

President Cortizo receives Carlos del Toro, U.S. Secretary of the Navy

Panama's President Laurentino Cortizo Cohen received the visit of Carlos del Toro, United States Secretary of the Navy to discuss security issues.

Cortizo said he wanted to strengthen relations with the United States and continue working together against irregular migrations, illegal fishing, drug trafficking, and on the security of the Panama Canal.

"The relations between Panama and the United States are unique and based on trust, and the reason why we work together," said the chief executive.

The Panama Maritime Authority (AMP) is aware of the great threat that illegal fishing represents in the world, not only economically but also socially and environmentally.

The AMP, through the Directorate General of Merchant Marine, takes the responsibility and commitment to implement the necessary measures for avoiding, preventing, and discouraging its merchant fleet from engaging in the scourge of illegal fishing.

The AMP's Control and Monitoring Section was, thus, created, and has established a series of contingency, follow-up and control measures which include now, in the case of vessels wishing to join the Register, now, to undergo due diligence and technical analysis.

The Registry has prioritized a purging process of the Panamanian fleet, where the vessels that incur in situations of non-compliance, including sanctions imposed by the United Nations, as well as fishing vessels incurring in an act associated with illegal fishing (IUU), are sanctioned, or cancelled from the Registry.

Secretary Del Toro praised Panama's work in security matters and assured that United States is implementing security strategies, not only in Panama but also in other countries of the region.

Both President Cortizo and Secretary Del Toro discussed educational and security exchange training programs in the United States, in line with the agreements reached in this area.

President Cortizo was accompanied by Foreign Minister Erika Mouynes and Security Minister Juan Manuel Pino, while the Secretary of the Navy was accompanied by the Chargé d'Affaires a.i. of the U.S. Embassy in Panama, Tanya Ward; the Secretary's Senior Advisor for International Affairs, Anne Gebhards; and the military attaché, Captain Rick Ursery.



PANAMA
MARITIME AUTHORITY

Control and monitoring (LRIT Reporting Data)

✓ **6,226 ships monitored**

As per SOLAS -Chapter V- Regulation 19/1
Long Range Identification and Tracking of Ships

✓ **90% of compliance**
5,573 ships

✓ **Weekly screening**
Entire fleet under continuous
control & monitoring

✓ **Compliance standard**
75% - 95%

Benefits ✓ Guarantee compliance with international maritime conventions.
✓ Control, follow up and monitoring of the fleet.

The Panama Ship Registry has grown 9.6% since 2019

The Panama Ship Registry has grown in tonnage by 9.6%, adding 20.4M GT between July 2019 when the current administration took over, and July 2022. With a total tonnage of 240M GT, the Panamanian fleet is composed of 8,595 vessels at August 2022, according to IHS Markit.

In the present year alone, as of August 31, the Registry grew by 1.39% and 4.5M GT, and maintained a 27% retention in its fleet, according to the Panama Maritime Authority (AMP) statistics, which represents a significant improvement to the retention percentage of 10% at end-2021 as well as the decrease of 9.3%, during the same period, of cancellations by transfer which occur by decision of the shipowner or the company operating the vessel, and are transferred to other registries.

At the beginning of the Panama Maritime Authority's new administration in July 2019, the Ship Registry presented a growth in negative numbers (- 2.7%), according to Clarksons Research, which required an immediate change of strategy since the statistics were not encouraging. But almost a year later, in May 2020, the Registry started to show positive numbers, finishing the year with a 3.9% growth and an increase of 10.4M GT.

The Ship Registry (under the Directorate General of Merchant Marine) established a series of performance indicators in the operational processes to measure the service efficiency and quality, and its productivity. To date and for 2020, the goal of net growth in GT, has been met by 68%, and the goal of gross growth in ships and gross growth in GT have been met at 100%.

The Panama Maritime Authority has made a priority to revise and update the Law 57, one of the legal frameworks on which the administration of the Panamanian fleet is based, a process that began in 2020 and which continue, with meetings with the Panama Maritime Law Association (PMLA-APADEMAR).

