MALLORCA YACHTING INDUSTRY NEWS



Network Marine Consultants – What We Do

Some 33 years or so ago, Patricia Bullock, our Founder and Managing Director, recognised the necessity for promotion of the yachting industry in Spain, and the advantages that growth in this sector would have for everyone involved. Her commitment to the cause led, in 1983, to the establishment of Network Marine Consultants. Pat is often invited to speak at major international conferences on the subject of vacht chartering and yachting in general, and was instrumental in lobbying for the changes made to the matriculation tax law in Spain.

Today, the company is considered the market leader in all administrative procedures relating to charter license applications, flagging and deletion requirements, customs procedures in Spain etc.

The Network team is dedicated to providing a personalised, professional service. Our philosophy is "if Plan A doesn't work, there are 25 more letters in the alphabet of which to avail ourselves". So far, we've not had to venture beyond "C".

In an attempt to provide you with an insight into some of the things the office faces on a daily basis relating to things yachting, we set out below a summary of some of the services we provide:

Charter License Services and Procedures

Spanish regulatory requirements and the interpretation thereof can be somewhat complex, and as such it is imperative when considering chartering in Spain, that one seeks professional, yacht-specific advice. Network provides such advice, either directly or through trusted third parties.

We maintain direct contact with the major governing authorities, not only nationally and regionally, but also within the EU, and as such are made aware of changes or developments in legislation and administrative procedures as soon as they occur.

Network compiles a yachtspecific charter license profile, covering everything needed from company formation to charter licenses and Cruising Permits, depending on your specific requirements. The charter license profile is intended to make things as simple and user-friendly as practically possible, with the



ultimate aim of making your yacht operations in Spain run smoothly and efficiently.

Network's Client Charter License Profile includes, but is not limited to:

- Formation of EU and Spanish companies;
- Spanish tax numbers and registration;
- Company administration and accounts;
- Spanish compliance inspections for vessels under 24m:
- Third party and passenger liability insurance for charter purposes;
- Spanish Charter Licenses;
- Cruising permits.

Marine Consultancy

Over and above our charter license services, we are able to provide you with professional consultancy services covering all administrative procedures related to yachting in Spain. We provide advice with regard to importation and exportation of yachts, as well as temporary admission of non-EU vessels into EU waters.

Network has over the years built up a strong affiliation with trusted industry stalwarts, each of whom are devoted to improving the yachting industry, and to whom we outsource should your request fall outside the scope of our specific expertise.

Network Newsflash: Summary of Changes for 2016

• It is important to realise that the charter license process is comprised of two distinct sections, always taking into account that some charter license national legislation has been devolved to the regions. In general:

o The first section relates to the owning/operating company: obtaining a Spanish VAT number, obtaining exemption from matriculation tax and paying the VAT on the charter fees. It is preferable, for many reasons, for the owning/operating company of the vessel to be an EU-based company with an EU VAT registration number.



MARKET LEADERS, SINCE 1983

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- O Spanish Charter Licenses
- O Yacht Registration, Deletion & Flagging
- O EU VAT payments
- Advice regarding temporary admission in the EU
- Import and Export procedures



- o The second section relates to the yacht itself: the vessel's flag, commercial compliance, crew qualification compliance etc. The Balearic Government has confirmed that they will continue to accept charter license applications from non-EU flagged yachts, and is in fact in the process of finalising legislation in this regard. At the moment, this legislation only applies to the Balearics, and does not extend to other regions in Spain.
- As mentioned above, the Balearic Government, on 18 June, 2016, put forward draft legislation that will, after public consultation and a hearing process, regulate chartering activity in its waters. More information regarding this legislation and the implications thereof will be forthcoming in a later article.
- Voluntary Customs Bonding has been abolished, and as such a non-EU vessel entering EU waters may only remain in the EU for a period of 18 months, after which the vessel has to leave and obtain a stamp in a non-EU port before it can come back to re-start the 18 month clock.
- Temporary Importation/ Admission: As a result of the modified EU Customs Code, whereas previously crossing the frontier of the customs territory into the EU was sufficient for a vessel to be considered to be under Temporary Import, this is no longer the case. A vessel

wishing to be placed under Temporary Import/Admission must report to a Customs Port (in the case of Mallorca, either Palma or Alcudia) and declare its arrival and departure. This also applies to Customs procedures for "ordinary" import/export of vessels.

This year has been a bumper one as far as charter license applications is concerned. We have been working flat out to get companies registered, foreigner's identity numbers (NIE number) obtained and vessel documentation in order, so as to ensure that owners have the necessary permission to charter in the Balearics. Once again we would like to reiterate that. given the vast amounts of charter applications being processed and the fact that these numbers increase every year, it is imperative that all the necessary fiscal and vessel documentation is put in place as early in the year as possible. During the summer, the administrative authorities handle an inordinate amount of applications and find themselves overstretched. This means that it is, in some cases, difficult to guarantee that one is able to obtain one's charter permit in time for the beginning of the charter season. Should you wish to contact us, please send an email to admin@networkmarine consultants.com.

The information contained in this article is, to the best of our knowledge, true and accurate at the time of publication, and is for general information purposes only.



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