

**AUGUST**  
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# AMP *Reports* 2022



## THE PANAMA SHIP REGISTRY HAS GROWN 9.6% DURING THE CURRENT ADMINISTRATION.

The current Administration of the Panama Maritime Authority responsible for the Ship Registry, began its management in July 2019, when the situation of the Registry according to Clarkson Research, presented a growth in negative numbers (- 2.7%) which required a change, since the statistics were not encouraging.

The first adjustments were implemented and by December of the same year the trend was reversing, closing with -0.6%, that is to say that an improvement was already being reported, that year the Registry closed in positive, just over one and a half million gross tons. As of May 2020, the Registry has remained in positive numbers, reaching its best moment of 3.9% growth in December 2020, where it closed with an additional 10.4 million Gross Registered Tons.

Panama has a growth in relation to the Gross Registered Tonnage earned between July 2019 and July 2022 of 9.6%, adding 20.4 million Gross Registered Tons (GRTs) to its fleet. On the other hand, the international platform IHS Markit reports at the end of July that the Panamanian fleet is made up of 8,587 registered vessels, which represent 239.4 million Gross Registered Tons.

As of July 31, 2022, the Registry grew 3.9 million GRT and maintains a retention of 27% in its fleet, this represents a significant improvement to the retention percentage of the closing of 2021. Another important data is the decrease of 9.3% of cancellations by transfer, those that occur by decision of the shipowner or the operating company of the ship and these are transferred to other registries.

The General Directorate of the Merchant Marine established a series of Performance Indicators in the operating processes to measure the efficiency, quality of service and productivity, for instance, the net growth objective in Gross Registered Tons has been met in 68% and for the goal of gross growth in ships and gross growth in GRT, 100% has been met.

As for the collection of the Panama Ship Registry, in these 3 years of management, it has generated approximately 70 million dollars on average per year, this is directly, a source of fresh foreign currency, which enters the State coffers.



## **RESTART OF THE MEETINGS FOR THE TRIPARTITE MARITIME TABLE WITH THE PARTICIPATION OF THE GOVERNMENT, SEAFARERS AND SHIPOWNERS.**

As part of the commitment carried out by the Panama Maritime Authority (AMP) with the maritime, port and logistics sectors of the country, the seventy-fourth meeting of the Tripartite Table of the Sea (METRIMAR) was held, with the purpose of adopting the legislation that will be applied on board Panamanian-flagged merchant ships of internal service and the Panamanian-flagged commercial fishing vessels of internal and international service.

METRIMAR, contemplates the adoption of a new robust maritime labor law, whose "proposed document" is made up of 288 articles, which are being analyzed in a comprehensive and consensual manner with the social partners for and benefit of the Panamanian seafarers who work on our ships.

During the year 2020, the General Directorate of Seafarers (DGGM) meticulously carried out the draft consisting of 288 articles that would make



up the new maritime labor legislation; these articles were presented for consensus in May 2021, starting METRIMAR. Similarly, during the year 2021, METRIMAR discussed and agreed on the part of the preliminary project dedicated to internal service merchant ships.

