.78	\$4,150.68
<b>TOTAL EMPLOYEE EXPENSE</b>	<b>\$48,301.03</b>	<b>\$48,308.35</b>	<b>\$48,306.51</b>	<b>\$49,354.45</b>	<b>\$49,348.23</b>	<b>\$54,201.60</b>	<b>\$297,820.17</b>
<b>TOTAL EXPENSES</b>	<b>\$88,248.82</b>	<b>\$74,698.69</b>	<b>\$71,898.45</b>	<b>\$76,900.74</b>	<b>\$73,102.37</b>	<b>\$98,155.62</b>	<b>\$483,004.69</b>
<b><u>TRANSFERS TO GOVERNMENT</u></b>							
MARINE INVESTIGATION	\$13,050.00	\$2,900.00	\$3,625.00	\$2,900.00	\$5,075.00	\$1,450.00	\$29,000.00
MARINE PARTICIPATION	\$1,506.24	\$272.60	\$108.04	\$163.52	\$291.12	\$47.64	\$2,389.16
RESIDUAL ANZ BANK	\$50,256.75	\$36,521.76	\$21,864.98	\$120,137.63	\$5,128.22	\$26,538.22	\$260,447.56
SHARE OF RENT (30% OF BASE RENT)	-\$3,845.18	-\$3,785.04	-\$4,473.49	-\$3,911.18	-\$4,101.11	-\$3,974.29	-\$24,090.29
<b>TOTAL SENT TO GOVT.</b>	<b>\$60,967.81</b>	<b>\$35,909.32</b>	<b>\$21,124.53</b>	<b>\$119,289.97</b>	<b>\$6,393.23</b>	<b>\$24,061.57</b>	<b>\$267,746.43</b>

CRM/REGISTRATION UNIT  
 2008 NOV 14 AM 11:29

# VANUATU MARITIME SERVICES LIMITED

42 BROADWAY, SUITE 1200-18  
NEW YORK, NEW YORK 10004-1617

Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)  
website: [www.vanuatuships.com](http://www.vanuatuships.com)

Telephone 212-425-9600  
Fax: 212-425-9652

November 13, 2008

## FLEET / SAFETY LETTER 08094.GEN

### RE: CONFIRMATION OF RECEIPT APPLICATIONS (CRA)

Due to the increased demand for **Confirmation of Receipt of Applications (CRA)**, all Deputy Commissioners and Special Agents are authorized to issue CRAs. Hopefully this will preclude problems with Port State Control agents concerning seafarer documentation and reduce the time lag between issuance and receipt of original CRAs.

- A CRA will be issued only if the application is complete.
- **ALL** sections of the application **MUST** be completed and signed by the seafarer and the authorized manning personnel, or owner.
- Medical reports, including drug and alcohol test results, must be included with the application.
- Copies of all required course completion certificates, licenses, endorsements, proof of sea time, etc., must be included with the application.
- Fees for CRAs are to be paid directly to the issuing Deputy Commissioner or Special Agent in US Dollars or local equivalent as specified by the local representative.
- All original applications with a copy of the issued CRA are to be sent for further processing to:

**Vanuatu Maritime Services Limited**  
42 Broadway, Suite 1200-18  
New York, NY, USA 10004-1617

Neither the Deputy Commissioners nor the Special Agents will be liable for any missing documents or lost applications.

#### CRA FEES:

Up to 4 seamen: \$25.00 per person, per ship, with a minimum of \$100.00 per CRA. Five or more add an additional \$25.00 per person, per ship.

Please check the website for a listing of Deputy Commissioners and Special Agents.

Donald J. Sheetz  
Executive Vice President

**Website: [www.vanuatuships.com](http://www.vanuatuships.com)**

**Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)**

2008 NOV 14 AM 11:29  
CRM/ISS/REGISTRATION UNIT

# VANUATU MARITIME SERVICES LIMITED

42 BROADWAY, SUITE 1200-18  
NEW YORK, NEW YORK 10004-1617

Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)  
website: [www.vanuatuships.com](http://www.vanuatuships.com)

Telephone 212-425-9600  
Fax: 212-425-9652

August 12, 2008

## FLEET / SAFETY LETTER 08095.GEN

### RE: LONG-RANGE IDENTIFICATION AND TRACKING OF SHIPS (LRIT)

SOLAS V/19-1 regulation came into force on January 1, 2008, mandating that the Long Range Identification Tracking system (LRIT) on vessels be operational as of December 31, 2008. Compliance with LRIT is mandatory for all vessels of 300 gross tonnage and above. Vessels that do not comply with LRIT may be denied entry into ports or territorial waters of some Contracting Governments.

