



Ward & McKenzie

Marine Surveyors, Technical and Legal Consultants

NEWSLETTER - SPRING 2018

Over the last few months I attended the London Boat Show (the last one) which seemed to go pretty well, had a very interesting couple of days in Malta at the Opportunities in Super Yachts Conference and more recently a highly successful Palma Super Yacht Show and the London In Water Show.

Technical

Chris Nicolle continues to be extremely busy, having recently overseen the delivery of a Lagoon 77 catamaran whilst continuing to supervise the build of a second one in that class. The construction of the San Lorenzo 52 proceeds. Of particular interest are instructions to advise on the purchase of a partially built 36m, Moonen Martinique, the first of that particular Class. A very exciting project. The Vessel Construction Agreement has now been signed and delivery is anticipated later in the Summer.



A number of possible future projects are under consideration including an 84m vessel, a 35m offshore work boat as well as a number of other similar projects. Chris has also been acting as an Expert Witness in a number of new vessel construction disputes. In short, he has been kept extremely busy as have our surveyors located in our offices further afield. Daren Bartlett in Mallorca has been particularly busy this Spring, as has Phil Duffy in the South of France.



Consultancy

A major topic of conversation over the last few months has been the Malta Yacht Leasing Scheme and the issuing by Brussels of a "Notice" to Cyprus, Greece and Malta maintaining that the correct amount of VAT has not been levied in respect of the "provision of yachts". The first point to make here is that the Notice is an informal procedure giving the relevant countries the opportunity to respond to the questions raised and that is exactly what Malta, in particular, has done. Applications under the Malta Yacht Leasing Scheme are continuing to be accepted and processed by the Maltese Authorities and whilst the wording of Leases may have been tweaked to take into account a number of recent developments the Scheme is open for business and is

being adopted by clients. A robust response and counter argument has been made by the Maltese Authorities including reference to the fact that all that Malta (and Cyprus) have done is to adopt the well established formulae adopted by France and Italy in their equivalent Leasing Schemes, a point completely ignored in the “Notice” issued by Brussels.



In short the Scheme is currently fully operational and all of the professional advisors with whom I have spoken over the last few months, are confident that it will continue. Any vessels participating in the Scheme will continue to be considered VAT Paid within the EU once the term of the Lease has expired.

The other significant development over the last few months has been the demise of Oyster Yachts. Highly regrettable although at the time of writing indications are that the company, almost in its entirety, has been purchased from the Administrator. One interesting point did arise relating to the loss of the Oyster “Polina Star III” which was to an extent blamed for the demise of the company. Our name cropped up from time to time as a consequence. To provide clarity it might be helpful to point out that we acted on behalf of the Owner of “Polina Star III”. After much research, after the vessel and its keel was salvaged, Chris Nicolle



was able to establish, and notwithstanding the attendance of countless other surveyors with opposing views, the likely cause of the loss. This in turn resulted in our client’s insurers settling the claim for a total loss which in turn enabled the Insurers to commence a recourse action against the Builders/Designers. Professionally, an extremely interesting case although it is regrettable that all of our Survey Reports were disclosed, without our consent, on social media.

The late Spring/early Summer survey season is in full flow and, as ever, we continue to provide a comprehensive service to our clients, be they Buyers, Owners, Insurers or Bankers, including Yacht Conveyancing/ Registration/VAT and ancillary matters and, of course, Technical Inspections /Surveys / Valuations and New Build and Refit Project Management.

The General Data Protection Regulation (GDPR) comes into effect later this month. If you no longer want to receive our Newsletter or similar e mails please let us know by return e mail and we will remove you from our database which we do not share with third parties.

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