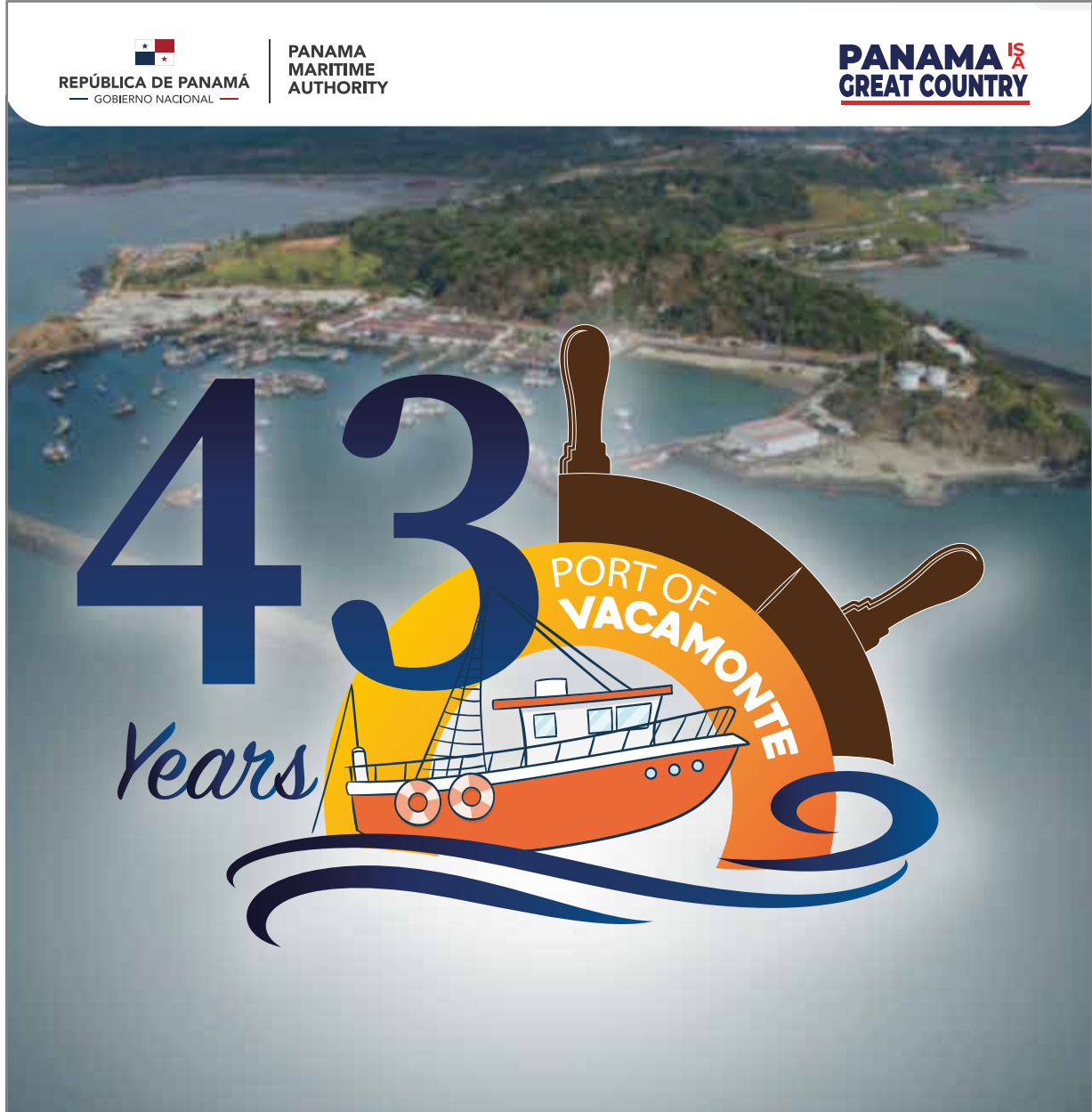


From the very beginning, the meetings have been held in an environment of transparency, dialogue and frank collaboration between the sectors (government, private company, workers represented by union organizations) that work in a transparent manner, for the benefit of seafarers and fishermen, through a high-level debate in order to comply with the principles of tripartite dialogue promoted by the International Labor Organization (ILO), which will benefit the viability of the document when it is presented to the National Assembly of Deputies.

  
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## AMP SHIPMENT COMMITTEE MANAGES TO CONCLUDE EMPLOYMENT CONTRACTS FOR PANAMANIAN SEAFARERS.

“Two and a half years after the first meeting of the Boarding Committee, I am pleased to inform you that it is fulfilling its objective of facilitating the placement of seafarers in a transparent manner, focused on skills and according to the needs of the maritime sector, in compliance with the current national and international legislation, optimizing the search for personnel and providing the best job opportunities for Panamanian seafarers, since it has contributed to date to sign employment contracts for Panamanian seafarers to work on board various types of ships,” said the Administrator of the Panama Maritime Authority (AMP), Noriel Arauz.

The Boarding Committee was created by Resolution J.D. No. 032-2019 (of Thursday, December 26, 2019), published in Official Gazette No. 28934 (of Monday, January 06, 2020), as an entity attached to the General Directorate of Seafarers (DGGM), it has its Boarding Committee Regulations, according to Administrative Resolution No. 107-2021 of June 11, 2021, and arises as a response to the need to have and execute national policies to promote employment in the maritime sector, encourage progression and development skills while increasing employment opportunities for Panamanian seafarers in the national and international maritime market.

As a mechanism to achieve the objectives of this Committee, the Panama Maritime Authority developed and implemented the project called "Data Base for the Placement of Seamen, Offi-

cers and Cadets", which is managed by the Department of Maritime Labor Affairs of the DGGM, which receives all the documentation of the applicant or seafarer who requests boarding through the email [laborintermediation@amp.gob.pa](mailto:laborintermediation@amp.gob.pa), acting as an instrument that facilitates the hiring of personnel.

