

THE SUBMARINE PIPELINES REGULATIONS OF 2014\*  
THE EXCLUSIVE ECONOMIC ZONE AND THE CONTINENTAL SHELF LAWS OF 2004 AND  
2014

Regulations pursuant to section 11(2) (f), (h) and (3)

64(I) of 2004  
97(I) of 2014.

The Council of Ministers, in exercising the powers accorded to it by paragraphs (f) and (h) of subsection (2) and subsection (3) of section 11 of the Exclusive Economic Zone and Continental Shelf Laws of 2004 and 2014, issues the following Regulations:

Short title. 1. These Regulations shall be referred to as the Submarine Pipelines Regulations of 2014.

Interpretation. 2.-(1) In these Regulations, unless the context otherwise requires -

“Committee” means the Submarine Pipelines Committee, established pursuant to Regulation 4;

“competent authority” means the Minister of Communications and Works [*now* Minister of Transport, Communications and Works];

“Law” means the Exclusive Economic Zone and Continental Shelf Law of 2004, as amended or replaced from time to time;

“licensee” means the legal person to whom a licence is granted for the laying, construction, conversion or operation of a pipeline pursuant to the provisions of these Regulations;

“Operations Coordinator” means the engineer who is appointed by the competent authority pursuant to Regulation 10;

“pipeline” means the pipe or any permanent or other mobile structure, including all the equipment and installations relating to such pipe or structure, through which liquid, gas or solid is transported.

(2) Terms which are not specifically defined in these Regulations have, unless the context otherwise requires, the meaning assigned to them by the Law.

Scope of application. 3.-(1) These Regulations apply in relation to pipelines, which are laid, constructed, converted or operate either entirely within the Exclusive Economic Zone and/or the Continental Shelf of the Republic, or pass through them.

(2) These Regulations apply subject to the provisions of-

4(I) of 2007  
126(I) of 2013  
29(I) of 2014.

(a) the Hydrocarbons (Prospecting, Exploration and Exploitation) Law and the Regulations issued pursuant thereto, as amended or replaced from time to time;

Official Gazette,  
Third Annex (I):  
2.6.1995  
(No. 151/95).

(b) the Submarine Pipelines for Transfer of Oil and Other Hydrocarbon Products Regulations of 1995, as amended or replaced from time to time;

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\*See Note to Reader at the end of the text.

- 140(I) of 2013. (c) the Geological Surveys Law of 2013, as amended or replaced from time to time;
- 96(I) of 2014. (d) the Organisation and Execution of Hydrographic Activities and Publication of Nautical Charts Law of 2014, as amended or replaced from time to time;
- 189(I) of 2007  
33(I) of 2014  
50(I) of 2014. (e) the Environmental Responsibility regarding the Prevention and Restoration of Environmental Damage Law of 2007, as amended or replaced from time to time;
- 140(I) of 2005  
42(I) of 2007  
47(I) of 2008  
80(I) of 2009  
137(I) of 2012  
51(I) of 2014  
169(I) of 2014. (f) the Assessment of Impact on the Environment from Certain Projects Law of 2005, as amended or replaced from time to time; and
- 51 of 1979  
20(III) of 2001  
35(III) of 2007  
2(III) of 2013. (g) the Convention for the Protection of the Mediterranean Sea against Pollution and Related Protocols (Ratification) Law of 1979, as amended or replaced from time to time.

Submarine  
Pipelines  
Committee.

4.-(1) For the purposes of these Regulations, the Submarine Pipelines Committee is established, which consists of the following members:

- (a) representative of the Minister of Defence;
- (b) representative of the Minister of Agriculture, Natural Resources and Environment [*now* Minister of Agricultural, Rural Development and Environment];
- (c) representative of the Minister of Energy, Trade, Industry and Tourism;
- (d) representative of the Minister of Foreign Affairs;
- (e) representative of the Minister of Labour, Welfare and Social Insurance; and
- (f) representative of the Minister of Communications and Works [*now* Minister of Transport, Communications and Works].

(2) The representative of the Minister of Communications and Works [*now* Minister of Transport, Communications and Works] is designated as the chairman of the Committee and has the following responsibilities:

- (a) convenes the meetings and directs the proceedings of the Committee; and
- (b) draws up the agenda for each meeting of the Committee and communicates it to each member of the Committee at least seven (7) days before the scheduled date of the meeting.

