

REPUBLIC OF PANAMA

Ministry of Finance and Treasury

Office of the Directorate of Merchant Marine Circular No. 13

Consular and Maritime Affairs

To: Shipowners/Operators and Master of Vessels

Subject: Cancellation of Vessels from the Panamanian Registry

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

b. Law No. 2 of January 17, 1980

c. Circular No. 39/80 dated October 2, 1980

d. Law no. 14 of May 27, 1980

1. The Navigation "Patente" of a vessel under Panamanian Registry can be canceled upon request of its owners, or its agents abroad, through a legal representative.
2. The request for cancellation may be submitted either to the Consuls involved in matters dealing with the National Merchant Marine, or directly to the D.G.C.M.A. When the petition is presented through the Consulate abroad, the Consular officials must obtain authorization for the issuance of the Consent for Cancellation from D.G.C.M.A.
3. The request must be presented in duplicate by the owner/operator of the vessel through a legal representative and a duly signed copy must be sent to the D.G.C.M.A. with the relevant documentation.
4. The following documentation must be submitted with its proper translation into Spanish:
 - a. Power of Attorney
 - b. Certification stating that the owner becomes responsible for any pending debts of the vessels which might arise later, especially the radio fees, and for activities carried out during the period in which it was registered under the Panamanian Flag. This certification must indicate the complete address to which any notification or collection, that is pending, may be sent.
 - c. Panamanian Flag vessels which are encumbered with mortgages must submit a certificate of consent from the mortgagee, or cancellation of encumbrances, as prior condition to the requested authorization. In the event that there is no mortgage, the Free of Encumbrances Certificate will be required.
 - d. Legalized Certification evidencing that the chartering of the vessel does not exist and if it does, a written authorization from the charterers that there is no objection for the cancellation to be required.
 - e. Navigation "Patente" carried by the vessel (Provisional or Statutory).*
 - f. Enrollment contract of the crew in which there is evidence that there are no claims pending on the part of the personnel of the vessel.*
 - g. Radio Permit or License
 - h. Tax Clearance Certificate from the National Treasury, which shall be issued by an official of the National Treasury upon being notified by the D.G.C.M.A. that the vessel has no pending debts with the Public Treasury.
1. Once all these formalities have been complied with, the D.G.C.M.A. may proceed to issue the respective Cancellation Certificate by which the vessel is definitely canceled from the Panamanian Registry and the corresponding Navigation "Patente" and radio license are revoked. The content of such certificate shall be notified to Panamanian Consuls abroad, maritime administrations of other countries and the International Maritime Organization (IMO).

***Note:** As per Circular 39/80 no return of these documents is required. Notwithstanding this, the return of copies of these documents to the D.G.C.M.A. would be appreciated.

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Inquiries concerning the subject of this Circular should be directed to:
Directorate of Consular and Maritime Affairs, New York Representative Office,
Republic of Panama, 1180 Avenue of the Americas, 23rd Floor
New York, New York 10036, U.S.A.