Among the companies that have requested staff through the database we can mention Boluda, BSM, CAMPBELL, CANDINA, COMERCIAL DAGIN, GLOBAL SEAWAYS, GRUPO MOL, GRUPO SUEVIA, HIDROCARBUROS DEL PACIFICO, INTEROCEANIC SUPPLIES SERVICES, S.A., PACIFIC CREWING MANAGEMENT INC., MARITIMA AVILA, NAVESCO, NOLKATA MARINE, PANAMA MARINE SERVICES, PANAMA MARITIMA JOBS, PANAMA SHIP INTERNATIONAL, STELLA MAOURI, STWARD CORPORATION, SUBWORKS, SYNERGY, among others.

Currently, the market for hiring seafarers in the Republic of Panama shows an encouraging development and behavior. From 2020 to date, 841 employment contracts have been signed and registered with the Panama Maritime Authority, of which 406 correspond to 2022, 263 to 2021 and 172 to 2020.



## **IN SEARCH OF INCREASING ITS COMPETITIVENESS, THE PANAMA SHIP REGISTRY BEGINS MEETINGS WITH THE MARITIME SECTOR TO MODIFY THE GENERAL MERCHANT MARINE LAW.**

As part of the strategies to remain leaders in the registration of ships, a title we have held since 1993, and to improve our competitiveness, we began the discussion for the Modification of Law 57 of the Merchant Marine of August 6, 2008, a work table composed of 12 sessions that correspond to a weekly meeting for approximately 3 months, the main idea is to carry out a comprehensive review of the existing regulations that date back 14 years.

It should be noted that this update and review began in 2020, where meetings were held with the Panamanian Association of Maritime Law (APADEMAR), at the same time, meetings were also held with international clients who own ships, mainly from Greece, Singapore, Japan, Turkey and with the authorities of the Port State Control of the Paris MoU, not to mention the participation of our exclusive merchant marine consuls, our local representatives.

For this year 2022, it is proposed to have a complete review and an updated standard that provides answers to our clients, which is adjusted to the international market so that the Registry can compete on equal terms with other non-state registries that present innovative options to shipowners.

To this end, members of the maritime sector, unions and public entities have

been called to participate, including: the Panamanian Association of Maritime Law (APADEMAR), the National Bar Association (CNA), the National Aeronaval Service (SENAN), the Panamanian Shipowners Association (ARPA), the Recognized Organizations (IARO), the Panama Maritime Chamber (CMP), the Aquatic Resources Authority (ARAP), the Ministry of Foreign Affairs (MIRE), the Public Registry of Panama (RPP), Public Security Council, among others who have contributed their experiences and skills in this review, in which a consensus is sought, so that the legal platform on which the operation of the registry is based is adequate to the needs of the twenty-first century, since the the world scenario in which the Merchant Marine Law was drafted in 2008 has changed considerably and these changes exert their influence on the global market.

On behalf of the AMP, the following are also taking part in the discussions: The General Directorate of the Merchant Marine, the General Directorate of Public Registry of Ship Ownership, the General Directorate of Seafarers, the General Directorate of Ports and Auxiliary Maritime Industries, the Office of Legal Advice, the Directorate of Finance, among others.



  
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## **THE AMP SECRETARY GENERAL 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 Inter-American Commission of Women (CIM) of the OAS, includes the category Outstanding Woman in the Port and Maritime Sector, which was awarded this year to the General Secretary of the Panama Maritime Authority (AMP), Elvia Bustavino.

In this 8th edition of the Award, the Jury made up of CIP/OEA, CIM/OEA, the North American Association for the Protection of the Marine Environment (NAMEPA), HudsonAnalytix, Rightship, the Latin American Society of Operators of Maritime Oil Terminals and Monobuoys (SLOM) as well as the OAS Department of Sustainable Development, received more than 25 high-level applications from nine countries in North America, Latin America, and the Caribbean. In all cases, applications demonstrated commitment to the development of the maritime-port sector of their countries.

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

The Secretary General of the AMP, who in turn serves as President of the Network of Women of Maritime Authorities of Latin America (Red MAMLa), an association sponsored by the IMO, indicated that "it is a great honor to serve Panama and 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 purposes, values, commitment, is an impulse to continue working to leave a positive legacy framed in sustainability within our industry," she concluded.