(3) Any matter regarding the internal operation of the Committee is regulated by a relevant decision thereof, made by absolute majority.

(4) The Committee has the following competencies:

- (a) examines the content of the application for the laying, construction, conversion or operation of pipelines in the Exclusive Economic Zone and/or the Continental Shelf of the Republic;
- (b) conducts a hearing regarding the content of the application and consults with

the applicant regarding the route of the pipeline;

(c) consults the competent authority and the Ministers, referred to in paragraph (8) of Regulation 6, in relation to the issuance or non-issuance of the licence, and proposes terms and conditions for the execution of the relevant works and its operation;

(d) approves the agenda of its meetings;

(e) calls to any meeting and/or consults any public servant or employee of public or private law body, as well as any person whose views or expertise on a particular issue may be deemed useful or necessary to its work.

Application for licence.

5.-(1) No person shall have the right to lay, construct, convert and/or operate a pipeline in the Exclusive Economic Zone and/or the Continental Shelf of the Republic, without a licence from the competent authority.

(2) The applicant submits a written application to the competent authority, and pays a fee of ten thousand euro (€10.000) for the examination thereof, at least six (6) months before the proposed date of commencement of the works of laying, constructing, converting or operation of the pipeline.

(3) The application includes the following:

(a) the information of the legal person who intends to lay, construct, convert and/or operate a pipeline in the Exclusive Economic Zone and/or the Continental Shelf of the Republic, which information includes the name, address, state of registration and state of registered office or headquarters, information on the structure and the ownership of capital, and the names and the addresses of the directors of the legal person;

In case where:

(i) the owner of the project is other than the applicant, the same information shall be provided, additionally, for the owner; or

(ii) an application is submitted by a joint venture of legal persons, the required information shall be provided therein regarding each one of the persons who constitute the joint venture;

(b) the nature and the objective purposes of the works of laying, constructing, converting or operating the pipeline;

(c) the duration of the works of laying, constructing, converting the pipeline and the estimated operation of the pipeline;

(d) the proposed design and the proposed constructing methods of the pipeline, taking into account the geological conditions of the proposed route of the pipeline;

(e) the preliminary construction plans, which include any excavation which may be required and/or other constructions or other materials which shall be used for the construction and the protection of the project;

(f) report by an independent technical office on the correctness of the planning, the study, the data and the materials which shall be used for the laying, the construction, the conversion and the operation of the pipeline, in accordance with the applicable international standards, regulations and practices. The report shall set out the tests and the controls required to be carried out at all stages of the project, in order to ensure the implementation of the requirements of the study, as well as the safe operation of the pipeline;

(g) the proposed route of the pipeline, as this has been formulated following the

carrying out of:

- (i) a geological survey, according to the Geological Surveys Law of 2013, as amended or replaced from time to time; and/or
- (ii) a hydrographic survey, according to the Hydrographic Organisation and Execution Activities and Publication of Nautical Charts Law of 2014, as amended or replaced from time to time; and
- (h) the location of any other relevant installation or equipment or construction, with exact geographic coordinates;
- (i) the means to be used, including the name, the flag state, the capacity, the insurance, the type and the class of ships and the description of the equipment thereof;
- (j) the proposed schedule of works, the budget and the technical and economic sources which are available to the applicant for the laying, construction, conversion or operation of the pipeline; and
- (k) information concerning the personnel to be employed for the execution of the project, including information on the number, the expertise and the nationality of the personnel.

(4) With the submission of the application, referred to in paragraph (2), the applicant, in case where the same has not already obtained an environmental approval regarding the proposed laying, construction, conversion or operation of the pipeline, according to the Assessment of Impacts on the Environment from Certain Projects Law of 2005, as amended or replaced from time to time [where the said Law is applicable], is obliged to submit to the competent authority an Environmental Impact Assessment, according to the Assessment of Impacts on the Environment from Certain Projects Law. The competent authority shall transmit the Environmental Impact Assessment to the environmental authority for examination thereof and the issuance of environmental approval, where the said Law is applicable.

(5) With the submission of the application, referred to in paragraph (2), the applicant is obliged to submit to the Minister of Agriculture, Natural Resources and Environment [*now* Minister of Agriculture, Rural Development and Environment], an application according to the Convention for the Protection of the Mediterranean Sea against Pollution and Related Protocols (Ratification) Law, where the said Law is applicable.