#### WHO

The LRIT regulation applies to the following ship types engaged on international voyages:

- All vessels of 300 gross tonnage (ITC tonnage) and above
- All passenger ships, including high speed craft
- Cargo ships, including high speed craft, of 300 gross tonnage and above
- Self-propelled mobile offshore drilling units

Ships operating exclusively in Sea Area A1 and fitted with an Automatic Identification System will be exempt.

#### WHEN

A phased approach to the implementation of the regulation will allow for compliance:

- **NOT LATER THAN THE FIRST RADIO SURVEY AFTER 31 DECEMBER 2008**
  - Ships constructed on or after December 31, 2008 (newbuildings)
  - Ships constructed *before* December 31, 2008 and certified for operations in Sea Areas A1, A2 & A3
- **NOT LATER THAN THE FIRST RADIO SURVEY AFTER JULY 1, 2009**
  - Ships constructed *before* December 31, 2008 and certified for operations in Sea Area A4

#### WHAT SHIP OPERATORS (OWNERS AND MANAGERS) MUST DO

The ship operator is to:

- provide shipborne equipment which complies with the LRIT regulation
- have the equipment tested for conformance
- obtain a test certificate

#### SHIPBORNE EQUIPMENT

Currently the only equipment type which satisfies all the conformance requirements of the LRIT regulation is Inmarsat C/Mini-C. Inmarsat C, which includes the Mini-C, will be the primary system used for LRIT, as it is a reliable, proven system, and the majority of ships required to comply with the regulation are already fitted with LRIT compatible Inmarsat C GMDSS or Mini-C

2008 NOV 14 AM 11:29  
CRM/ISS/REGISTRATION UNIT

equipment. Therefore, most owners will not have to invest in new equipment: this was one of the IMO's goals when designing the LRIT regulation.

Ship operators should not fit any type of equipment for LRIT compliance other than Inmarsat C/Mini-C. If they fail the compliance test, they should update or renew their equipment and if they have any questions they should contact VMSL.

Other systems will be developed for LRIT reporting in the future: e.g., a system using low earth orbit satellites will be required for Sea Area A4 coverage.

The terminal must be capable of transmitting the following minimum information set in an Automatic Position Report (APR):

- The identity of the ship
- The position of the ship
- The date and time of the position

In addition, the terminal must be able to respond to polling for an on-demand position report and be able to immediately respond to instructions to modify the APR interval to a frequency of a maximum of once every 15 minutes. APR's will be transmitted at a minimum of 4 times daily to the Vanuatu National Data Center (NDC).

#### **CONFORMANCE TESTING AND TEST CERTIFICATES**

Every terminal allocated for LRIT must undergo LRIT Conformance Testing (LRIT-CT). This test will be performed remotely by CLS without the intervention of the crew onboard the vessel. The testing program will give ship operators time to replace or upgrade any equipment that fails the test.

All LRIT equipment installed on Vanuatu flagged vessels must be tested and certified by CLS. CLS will also be able to issue Conformance Test Reports (Test Certificates) for terminals that pass the test on behalf of Vanuatu. Test Certificates for LRIT terminals will be required for radio surveys and inspections from December 31, 2008.

#### **EQUIPMENT MAKE, MODEL, AND SERIAL NUMBER**

In addition to the above actions required by IMO, it is mandatory that the shipowner/operator provide us with the following information

- the equipment manufacturer,
- the model number, and,
- the serial number of the equipment (SAT C/Mini-C) installed on each vessel.

This information is to be submitted to VMSL **as soon as possible** so VMSL can forward the required information to CLS to enable them to perform the conformance test.