## **THE PANAMA SHIP REGISTRY CONTINUES TO IMPROVE THE PERFORMANCE OF ITS FLEET IN RELATION TO INTERNATIONAL COMPLIANCE.**

To improve control, supervision and the percentage of compliance of the fleet that makes up the Panama Ship Registry, the Panama Maritime Authority (AMP) through the General Directorate of Merchant Marine (DGGM), introduces measures to reinforce the flag inspection program, emphasizing on ships that call at US ports and that are eligible for a Port State Control Inspection (PSC) by the United States Coast Guard (USCG).

This decision is also part of its commitment to ensure compliance with safety, protection and environmental regulations, encouraging and promoting a better maritime industry. In addition, monitoring is being reinforced in the Registry, for vessels that present deficiencies and detentions through the regional regimes of supervision by the Port State Control.

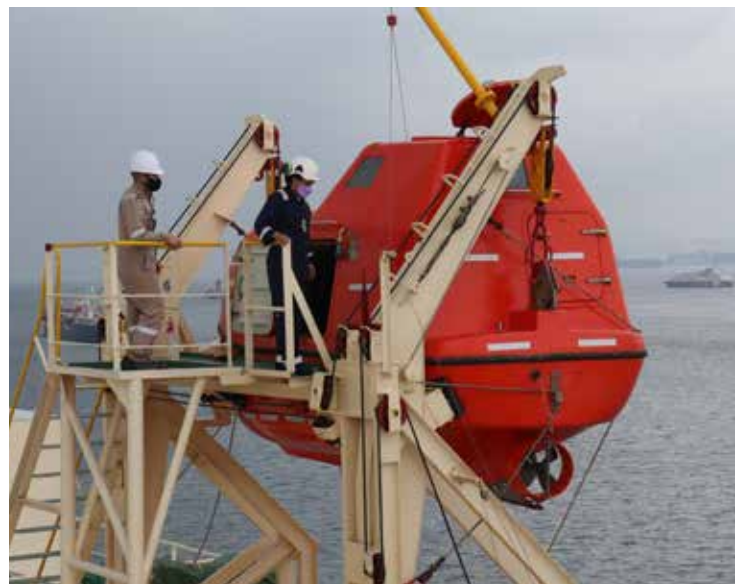
A series of actions have also been implemented aimed at making the fleet part of the United States Coast Guard's QUALSHIP 21 program, where at the end of July we have an average of 98.97% compliance for the last 3 years, among which, the following stand out:

- A flag inspection mechanism is established for ships arriving at US ports, based on risk factors.
- Merchant Marine Notice – MMN-08/2022, where it is informed that, as of August 1, 2022, the special flag inspection program will begin for ships that arrive at ports in the United States and whose history makes them candidates for a Port State Inspection (PSC) by the USCG.

- Merchant Marine Circular – MMC 381, where the checklist prior to arrival at United States ports is implemented for Panama-flagged ships, to facilitate shipowners, operators, technical managers, designated persons on land (DPA) and the Captain of the vessel to find weak elements that may be a reason for detention through PSC inspections by the US Coast Guard.

- Merchant Marine Notice MMN-14/2021, where it is informed that all vessels flying the Panamanian flag that transit or visit Panamanian ports before their arrival in the United States may be subject to a special Security Inspection (ASI), in order to avoid a possible arrest in the aforementioned region.

Currently, the performance of the Panamanian fleet is 96% and with the implementation of these actions, it is expected to reduce arrests and optimize our performance in the various MOUs of which Panama is a part.



## **SUBSIDIARY OF THE GIANT SWISS SHIPPING COMPANY MSC SIGNS AGREEMENT WITH PANAMA FOR JOB OPPORTUNITIES FOR PANAMANIAN SEAFARERS.**

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, one of their most important clients, have signed a Memorandum of Understanding (MOU).

This MOU has the purpose of boosting the mechanisms that facilitate the promotion of job opportunities for Panamanian officers, cadets and subordinate personnel as well as 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 Director of the General Directorate of Seafarers of the AMP, Juan Maltez, pointed out that "this is a great achievement for Panama, where currently the seafarer contracting market shows an encouraging development and behavior, after having received a strong impulse, 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".

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 land staff in Cyprus, India, Ukraine and the Philippines, as well as qualified crew on board cargo and cruise ships managed by MSC.





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