(6) In case where the Hydrocarbons (Prospecting, Exploration and Exploitation) Law is applicable, the applicant is obliged to obtain prior exploitation licence according to the said Law.

Procedure of examination of the application and issuance of licence.

6.-(1) Upon receipt of the application, the competent authority transmits copies to the members of the Committee for examination.

(2) The Committee may, at any stage of the examination of the application, request from the applicant any information it considers necessary.

(3) In the context of the examination of the application, the Committee calls the applicant to a hearing before it.

(4) For purposes of examination of the route of the pipeline, the Committee consults with the Director of the Department of Public Works and the Director of the Department of Antiquities of the Ministry of Communications and Works [*now*

Ministry of Transport, Communications and Works], the Director of the Department of Lands and Surveys of the Ministry of Interior, and/or any other authority or person it considers appropriate, regarding the position and protection of:

- (a) existing pipelines and/or cables and/or other existing or expected or planned installations or other projects; and
- (b) antiquities in the Exclusive Economic Zone and/or the Continental Shelf of the Republic.

(5) The Committee calls the applicant for consultation, for the purpose of finding an alternative route, in case where the proposed route:

- (a) coincides with or prevents or affects the operation or reparability of cables, pipelines or other installations already located in the area of the proposed route;
- (b) may cause problems to maritime safety;
- (c) may affect the exploration and exploitation by the Republic of its natural resources;
- (d) may adversely affect the conservation of natural resources and/or constitute risk for the pollution of the environment of the Exclusive Economic Zone and/or the Continental Shelf of the Republic;
- (e) coincides, in full or in part, with an area where the construction of marine works is scheduled, including the planned laying of cables, pipelines or other installations, by the Republic or by licensees;
- (f) coincides, in full or in part, with areas where antiquities exist;
- (g) it is deemed inappropriate by the Committee for reasons of national security and/or public interest;
- (h) it is deemed inappropriate by the Committee, according to the Convention [the United Nations Convention on the Law of the Sea of 1982]:

It is provided that, in case where part of the proposed route of the pipeline includes areas within the territorial sea and/or the territory of the Republic, the Committee calls the applicant for consultation, for the purpose of finding an alternative route, for any reason arising from the application of the legislation of the Republic in these areas.

(6) During the examination of the application, the Committee consults with the environmental authority regarding the impacts which the proposed pipeline may bring about on the environment and regarding the examination procedure of the Environmental Impact Assessment and the issuance of environmental approval by the environmental authority, where this is applicable.

(7) The Committee, taking into account paragraph (2) of Regulation 5 and within a reasonable time period, submits a comprehensive report to the competent authority and to the Ministers referred to in paragraph (8), as well as its recommendation in relation to the route of the pipeline, the issuance or non-issuance of the licence, as well as the terms and conditions for the execution of the works.

(8) The licence for the laying, construction, conversion and/or operation of the pipeline is issued by the competent authority, upon receiving the written consent of the Minister of Foreign Affairs, the Minister of Defence, the Minister of Energy, Commerce, Industry and Tourism and the Minister of Agriculture, Natural Resources and Environment [*now* Minister of Agriculture, Rural Development and

Environment]:

It is provided that the licence for the laying, construction, conversion and/or operation of the pipeline is issued provided that an environmental approval has been issued by the environmental authority, as well as a licence is granted pursuant to the Convention for the Protection of the Mediterranean Sea against Pollution and Related Protocols (Ratification) Law, where the said Laws are applicable.

Reasons for rejecting the application.

7. The competent authority may reject the application regarding the laying, construction, conversion and/or operation of the pipeline in the Exclusive Economic Zone and/or the Continental Shelf of the Republic, for any of the following reasons:

- (a) the application contains information which is inaccurate or false or does not contain all the information referred to in paragraph (3) of Regulation 5;
- (b) subject to the provisions of paragraph (5) of Regulation 6, the applicant does not accept an alternative route of the pipeline;
- (c) protection of the environment;
- (d) national security and/or public interest;
- (e) in case where part of the pipeline is proposed to be laid, constructed, converted and/or operated within the territorial sea and/or the territory of the Republic and the laying, construction, conversion and/or operation of such part is not permitted pursuant to the applicable legislation of the Republic.

Terms of Licence.