For a listing of Vanuatu flagged vessels required to comply with LRIT, please visit our website after September 15, 2008. Please also complete the attached form and submit it to Ms. Dee Rescigno by email at [drescigno@vanuatuships.com](mailto:drescigno@vanuatuships.com). The website information will be updated on a regular basis.

For additional background information on LRIT, "google" the IMO Document number or visit IMO's website ([www.imo.org](http://www.imo.org)) to download the following resolutions:

LRIT Regulation	IMO Resolution MSC.202(81)
LRIT Performance Standard	IMO Resolution MSC.210(81)
LRIT Timely Establishment	IMO Resolution MSC.211(81)
Safety & Environment	IMO Resolution MSC.242(83)
Interim IDE	IMO Resolution MSC.243(83)
Performance Standard Amendments	IMO Resolution MSC.254(83)
Revised performance standards & functional requirements for the LRIT of Ships	IMO Resolution MSC.264(84)
Establishment of the International Data Exchange on an interim basis	IMO Resolution MSC.265(84)
Guidance on the implementation of the LRIT System	IMO Resolution MSC.1/Circ.1256
Guidance on survey/certification for ships required to transmit LRIT information	IMO Resolution MSC.1/Circ.1257
Guidance to SAR services RE requesting & receiving LRIT information	IMO Resolution MSC.1/Circ.1258
Interim revised technical specifications for the LRIT system	IMO Resolution MSC.1/Circ.1259

We know that this scheme is confusing but we will attempt to assist in any way we can to make it as painless a process as possible.

Best Regards,

Captain Art Bjorkner  
Senior Manager  
Safety, Quality and Security

Dee Rescigno  
Senior Manager  
Vessel Documentation and  
Customer Relations

Donald J. Sheetz  
Executive Vice President

Enclosure

*Website: [www.vanuatuships.com](http://www.vanuatuships.com)*

*Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)*



# VANUATU MARITIME SERVICES LIMITED

42 BROADWAY, SUITE 1200-18  
NEW YORK, NEW YORK 10004-1617

Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)  
Website: [www.vanuatuships.com](http://www.vanuatuships.com)

Telephone: 212-425-9600  
Fax: 212-425-9652

September 30, 2008

## FLEET / SAFETY LETTER 08096.GEN

RE: INTERNATIONAL CONVENTION ON CIVIL LIABILITY FOR BUNKER OIL  
POLLUTION DAMAGE, 2001

» » » » » **NOVEMBER 21, 2008** « « « « «  
REMEMBER THIS DATE!

The *International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001* ("Bunker Convention") goes into force on **November 21, 2008** for all registered owners with ships of over **1000 gross tonnage (ITC)**.

The Republic of Vanuatu acceded to the Bunker Convention on June 20, 2008.

### PURPOSE

The purpose of the Bunker Convention is to ensure that adequate, prompt and effective compensation is available to persons who suffer damage caused by bunker oil pollution from ships other than oil tankers, caused in the territory, including the territorial sea of a State Party, and in the exclusive economic zone of a State Party.

### DEFINITIONS (Article 1.9)

#### **Pollution Damage**

The loss or damage caused outside the ship by contamination resulting from the escape or discharge of bunker oil from the ship, wherever such escape or discharge may occur; provided that compensation for impairment of the environment other than loss of profit from such impairment shall be limited to costs of reasonable measures of reinstatement actually undertaken or to be undertaken; and the costs of preventive measures and further loss or damage caused by preventive measures.

#### **Bunker Oil**

Any hydrocarbon mineral oil, including lubricating oil, used or intended to be used for the operation or propulsion of the ship, and any residues of such oil.

### REQUIREMENTS

The Bunker Convention requires the maintenance of compulsory insurance or financial security, the proof of such coverage shall be through certification.

- **Compulsory insurance or financial security (Article 7)**

Owners of ships greater than 1000 gt (ITC tonnage) are required to maintain insurance or other financial security, such as the guarantee of a bank or similar financial institution, to cover the liability of the registered owner for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime, but in all cases, not exceeding an amount calculated in accordance with the Convention on Limitation of Liability for Maritime Claims, 1976, as amended.

NOV 14 AM 11:30  
ISS/REGISTRATION

A certificate attesting that insurance or other financial security is in force shall be issued to each ship.

