



SEMAPHORE

Newsletter of the Maritime Law

Association of Australia and New Zealand



Panama Lifting Registry Competitiveness

A new vessel registration procedure is being advanced for the Panama Ship Registry which is expected to boost its competitiveness internationally.

“General Law 57” is being revised by various actors in the Panama maritime sector, facilitated by the Inter-American School of Social Dialogue and Tripartism of the University of Panama.

A recent Panama Maritime Authority (PMA) statement outlined that the intent was to develop a “new registration procedure within the framework of competitiveness, compliance and technology that facilitates the registration of the ship”.

Backed by “clear and transparent legislation that contributes to a sustainable growth of the activity”, the advancements include:

- the regulatory patent can be obtained directly with a single number, 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 expiration date, generating a benefit for the client, thus entering the line of competitiveness within our market (this, except for special circumstances according to types of ships, of a particular ship or the interests of Panama)
- the possibility of entering the ship registration request through an interested party with sufficient power granted by the owner of the ship
- in the regulations related to the judicial sale, the additional concept of “Public Auction” is included to allow the possibility of full cancellation of the ship, not only in cases of sale ordered by a court of maritime justice, but also when the ship has been sold at a public auction carried out by an administrative authority
- the form of notification is modified within the administrative process of the General Directorate of the Merchant Marine, to allow notifications by E-mail “in a special way” instead of an edict on the wall in the Department of Resolutions and Consultations (this adaptation within the legal framework reportedly streamlines the processes for clients and for Panama to continue complying as a registry)

According to the statement, unique advantages Panama maintains in the market include:

- within the procedure of change of ownership, the obligation of prior registration of the property title of the seller of the ship is established
- legal security is reinforced for mortgagees of ships registered in Panama, since the ex officio cancellation of the ship will not affect the validity of the mortgage previously registered in the General Directorate of the Public Registry of Ship Ownership of the PMA

March 2023