8.-(1) The competent authority may impose terms and conditions into the licence, including the following:

- (a) the duration of the licence and the procedure of extending the duration of the licence, if need be;
- (b) the persons authorised to carry out the works and/or use the pipeline;
- (c) the route of the pipeline;
- (d) the geographic limits within which the works shall be carried out;
- (e) the design, the capacity and the operation of the pipeline;
- (f) the material to be transported through the pipeline;
- (g) the measures to be taken in order to avoid or reduce the interference to the exploration and exploitation by the Republic of its natural resources, to fishing or to other marine activities;
- (h) the measures to be taken for the prevention, reduction and control of pollution of the environment from the pipeline, including also the regular maintenance of the pipeline;
- (i) the compulsory insurance against the licensee's liability for any damage that may be caused by the laying, construction, conversion or operation of the pipeline;
- (j) any actions the licensee shall not be entitled to perform in relation to the pipeline, without prior authorisation from the Republic;
- (k) the operation of the pipeline, including the methods according to which it shall operate and the persons who will put and maintain it in operation;
- (l) the information which must be provided to the Republic in relation to the pipeline, including the information which must be notified to the competent

governmental departments of the Republic;

(m) the operation of the AIS system or other system, which transmits full and correct data of the ship, for the purpose of being monitored by the authorities of the Republic; and

(n) to obtain other additional licences and/or approvals from the Republic, according to other laws and/or regulations.

(2) The competent authority may impose additional terms and conditions regarding the part of the pipeline which is proposed to be laid, constructed, converted and/or operated within the territorial sea, pursuant to the legislation of the Republic, which applies to such maritime zone.

Notification of change.

9.-(1) The licensee is obliged to immediately notify the competent authority of any change in the works or in relation to the ship used.

(2) The competent authority, if it considers that the change is material, notifies in this regard the Committee and the Committee may examine the said change and propose to the competent authority the alteration of the terms of the licence or the termination of the licence, depending on the case. In such case, the competent authority may alter the terms of the licence or terminate the licence.

Inspection of works.

10.-(1) The licensee is obliged to comply with any request of the authorities of the Republic for inspection of the works during the laying, construction, conversion, operation, repair or maintenance of the pipeline and for assessment of compliance with the terms of the licence issued, pursuant to the legislation in force from time to time.

(2) Regardless of the generality of paragraph (1), for purposes of monitoring and control of the implementation of the projects the competent authority appoints an Operations Coordinator.

(3) Before the commencement of any laying, construction, conversion, repair or maintenance works of the pipeline, the licensee is obliged to submit to the Operations Coordinator a detailed programme of works, including a detailed description of the methods and practices, which the former shall follow.

(4) During the works, the Operations Coordinator may request additional information and clarifications regarding the works, the constructions and/or the materials to be used, which the licensee is obliged to submit within a period specified by the Operations Coordinator.

(5) The Operations Coordinator may inspect the works at any given moment and the licensee is obliged to provide all the means, information and required facilitations for this purpose.

(6) Upon completion of the laying, construction, conversion, repair or maintenance works of the pipeline, the licensee is obliged to produce a report by an independent technical office on the correctness of the constructions, the data and the materials used, including the tests and inspections made, in accordance with applicable international standards, regulations and practices.

(7) The report referred to in paragraph (6) shall also set out in detail all the tests and controls which are required throughout the duration of the operation of the pipeline on the basis of international standards, so as to ensure the smooth and safe operation

thereof.

(8) The licensee is obliged to follow the schedule of tests and controls and to inform the Operations Coordinator for the progress of implementation of the schedule.

Monitoring by the authorities of the Republic.

11. The licensee is obliged to daily inform the competent authorities of the Republic in relation to the position of the ship and to comply with all the notices to mariners issued by the Republic.

Maritime safety.

12.-(1) The laying, construction, conversion, repair or maintenance works of the pipeline and the operation of the pipeline must not obstruct shipping routes.

(2) The licensee is obliged to refer to the competent authority, for the purpose of issuing a notice to mariners.

Locating of antiquities.

13.-(1) In case where during the laying, construction, conversion, repair or maintenance works of the pipeline, antiquities are located, including ancient shipwrecks, the licensee is obliged to immediately notify the Director of the Department of Antiquities.

(2) The licensee shall not remove or otherwise interfere with the antiquities, including ancient shipwrecks, without obtaining prior licence from the Director of the Department of Antiquities.

Suspension of licence or prohibition of carrying out works.

