



PANAMA MARITIME AUTHORITY
Directorate General of Merchant Marine
Segumar Panama

Merchant Marine Circular No. 173

To: Masters, Legal Representatives, Owners/Operators of Panamanian Flagged Vessels, Recognized Organizations, Classification Societies.

Subject: New Guidelines related to the Paris Memorandum of Understanding (Paris MOU).

References: Resolution N°.106-26-DGMM of July 2nd, 2008
Decree Law N°. 7 of February 10, 1998
Decree Law N°. 2 of January 17, 1980
SOLAS 74 and its Amendments

1. The annual reports of the Paris Memorandum of Understanding, which group the European Maritime Authorities for the performance of Port State Control Inspections, show repeated detentions of vessels registered in our National Merchant fleet.
2. According to the latest statistics issued by the Secretariat of the Paris MOU, which are calculated depending on the average performance of the fleet within a three years period, the Panamanian Registry has been placed under an unfavorable position within the Paris MOU.
3. Therefore, this circular has the purpose of informing the general provisions of Resolution No.106-26-DGMM of July 2nd, 2008, as well as the means and directives to comply with it, as follows:
 - 3.1.1. **Require an Occasional Survey** by a Recognized Organization (RO), to all vessels of twenty (20) years of age or more, which next port of call is within a member country of the Paris MOU. This occasional survey will be performed by the RO that issued the statutory certificates; in case that the vessel is holding statutory certificates issued by different RO, the occasional survey shall be carried out by the RO that issued the Cargo Ship Safety Construction Certificate, Load Line Certificate, Safety Equipment Certificate, or the Passenger Ship Safety Certificate. After completion of the survey the RO shall issue a Statement and shall communicate to this Administration, prior to the vessel's departure to a port located within a country member of the Paris MOU. The Statement together with the Survey Report shall be submitted directly to the Port State Control Section of the Navigation and Maritime Safety Department: psc@amp.gob.pa

- 3.1.2. The scope of such occasional survey must cover all conditions related to security, pollution prevention, maritime safety and compliance with all national and international regulations applicable to the vessel, equivalent to Mandatory Annual Surveys. If deficiencies are found at the time of the occasional survey, they are able to be rectified as soon as possible.
- 3.1.3. This occasional survey will be valid for six (6) months and can be advanced with the purpose to make it concurrent with the annual, intermediate, or renewal survey, but it may not be delayed for these same reasons. This means that, if the vessel is still trading to ports within the Paris MOU, and the occasional survey was carried out more than six months ago, a new occasional shall be carried out.
- 3.1.4. The operators and owners are under the obligation to request such survey ahead of time to the RO. It is the obligation of the RO, which certifies the vessel, to notify the operators and owners the need to conduct such survey under the conditions established by this Resolution. When this survey is requested by operators or owners for any reason, the RO cannot avoid the responsibility to carry out this survey.
- 3.1.5. In the case of vessels of twenty (20) years of age or more, which are operating within the ports of country members to the Paris MOU, the occasional survey must be performed before the vessel departs the port where it may be at the time this circular is implemented.
- 3.1.6. In the case that the RO had issued the vessels Technical Certificate within a thirty (30) days timeframe, the General Directorate of Merchant Marine can authorize a detailed Special Inspection by a Flag State Inspector, which will have a validity of six (6) months.
- 3.1.7. The General Directorate of Merchant Marine can require an occasional survey to be performed by an RO, to a vessel that has a high record of non compliance with the international regulations.
- 3.1.8. The General Directorate of Merchant Marine will take measures against RO or Flag State Inspectors if a vessel is detained within the Paris MOU jurisdiction immediately after an occasional survey as described above has been carried out.
- 3.1.9. Those vessels subject to the requirements established in this circular, which do not perform the obligatory occasional survey or that are detained two (2) times within a six (6) months period by a Maritime Authority member of the Paris MOU, will be deleted from the registry, in compliance with formalities established by Law.
- 3.2.1. **Establish a Previous Technical Analysis** for the authorization of registration in the National Merchant Marine, of all vessels twenty (20) years of age or

more. This technical analysis must include, among other things, a review of the history of detentions of the ship, as well as its performance on other MOUs or in its previous flag of registration.

4. The General Directorate of Merchant Marine can reject the registration of any vessel, which its detentions rate denote a high degree of non compliance with the International Conventions ratified by the Republic of Panama, and thus affecting the performance of the National Merchant Marine.

July 29, 2008

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

Directorate General of Merchant Marine

Panama Maritime Authority

Phone: (507) 501-5031 / 501-5033

Fax: (507) 501-5083