- **Certification Requirements**

The **Certificate of Insurance or Other Financial Security in Respect of Civil Liability for Bunker Oil Pollution Damage** (Bunker Certificate) will be issued by Vanuatu upon request and upon receipt of proof of liability insurance or other financial security submitted by the registered owner.

Proof may be, amongst other proof of liability insurance, in the form of a "Blue Card" provided by a member of the P&I Clubs, verifying liability coverage is in full force and in effect for the vessel.

In the case of a self-insurer, proof of coverage must fully comply with the requirements of the Convention.

The Bunker Certificate will contain:

- Vessel name
- Official number
- Port of registry
- IMO number
- Registered owner's name and principal place of business
- The period of validity

The Bunker Certificate, like the CLC Certificate, must be carried on board the vessel at all times.

Owners of vessels to which this Convention applies, should apply now for Vanuatu Bunker Certificates in order to be compliant by the enforcement date: **NOVEMBER 21, 2008**.

For a copy of the "Bunker Convention", visit the IMO website ([www.imo.org](http://www.imo.org)).

Best regards,

Captain Art Bjorkner  
Senior Manager  
Safety, Quality and Security

Donald J. Sheetz  
Executive Vice President

Website: [www.vanuatuships.com](http://www.vanuatuships.com)

Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)

# VANUATU MARITIME SERVICES LIMITED

42 BROADWAY, SUITE 1200-18  
NEW YORK, NEW YORK 10004-1617

Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)

Telephone 212-425-9600

website: [www.vanuatuships.com](http://www.vanuatuships.com)

Fax: 212-425-9652

October 22, 2008

## FLEET / SAFETY LETTER 08097.GEN

**RE: UPDATE TO FLEET / SAFETY LETTER 080905.GEN / ADDITIONAL INFORMATION REQUIRED FOR LONG-RANGE IDENTIFICATION AND TRACKING OF SHIPS (LRIT)**

**Save this Date: DECEMBER 31, 2008 - LRIT Compliance Deadline**

CLS, the organization contracted by the Vanuatu government to conduct conformance tests on its behalf, has recently advised VMSL that additional data is required in order to complete conformance testing.

*In addition* to the equipment manufacturer & model number and, the serial number of the designated SAT C or Mini-C installed on each vessel, the following information is required:

1. Gross Tonnage (ITC Tonnage)
2. SN numbers for Mini-C only
3. Firmware & version for the LRIT designated terminal
4. Sea areas in which vessel is authorized to operate
5. Date of last radio installation survey

Please note: when completing the attached form, list only one terminal with which you choose to transmit and receive LRIT data. If you submit more than one terminal, VMS will choose one terminal to submit to CLS.

Please complete the attached revised form and submit it to Ms. Dee Rescigno by email at [drescigno@vanuatuships.com](mailto:drescigno@vanuatuships.com). You may also contact Dee should you have questions regarding LRIT compliance.

Best Regards,

***Dee Rescigno***

Senior Manager  
Vessel Documentation and Customer Relations

Enclosure.

**Website: [www.vanuatuships.com](http://www.vanuatuships.com)**

**Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)**

2008 NOV 14 AM 11:30  
CRM/ISS/REGISTRATION UNIT



# VANUATU MARITIME SERVICES LIMITED

42 BROADWAY, SUITE 1200-18  
NEW YORK, NEW YORK 10004-1617

Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)  
website: [www.vanuatuships.com](http://www.vanuatuships.com)

Telephone 212-425-9600  
Fax: 212-425-9652

November 13, 2008

## FLEET / SAFETY LETTER 08094.GEN

### RE: CONFIRMATION OF RECEIPT APPLICATIONS (CRA)

Due to the increased demand for **Confirmation of Receipt of Applications (CRA)**, all Deputy Commissioners and Special Agents are authorized to issue CRAs. Hopefully this will preclude problems with Port State Control agents concerning seafarer documentation and reduce the time lag between issuance and receipt of original CRAs.

