

WORKING GROUP MAKES SIGNIFICANT PROGRESS ON MODIFICATIONS TO GENERAL MERCHANT MARINE LAW

The revision of Law 57 of 6 August 2008 General Merchant Marine, one of the pillar projects of the Panama Maritime Authority (AMP) current administration, is progressing steadily through a working group composed of various stakeholders in the maritime sector and facilitated by the University of Panama's Inter-American School of Social Dialogue and Tripartism (EI-DiSTReC), aiming at increasing the Panama Ship Registry's competitiveness.

This review, that has been elevated to 'Country Strategy', focus on a clear and transparent legislation that contributes to the sustainable growth of the activity.

The proposal contemplates a new flag procedure within the framework of competitiveness, compliance and technology that facilitates the registration of the vessel. Currently, progress has been made on the following:

- It will be possible to obtain the statutory patent with a unique number directly without having to obtain a provisional navigation patent.
- The regulatory navigation patent and the regulatory radio license for international service vessels will not have an expiry date, generating a benefit to the client, thus entering the line of competitiveness within the market. This, except for special circumstances depending on the type of vessel, a particular vessel, or the interests of Panama.
- The possibility of entering the application for the flagging of vessels by means of an interested party with sufficient power of attorney granted by the owner of the vessel is enabled.
- In the regulations related to the judicial sale, the additional concept of "Public Auction" is included to allow the possibility of the full cancellation of the vessel, not only in cases of sale ordered by a maritime court of justice, but also when the vessel has been sold at public auction carried out by an administrative authority.
- The form of notification within the administrative process of the Directorate General of Merchant Marine is modified to allow in a special way notifications by e-mail, instead of an edict on the mural in the Department of Resolutions and Consultations. This adjustment within the legal framework streamlines the processes for clients and for continued compliance as a Registry.

Panama as a State-owned Ship Registry requires international strategies of competitiveness that contribute to the sustainable growth of the activity, according to the international maritime industry with permanent market analyses to promote the registration in Panama's merchant fleet of new vessels and the retention of the registered tonnage leading to expand the framework for issuing waivers and/or economic proposals as deemed appropriate.

As part of the strengthening at international level, of legal certainty- a unique advantage of Panama, it is established that:

- Within the change of ownership procedure, it is established the obligation of prior registration of the title deed of the seller of the vessel.
- The legal security for mortgagees of vessels registered in Panama is reinforced, since the ex officio cancellation of the vessel will not affect the validity of the mortgage previously registered in the General Directorate of Public Registry of Ship Ownership of the Panama Maritime Authority (AMP).

The working group is made up of various members of the maritime sector, unions and public entities such as the Panama Maritime Law Association (APADEMAR), the National Bar Association (CNA), the National Naval Air Service (SENAN), the Association of Panama's shipowners (ARPA), the National Association of Seafarers (CONAGEMAR), the Panamanian Association of Marine Officers (APOM), the National Chamber of Fisheries and Aquaculture of Panama, the Recognized Organizations (IARO), the Panama Chamber of Shipping (CMP), the Aquatic Resources Authority (ARAP), the Ministry of Foreign Affairs (MIRE), the Public Registry of Panama (RPP) and the Judiciary through the Maritime Courts.

On behalf of the AMP, participate the Directorate General of Merchant Marine (DGMM), the Directorate General of Public Registry of Ship Ownership (DGRPPN), the Directorate General of Seafarers (DGGM), the Directorate General of Ports and Auxiliary Maritime Industries (DGPIMA), the Legal Advice Office, the Directorate of Finance, among others.

The EI-DiSTReC of the University of Panama, an academic and scientific body specialized in the promotion of social dialogue, Tripartism and conflict resolution, has acted as a facilitator of this national dialogue.