These figures respond to the administration's implementation of strategies based on four fundamental pillars: process reengineering, technological innovation, international compliance, and improvement in service oriented to customers and their satisfaction. The improvement in fleet compliance, the purging of the registry, due diligence, the promotion of the Registry through specialized media, personalized attention, investment in technology and the search for new benefits and incentives for clients are part of the actions and strategies established and implemented.

The search for international competitiveness remains on the agenda of the national merchant marine.

The agreement between the government of the Republic of Panama and the government of the People's Republic of China on Maritime Transportation had been renewed and offers important advantages to Panama-flagged vessels. The Business Intelligence Department was also created to strengthen the understanding of the shipping business.

In three years of management, the Panama Ship Registry has generated, directly, an average of approximately \$70M a year which are reverted to the Government.

The AMP has held meetings with international clients, ship owners, mainly from Greece, Singapore, Japan, Turkey, and with the Paris MoU Port State authorities. The AMP has proposed a complete revision with updated standards with working tables beginning August 17, 2022. The standards should provide answers to the situations expressed by customers.



PANAMA
MARITIME AUTHORITY



9.6%



#SteeringYourWay

The Panama Registry starts meetings to update Merchant Marine Law

The Panama Ship Registry has begun a series of meetings to modify the Merchant Marine Law 57 of August 6, 2008, as part of the strategies aimed at maintaining its leadership held since 1993 and improving its competitiveness.

This project, considered one of the pillars of the present Administration, contemplates an aggressive and broad international marketing plan, creation of new departments, reassignment of functions to existing departments or sections, adoption of new technologies, among others, in addition to the reengineering and reorientation of the Registry.

The international competitiveness, the dynamic and changing nature of the international maritime sector and the business of the Panamanian State in relation to the Panama Ship Registry require a country's strategy, that must be based on clear and transparent legislation contributing to the sustainable growth of the activity.

This Administration, since it took office in 2019, has continuously analyzed the world maritime industry and monitored the statistics of the Panamanian Registry and its competitors' registries.

This update and review began in 2020 with meetings with the Panamanian Maritime Law Association (PMLA) and with international clients, ship owners mainly from Greece, Singapore, Japan, Turkey, and the Port State authorities of the



Paris MoU, as well as the private consuls of merchant marine, its local representatives.

For this year 2022, it is proposed to have a complete revision and an updated standard that provides answers to the Registry's clients that adjusts to the international market making possible for the Registry to compete on equal terms with other non-state registries that offer innovative options to shipowners.

Technology & Innovation

Faster registration process



PANAMA
MARITIME AUTHORITY



Subsidiary of the giant swiss shipping company MSC signs agreement with Panama for Panamanian seafarer's job opportunities

The First Registry of Ships in the World (Panama) with more than 8,500 ships registered under its flag and MSC Shipmanagement Limited, a subsidiary of the shipping giant Mediterranean Shipping Company (MSC), the world's leading company in terms of container ship capacity and for our ship registry, and one of the most important clients of the Registry, have signed a Memorandum of Understanding (MoU).

This MoU has the purpose of promoting the mechanisms that facilitate the promotion of job opportunities for Panamanian officers, cadets and subordinate personnel and the establishment of specialized maritime education and training programs for Panamanian seafarers who need to work on board the various ship segments, whether operated, owned or for which MSC Shipmanagement Limited provides crew management services, including the recruitment and placement of officers, junior staff and cadets.

The AMP's Director of the General Directorate of Seafarers of the AMP, Juan Maltez, said "this is a great achievement for Panama, where currently the seafarer contracting market shows an encouraging development and behavior, after having received a strong boost, through this management, thanks to its approach of coordinating and joining efforts with the different maritime, logistics and port sectors, both public and private maritime universities, as well as the visit to important shipping companies and enterprises, to promote the placement in the national and international maritime industry of Panamanian officers, cadets and seafarers, who have high-level professional training, competitiveness and who are at the forefront of the technological requirements that guarantee safe and reliable maritime transport, favoring the image of our country and the competence of our seafarers".

For Panama, the Panama Maritime Authority (AMP), was represented by the Director of Seafarers (DGGM), Juan Maltez who signed the agreement and, on behalf of the Mediterranean



Shipping Company (MSC), signed Captain Prabhat Jha, General Director of the Group and CEO of MSC Shipmanagement Ltd Cyprus. Also present were the Ambassador and Consul General of Panama in Greece and recurring in Cyprus, H.E. Julie Lymberopulos.