- A CRA will be issued only if the application is complete.
- **ALL** sections of the application **MUST** be completed and signed by the seafarer and the authorized manning personnel, or owner.
- Medical reports, including drug and alcohol test results, must be included with the application.
- Copies of all required course completion certificates, licenses, endorsements, proof of sea time, etc., must be included with the application.
- Fees for CRAs are to be paid directly to the issuing Deputy Commissioner or Special Agent in US Dollars or local equivalent as specified by the local representative.
- All original applications with a copy of the issued CRA are to be sent for further processing to:

**Vanuatu Maritime Services Limited**  
42 Broadway, Suite 1200-18  
New York, NY, USA 10004-1617

Neither the Deputy Commissioners nor the Special Agents will be liable for any missing documents or lost applications.

#### CRA FEES:

Up to 4 seamen: \$25.00 per person, per ship, with a minimum of \$100.00 per CRA. Five or more add an additional \$25.00 per person, per ship.

Please check the website for a listing of Deputy Commissioners and Special Agents.

Donald J. Sheetz  
Executive Vice President

**Website: [www.vanuatuships.com](http://www.vanuatuships.com)**

**Email: [email@vanuatuships.com](mailto:email@vanuatuships.com)**

2008 NOV 14 AM 11:30  
CRM/ISS/REGISTRATION UNIT

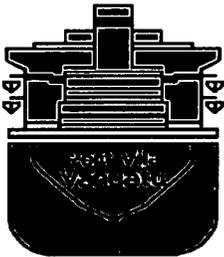
# VANUATU MARITIME SERVICES LTD.

## UPDATE

4/08

Oct/Dec 2008

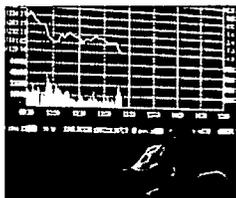
*This Update is intended to keep our friends informed about what is new at VMSL, in Vanuatu, and elsewhere.*



**Captain Mike**



**Magda**



**What Financial Crisis?**

### IMO 60

60 YEARS IN THE SERVICE OF SHIPPING

### International Conventions

**REQUIESCAT  
IN  
PACE!**

#### CHANGES AT VANUATU MARITIME SERVICES LIMITED

On or about November 10, 2008, VMSL will be moving to Suite 2020 at 39 Broadway, New York, New York 10006, just across the street from our current location. Phone, fax, and email address will remain unchanged. (The date of the move to be confirmed.)

We wish to welcome to VMSL Captain Michael DeCharles, who will be assisting with safety, quality and security, and Mrs. Magdalena (Magda) Marocik, who will be assisting with our accounting program. Welcome to the family.

#### MAIIF 17 — SEPTEMBER 29 TO OCTOBER 3, 2008

At the recent meeting in Malta, Don Sheetz was elected Deputy Chairman effective July 1, 2009. The long serving Chairman, Doug Rabe of the USCG, will step down at that time and Martti Heikkilä of Finland, the current Deputy Chairman, will assume the Chairman's position. Joerg Kaufmann of Germany, and Lee, Min-Jung of Korea were elected Assistant Chairmen. Don continues to work on confined space entry issues.

#### FINANCIAL MARKET CONDITIONS

In this time of market uncertainty, and with the collapse of numerous corporations, we at Vanuatu Maritime Services Ltd. want to assure potential new customers that we are here to make ship registration the least of your worries from a financial standpoint. We will cut initial registration fees to the "bare bones" during this period of crisis for bone fide new customers. Email us at [email@vanuatuships.com](mailto:email@vanuatuships.com) with "Bare Bones" in the subject line providing us with the gross and net tonnage, age, class society, type of vessel, and trading area of the vessel or vessels you wish to register, and we will provide you a quote that cannot be beaten elsewhere. To attract these largely discounted fees the vessel must be under 20 years of age, be over 3000 net tons, and be classed with an IACS member.

#### RATIFICATION OF CONVENTIONS

Vanuatu has ratified the following conventions which enter into force on the dates shown:

- International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001: November 21, 2008.
- Convention on the International Mobile Satellite Organization: August 20, 2008.
- International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001: November 20, 2008.
- Protocol of 2005 to the Protocol for the Suppression of Unlawful Acts Against the Safety of Fixed Platforms Located on the Continental Shelf: Not yet in force.
- Protocol of 2005 to the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation: Not yet in force.