14.-(1) The competent authority may, by a reasoned decision thereof, suspend the licence issued pursuant to these Regulations or the carrying out of laying, construction, conversion, repair or maintenance works or the operation of the pipeline, specified therein, if:

(a) the works or the operation are not carried out in accordance with the information given on the basis of paragraph (3) of Regulation 5 and/or Regulation 16; or

(b) the terms laid down in accordance with Regulation 8 are not complied with.

(2) The carrying out and/or continuation of the works or the operation of the pipeline are prohibited during the period when the works and/or licence are under suspension as provided for by paragraph (1).

Termination of licence.

15. The competent authority may terminate the licence issued pursuant to these Regulations:

(a) in case of an infringement of the provisions of these Regulations;

(b) in case where the existence of any of the reasons, which according to Regulation 7 would allow the rejection of the application for obtaining a licence, is, at any stage, established;

(c) if, after the lapse of a reasonable time, the reasons for which the laying, construction, conversion, repair or maintenance works or the operation of the pipeline have been suspended, on the basis of Regulation 14, continue to exist;

(d) if the laying, construction, conversion, repair or maintenance works or the operation of the pipeline are carried out in such a manner, which differs from the manner indicated at the stage of the application by the applicant, to such extent which is considered by the competent authority as a material change; and

(e) for reasons of national security and/or public interest.

Repair or maintenance of pipeline.

16. In case where the licensee or any beneficiary intends to carry out repair or maintenance works to an existing pipeline, the same is obliged to notify the competent authority, at least one (1) month or, in case of emergency, as soon as possible prior to the intended commencement of works, giving all relevant information concerning the nature of the repair or maintenance of the pipeline, the exact location of the carrying out of repair or maintenance works and the details of the persons carrying out the works, as well as the means and methods to be used for this purpose, and carries out the works, subject to the provisions of these Regulations.

Protection of the environment.

17.-(1) The provisions of these Regulations do not prejudice the implementation of the applicable legislation of the Republic regarding the protection of the environment and do not exempt any person from the obligation to obtain the necessary approvals and licences required under the said legislation for the carrying out of laying, construction, conversion, repair or maintenance works or the operation of pipelines, as well as the obligation to comply with that legislation.

(2) The licensee is legally liable in case of damage caused by pollution of the environment due to the laying, construction, conversion, operation, repair or maintenance of a pipeline by the same or on behalf thereof, according to the provisions of the Environmental Liability with regard to the Prevention and Restoration of Environmental Damage Law.

Offences and penalties.

18.-(1) Infringement by any person of the mandatory and/or the prohibitive provisions of these Regulations or the terms and conditions of the licence issued, constitutes an offence and, in case of conviction, that person is subject to monetary penalty not exceeding the amount of one-hundred thousand euros (€100.000) for each day during which the offence is committed or continued, or to imprisonment for a period not exceeding four (4) years or to both of these penalties.

(2) When an offence is committed in breach of these Regulations or the terms of the licence issued and this offence is proved to have been committed with the consent or tolerance, or is due to the negligence, of any director, manager, secretary or other officer of a legal person, this person and the legal person are guilty of this offence.

Damage to submarine pipelines.

19.-(1) A person who causes damage, intentionally or negligently, to a submarine pipeline commits a criminal offence and, in case of conviction, is subject to a monetary penalty not exceeding one-hundred thousand euros (€100.000) for each day during which the offence is committed or continued, as well as imprisonment not exceeding four (4) years or both of these penalties.

(2) A person who causes damage to a submarine pipeline and/or cable, is liable for compensation equal to the cost of repairing the damage, and such liability is additional to any other liability which may be imposed thereon, according to the laws of the Republic, regardless if the damage has been caused by negligence or the person has been sentenced for an offence relating to the said damage.

**\*NOTE TO READER**

The present document prepared by the Ministry of Foreign Affairs of the Republic of Cyprus is an English translation of the Submarine Pipelines Regulations of 2014 (No. 579/2014) (Ε.Ε. Παρ. ΙΙΙ(Ι), Αρ. 4840, 23.12.2014, Κ.Δ.Π. 579/2014), issued in accordance with the Exclusive Economic Zone and the Continental Shelf Laws, 2004 and 2014 (Laws 64(Ι)/2004 and 97(Ι)/2014).

However useful the English translation of the Regulations is in practice, it does not replace the original text of the Regulations since only the Greek text of the Regulations published in the Official Gazette of the Republic shall be deemed the authentic text in any case.

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