MSC Shipmanagement Limited, the youngest member of the MSC family, is engaged in the management operations of around 500 ships through the growth of human capital, the development and adoption of the right technology and the continued collaboration of the maritime industry, for which it employs nearly 14,000 people, including ground staff in Cyprus, India, Ukraine and the Philippines, as well as qualified crew on board cargo and cruise ships managed by MSC.



PANAMA
MARITIME AUTHORITY

Begin your process with minimum requirements

-  Name and address of the parties
-  Mortgage amount
-  Payments due or expiration dates
-  Interest rate
-  Ship data registration

Register existing or under construction naval fleets



Panama Ship Registry introduces measures to strengthen Flag Inspection Program



The Panama Maritime Authority (AMP) through the Directorate General of Merchant Marine (DGMM) that oversees the Ship Registry, has introduced measures for strengthening the flag inspection program, with emphasis on vessels calling at US ports eligible for a US Coast Guard's Port State Inspection (PSC), and improving control and compliance rate of the fleet.

The measures will ensure compliance with safety, security, and environmental standards by encouraging and promoting a better maritime industry. In addition, the Registry is increasing monitoring of vessels with deficiencies and detentions through the regional Port State Control regimes.

A series of actions aim at making the Panamanian fleet part of the US Coast Guard's QUALSHIP 21 program, where, at the end of July, the Registry has an average compliance rate of 98.97% for the last 3 years, among which the following stand out:

- A flag inspection mechanism for vessels arriving at U.S. ports, based on risk factor.
- Merchant Marine Notice - MMN-08/2022, which informs that, as of August 1, 2022, a special flag inspection program will be initiated for vessels arriving at US ports whose history makes them candidates for a Port State Inspection (PSC) by the USCG.
- Merchant Marine Circular - MMC 381, which implements the pre-arrival checklist for Panama-flagged vessels arriving at US

ports to help shipowners, operators, technical managers, designated persons ashore (DPA) and the Master of the vessel to find weak elements that may be grounds for detention through PSC inspections by the US Coast Guard.

- Merchant Marine Notice MMN-14/2021, which informs that all Panama-flagged vessels transiting or visiting Panamanian ports prior to arrival in the United States may be subject to a special Security Screening Inspection (SSA), to avoid possible detention in the aforementioned region.

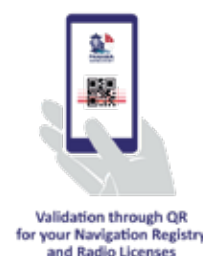
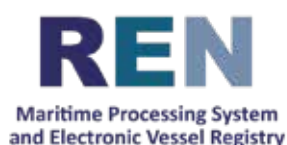
In addition, the AMP has reinforced some mechanisms to improve the fleet performance in the different regions supervised by the Port State control:

- Directorate General of Merchant Marine Resolution No.106-183 of August 03, 2020, which strengthen measures that will detect and act against vessels detained multiple times, so that they for improving their conditions, performance and mitigate the recurrence of detentions, and impose sanctions to Recognized Organizations (RO) and / or ships, who ich have shown serious faults affecting the image of the Panamanian registry.
- Merchant Marine Circular MMC-393: Pre-arrival checklist for Australian ports, to assist ship owners, operators, technical managers, designated persons ashore (DPA) and masters of vessels, in finding weak elements that may result in detention, through Port State Control Inspections by the Australian Maritime Safety Authority.
- Merchant Marine Notice MMN-13/2021 Annual Flag Safety Inspection for Priority 1 vessels in Paris inspection and screening scheme for Paris MOUs arriving at any port in Italy.
- Merchant Marine Notice MMN-02/2022 - Flag Safety Inspection for vessels operating in Paris MoU; it is established that all Panama-flagged vessels over 20 years of age arriving at any port of the signatory countries of this MoU, will be subject to a flag safety inspection (ASI) every six (6) months.