#### THE PASSING OF A FRIEND

It is with sadness that we report the death of Mr. Selwyn Aru, previously charge d'affaires in Vanuatu's Permanent Mission to the UN in New York. An educator by training, Selwyn worked for Foreign Affairs for some time before being stationed in New York. On completion of his New York assignment, Selwyn enrolled in the World Maritime University where he obtained his master's degree. Selwyn died while swimming, perhaps suffering a heart attack or stroke. Our most sincere condolences go out to his family.

**Website: [www.vanuatuships.com](http://www.vanuatuships.com)**



**DON AND ART MEET THE CHAIRMAN AND PRESIDENT OF CLASSNK**  
During a recent reception in New York, Don Sheetz and Art Bjorkner had the opportunity to meet Mr. Noboru Ueda the new Chairman and President of ClassNK, one of the IACS members and one of Vanuatu's recognized organizations.



## DIGICEL IS LAUNCHED

Digicel was launched in July with the greatest fanfare ever seen by people in Port Vila. There were major billboards all over town, new main marketing office in the CBD and refill kiosks seemingly in every shop. The launch included a massive rock concert in Independence Park with known performers flown in from the USA. It was all a great success and the uptake of Digicel mobile phones was quite amazing. Coverage has been extended to islands which never had phone service before and the residents are "oh so" grateful. Telecom Vanuatu has responded with far more competitive rates and new services. It is a clear case of the consumer being the big winner and a demonstration of the benefits of competition to the consuming public.

## NEW GOVERNMENT IN PLACE

In a very tight national election, with 345 candidates representing 29 political parties and 89 independent candidates (four of whom were successful) vying for 52 Parliamentary seats, it was not clear even a week later who had the majority to be able to form a government. The crossing of the floor by one independent candidate resulted in a 27 to 25 majority. Within hours the opposition filed a motion of no confidence signed by 27 members of Parliament. Prior to the motion being put to the vote, one of the main opposition parties (who had signed the motion of no confidence) crossed the floor on-mass and joined the government side thereby torpedoing the motion.

## VANUATU - A LESS DEVELOPED NATION

The Vanuatu President spoke to the United Nations about how a small country like Vanuatu has distorted statistics due to its international banking sector and frequent tour ship visits to the capital which increases our average GDP. However, the vast majority of the population, mainly living on outer islands, can't participate or directly benefit from such activity. They remain well within the LDC definition. Suggestions that Vanuatu should "graduate" to a more developed classification will do a grave injustice to the majority of the population. He emphasized that Vanuatu and other Pacific states remain among the most vulnerable countries in the world; both economically and environmentally and this must be recognized by the UN.

## FINANCIAL CENTRE FUTURE DIRECTION SEMINAR

The Reserve Bank of Vanuatu, in conjunction with the Ministry of Finance, sponsored a full day seminar which focused on the contributions of the financial centre, its recent growth, and its future direction. The seminar was attended by senior government officials and representatives of the industry and it was agreed to form a joint government/industry working committee to identify Vanuatu's best markets and to develop a long term plan to grow the industry whilst maintaining international standards. Some amended legislation has already been passed and other amendments are close to being ready for submission to Parliament, after consultation with the industry.

## EASE OF DOING BUSINESS

Vanuatu has been ranked 60<sup>th</sup> in the world for ease of doing business, locally. It was reported to be the biggest improvement of any country in the world in the annual report published by the World Bank and the International Finance Corp. The report ranks economies by 10 criteria including time and cost to meet government requirements to start and operate a business, cross border trading, tax compliance time, and ease of closing a business. We can report that opening, operating and closing a Vanuatu International Company is even far easier than for a company doing local business. Vanuatu ranked ahead of such countries as Taiwan, Italy, Panama, China, PNG, Russia, India, Brazil etc.

## MAJOR ARCHEOLOGICAL DIG

The Pacific's biggest archeological dig continues to amaze the local population as well as international experts. First settlers came over 3,000 years ago, moving south from our northern neighbors, The Solomon Islands and PNG (4-5,000 years ago) but they originally came from what is known today as Taiwan. This belief is based on writings on "Lapita" pottery found near Port Vila. These ancestors were not of Chinese stock as the Chinese only settled in Taiwan about 500 years ago. The original Taiwanese were more Polynesian like.



