

REPUBLIC OF PANAMA

Ministry of Finance and Treasury

Office of the Directorate of Merchant Marine Circular No. 14

Consular and Maritime Affairs

To: Shipowners/Operators and Master of Vessels

Subject: Ex Officio Cancellation of Vessels under Panamanian Registry

Reference: a. Regulation 1-76 dated December 17, 1976

b. Law No. 2 of January 17, 1980

c. Law no. 14 of May 27, 1980

1. The D.G.C.M.A. may cancel ex officio the Navigation "Patente" of a vessel under Panamanian registry in any of the following cases:
 - a. If the vessel is in the service of a Nation at war with the Republic of Panama;
 - b. If it is registered in the merchant marine of another country;
 - c. If it is used for contraband, illegal trade or piracy;
 - d. In the event of serious default of the legal requirements pertaining to seaworthiness, safety, sanitation, labor laws and marine environment pollution prevention;
 - e. In the event of default of any international agreement ratified by Panama or of resolutions issued by cognizant branches of the United Nations and, if sanction is contemplated therein;
 - f. In the event of expiration of the Navigation "Patente" without the timely renewal thereof;
 - g. In any other cases established by law.
1. In the case where a vessel registered under the National Merchant Marine is totally lost or sunk, the D.G.C.M.A. shall officially cancel its registration. Such step shall not prevent the shipowner from being liable for levies, duties, charges, contributions, surcharges and interest in general already due at the time of the casualty.
2. The D.G.C.M.A., before officially canceling a vessel might suspend the corresponding Navigation "Patente" and if the vessel has a mortgage will notify the mortgagee to that effect, so that he can exercise his rights under the mortgage. This notice shall be given sixty (60) days in advance.

June 1981

Inquiries concerning the subject of this Circular should be directed to:
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