Currently, the Panamanian fleet performance is 96% which should improve with the implementation of these actions expected to reduce detentions and optimize the Registry performance in the various MoUs to which Panama is a party.

Technology & Innovation

Faster registration process



Secretary General of the AMP receives the "Outstanding Woman in the Port and Maritime Sector" award

The Maritime Award of the Americas 2022, organized by the Secretariat of the Inter-American Committee on Ports (CIP) of the Organization of American States (OAS), in collaboration with the OAS' Inter-American Commission of Women (CIM), includes the category Outstanding Woman in the Port and Maritime Sector, which was awarded this year to the Secretary General of the Panama Maritime Authority (AMP) Secretary General, Ms Elvia Bustavino.

For the Award 8th edition, the Jury --composed by CIP/OAS, CIM/OAS, the North American Marine Environmental Protection Association (NAMEPA), HudsonAnalytix, Rightship, the Latin American Society of Marine Oil Terminal Operators and Monobuoys (SLOM) and the Department of Sustainable Development of the OAS- received more than 25 nominations of the highest level from nine countries in North America, Latin America, and the Caribbean. All the nominations demonstrated their commitment to the development of the maritime-port sector in their countries.

Ms Bustavino was recognized for "showing leadership and dedication through her significant achievements and professional contributions to the development of the maritime port sector in the Americas, for promoting the participation and incorporation of women in the sector, competitiveness and the development of ports in Panama," said Jorge Durán, Head of the Secretariat of the CIP/OAS.

The Panama Maritime Authority Secretary General, who also serves as President of the Network of Women in Latin America's Maritime Authorities (MAMLa Network), an association sponsored by the IMO, said that "it is a great honor to serve Panama and to be part of an Administration that has worked to promote women as capable and key professionals in the maritime, port and logistics sector, with a strategic focus on inclusion, training, recognition, visibility, and support for the development of women in a technical industry". "Receiving this award after assessing and evaluating a work based on purpose, values, commitment, impulse me to continue working for leaving a positive legacy in our industry's sustainability."

"The proper use of the national, regional and international



spaces in which she [Ms Bustavino] has participated on behalf of the Panama Maritime Authority and other associations, is a tool and powerful platform to raise awareness and inspire women like her seeking to develop and excel in the maritime port and logistics sector, where Elvia [Bustavino] is a clear example of leadership in the sector. Her trajectory has demonstrated that effort and dedication result in countless achievements that positively impact not only the maritime-port industry but the society as a whole," said the publication prepared by the Secretariat of the Inter-American Committee on Ports of the OAS for the occasion.



PANAMA
MARITIME AUTHORITY

Biggest Coverage Worldwide

Technical assistance and Customer Service
through our 14 Segumar offices and 53 Consulates

AMP collects \$ 9M more than budgeted as of August

The month of August closed with extraordinary results for the Panama Maritime Authority (AMP), a surplus of \$9M over the accumulated budget as of the same date, thus demonstrating that its strategy "Facing the Sea" gives concrete results.

The actual collection corresponds to \$117.3M vs. \$108.2M in the budget, which represents an accumulated compliance of 108% of its goal, which makes it possible to comply 100% with the contributions committed to the Central Government, which total \$43M.

"De Frente al Mar" is the strategy with which this Administration began at the close of 2019 and focused on high impact points, which produce real financial results, of which we can mention: we received a decreasing Merchant Marine fleet, in the previous period the fleet only grew 4.13M Gross Tons (GRT), while in only 3 years this Administration registers a growth of 19.8M GRT, which positively impacts the finances of the Institution. Likewise, the Balboa Shipyard was recovered and is now generating direct and indirect income, the port of El Agallito in Herrera was rebuilt, the floating dock in Puerto Pedregal, the passenger dock on Taboga Island, a gangway was installed in Puerto Pedregal for tourist vessels, initiatives that have an impact on a greater number of sailings and activities that contribute income to the AMP and the country.

In 2021, 47% of the AMP's income came from foreign sources, \$87.8M from services provided by the 53 private merchant marine consulates and 20 technical

offices around the world. While the other 53%, \$98.3M, came from the activity carried out locally in private ports, national ports, issuance of licenses, concessions and others.