## STCW WHITE LIST LOU SIGNING IN MALTA

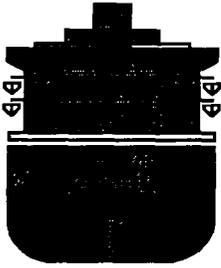
During Don Sheetz' recent trip to Malta, he had the opportunity to receive the formal Malta/Vanuatu Letter of Undertaking whereby Vanuatu will endorse seafarer certificates of competency issued by Malta, for service aboard Vanuatu ships. Here he is with Lino Vasallo and Stephen Camilleri of the Malta Maritime Administration. To date Vanuatu has signed 95 such LOUs.

## UPDATE

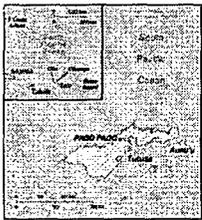
3/08

July/Sept 2008

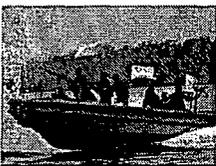
*This Update is intended to keep our friends informed about what is new at VMSL, in Vanuatu, and elsewhere.*



*The Good: Paris MOU White List*



*The Bad: Detentions in Pago Pago*



*The Ugly: Niger Delta Hijackings*



*And Still Uglier — Confined Space Entry Deaths*

### THE GOOD — PARIS MOU ANNOUNCES NEW TARGETING LISTS

At its recent meeting, the Paris MOU Committee approved the 2007 inspection results and adopted new performance lists of flag states and recognized organizations that became effective 1 July. We are very proud of the fact that Vanuatu has moved to the "white" list, with better results than 9 other countries, 7 of which are "traditional" maritime nations. Vanuatu's ultimate goal is to reach the top of the Paris MOU "white" list.

### THE BAD — FISHING VESSELS HELD/DETAINED IN PAGO PAGO

During the second quarter a number of Taiwanese owned Vanuatu flagged fishing vessels were held in Pago Pago under Captain of the Port Orders for safety deficiencies or detained for MARPOL violations. In some cases oil record books were not being properly maintained or oily water separators were in disrepair. These holds or detentions seriously impact Vanuatu's otherwise good US PSC record. A reminder to all: MARPOL applies to all vessels, even fishing vessels.

### THE UGLY — HIJACKING OF THE M/V LOURDES TIDE

At approximately midnight on 13 May 2008, the Vanuatu flagged vessel *M/V Lourdes Tide* was hijacked by local Nigerian militants. The vessel and its crew of 11 were held ransom in one of the Niger Delta creeks. The vessel and its crew were finally released on 25 June. No one was injured. Subsequently 3 other Vanuatu flagged vessels were involved in incidents off the Nigerian and Cameroon coasts. In 2007 alone, more than 200 foreign workers were taken hostage with most of the attacks and kidnappings in Nigeria claimed by the Movement for the Emancipation of Niger Delta (MEND).

### AND STILL UGLIER — CONFINED SPACE ENTRY DEATHS

Vanuatu's representative to MAIF has been collecting information on confined space entry (CSE) issues to support a submission to IMO recommending actions to deal with CSE, and will include, among others, recommendations for additional mandatory training, improved management oversight, improved signage, improved lockout/tagout procedures, etc. To date 18 administrations have responded, reporting 129 incidents, with 124 deaths and 123 injuries. The cases do not include some 2 dozen incidents reported in the press in the last 6 months. Many of the incidents involve 2 or more deaths when would-be rescuers attempt to extract the first victim without taking proper precautions themselves. This is known as the "macho" syndrome. Bob Couttie sums it up nicely when he says: "If you enter a confined space without taking the proper precautions, dig 2 graves: one for yourself and one for the guy that tries to rescue you." More details to follow.

### LRIT — LONG RANGE IDENTIFICATION AND TRACKING OF SHIPS

SOLAS, Chapter V, now makes LRIT mandatory for passenger ships including high speed craft, cargo ships of 300 tons and above, and MODUs. Ships must automatically report their identity, the date/time, and their position 4 times daily. Ships constructed on or after 31 December 2008 must be fitted with LRIT. Ships constructed before then will be phased in depending on their operational area: ships approved for Sea Areas A1 and A2, or A1, A2, and A3, must comply no later than the first radio survey after 31 December 2008; ships operating in Sea Area A4 must comply no later than the first radio survey after 1 July 2009. Ships operating only in Sea Area A1 and fitted with AIS are exempted.

## TAIWAN CONTINUES TO OFFER SUPPORT TO VANUATU

Six nations of the Pacific recognize Taiwan diplomatically. Vanuatu does not. It almost did a couple of years ago but that idea brought down the Government of Serge Vohor. Since then, Vanuatu has reaffirmed its One China Policy, but cultural and economic ties continue with Taiwan. Vanuatu benefits from its economic relationships with both Chinas.

## DOCTORS FROM CUBA

The Minister of Health has signed an agreement with Cuba under which five Cuban doctors will be stationed at Vanuatu outer island medical centers. This assistance by Cuba is very welcome. In addition, Cuba has offered 10 medical scholarships to ni-Vanuatu to study medicine at Cuban medical schools, however, the criteria is such that local applicants may not be successful candidates.

## HOSPITAL UPGRADE

France has awarded a US\$ 6 million grant to Vanuatu to upgrade the Northern District hospital in Santo, with work to start this year. The hospital services the northern half of the country and has been in need of an upgrade for some years.

## TOURIST ARRIVALS

Tourist arrivals continue their strong increase, with a 7% increase compared to last year. This is attributable to more cruise ships calling and more frequent air services. Total arrivals in 2007 were in excess of 170,000, almost evenly distributed between cruise ship arrivals and air arrivals, the latter staying on average in excess of ten days.

## MELBOURNE AIR SERVICE

Air Vanuatu commenced direct non-stop service with Melbourne, Australia, in June. Melbourne is a large population market which has not had direct non-stop service to Vanuatu for some years. The past service, with smaller aircraft, had not been economic.

## STRONG ECONOMIC GROWTH

The Vanuatu Reserve Bank reported continuing strong economic growth, fueled by capital inflows for housing and infra-structures. Net foreign assets of the commercial banks have grown 3.6% in the last year: foreign reserves now cover eight months value of imports (whose value also moved up strongly, particularly the cost of imported fuel). Vanuatu generates its electricity using imported diesel with a small percentage of coconut oil. Housing loan values increased over 50% in the last 12 months. As a result, the Vatu exchange rate increased against all major currencies, except the Australian dollar.

## FINANCIAL CENTRE FUTURE DIRECTION SEMINAR

The Reserve Bank of Vanuatu, in conjunction with the Ministry of Finance, sponsored a full day seminar which focused on the contributions of the financial centre, its recent growth, and its future direction. The seminar was attended by senior government officials and representatives of the industry and it was agreed to form a joint government/industry working committee to identify Vanuatu's best markets and to develop a long term plan to grow the industry whilst maintaining international standards. Some amended legislation has already been passed and other amendments are close to being ready for submission to Parliament, after consultation with the industry.

## PACIFIC BLUE INCREASES ITS SERVICE TO VANUATU

Pacific Blue, the South Pacific regional carrier which is part of the Virgin Airways group, has increased its frequency of service to Vanuatu from Brisbane. They are believed to be also discussing with the Vanuatu government a possible management and/or equity arrangement with Air Vanuatu.

## EFATE RING ROAD COMMENCES

Paving of the 135 kilometer ring road around Efate Island, where Port Vila is located, has commenced. Most of the existing road has never been paved and is often in need of maintenance. This will be the largest civil project ever undertaken in Vanuatu. It is being funded and administered by the Millennium Challenge Corporation, a USA funding organization which supports development in countries it feels are most deserving. The total MCC allocation to Vanuatu is US\$ 70 million.

## NATIONAL ELECTION DATE APPROACHES

September 2 has been set as the date for the next national election where all Parliament seats will be contested and a new government will be formed after the election. The last national election was four years ago and it resulted in a coalition government. Since then there have been substantial changes in the main political parties and many new parties formed. A coalition seems certain again, but its make up is the topic of much speculation.