The Maritime, Logistics and Port sector is one of the most important components of the country's Gross Domestic Product, where the AMP supports its sustainable growth by encouraging public and private investment.

Last year the maritime works of the Panama Cruise Terminal were completed, receiving 15 cruise ships, and for this year there are already new confirmed reservations, which increases the AMP's income. Likewise, the Institution is in the process of completing the renovation of the docks in Yaviza and Quimba in Darien, the Esterillo in Aguadulce, among others that will add to the revenues.

Meanwhile, public bidding processes have already begun for the Puerto Armuelles fiscal dock and the New Seafood Market in Pedregal Chiriqui, in order to promote economic activity and continue growing in revenues by the year 2023.

The vision of this Administration, the joint work and the team of professionals that the Panama Maritime Authority has, are key to the achievement of the strategy "De Frente al Mar", this is reflected in the \$2,880M that have been collected since the creation of the Institution in 1998, which has resulted in a contribution to the Central Government of \$1,793M for social works in the country.



PANAMA
MARITIME AUTHORITY

We register existing mortgage or undergoing merchant fleets

Merchant Marine Circulars - July 2022

Title	Number	Update
Voyage Data Recorder (VDR) and Simplified Voyage Data Recorder (S-VDR) annual test, and its Performance Standards	MMC-161	July 2022
Optional and Voluntary System for Electronic Books on board of Panamanian Flagged Vessels.	MMC-193	July 2022
List of Approved P&I Clubs/Insurers.	MMC-202	July 2022
Authorized service providers for maintenance, thorough examination, operational testing, overhaul and repair of lifeboats and rescue boats, launching appliances and release gear.	MMC-258	July 2022
Guidelines for the Maintenance, Inspection of Fire-Protection System and Appliances.	MMC-281	July 2022
Companies Representing the Flag State Inspectors.	MMC-374	July 2022

Merchant Marine Notices - July 2022

Title	Number	Update
Approved ASI Inspectors.	MMN-05/2022	July 2022
Special program of Flag inspections for ships arriving at ports in the United States (U.S.)	MMN-08/2022	July 2022

Merchant Marine Circulars - August 2022

Title	Number	Update
Bareboat Charter Flagging.	MMC-35	August 2022
Authorized Private Maritime Security Companies (PMSC) transiting High Risk Areas (online application).	MMC-245	August 2022
Authorized service providers for maintenance, thorough examination, operational testing, overhaul and repair of lifeboats and rescue boats, launching appliances and release gear.	MMC-258	August 2022
Ballast Water Management Convention 2004, Panama Policy.	MMC-345	August 2022

Merchant Marine Notices - August 2022

Title	Number	Update
Segumar offices contact points (24/7 coverage).	MMN-018/2021	August 2022
Ukrainian and Russian waters in the Black Sea and Sea of Azov.	MMN-03/2022	August 2022
AMSA - Planned maintenance on ships.	MMN-09/2022	August 2022

Electronic
registration
with just a
Digital Token



Our 53 consular offices and 14 Segumar international technical offices are 100% operational

24/7



SEGUMAR TOKYO, Japan

segumar@panaconsul-tokyo.com

SEGUMAR PIRAEUS, Greece

segumarpg@segumar.com

SEGUMAR SINGAPORE, Singapore

Segumar.sg@segumar.com

SEGUMAR MIAMI, USA

Segumar.miami@segumar.com

SEGUMAR SEOUL, South Korea

segumarseoul@segumar.com

SEGUMAR BUSAN, South Korea

segumarbusan@segumar.com

SEGUMAR ISTANBUL, Turkey

segumarist@segumar.com

SEGUMAR IMABARI, Japan

segumar.imabari@segumar.com

SEGUMAR LONDRES, UK

segumar.uk@segumar.com

SEGUMAR DUBAI, UAE

segumar.dubai@segumar.com

SEGUMAR MANILA, Philippines

segumar.manila@segumar.com

SEGUMAR HOUSTON-TX, USA

offshore@segumar.com

SEGUMAR SHANGHAI, People's Republic of China

segumar.shanghai@segumar.com

SEGUMAR HONG KONG, People's Republic of China

hongkong@segumar.com