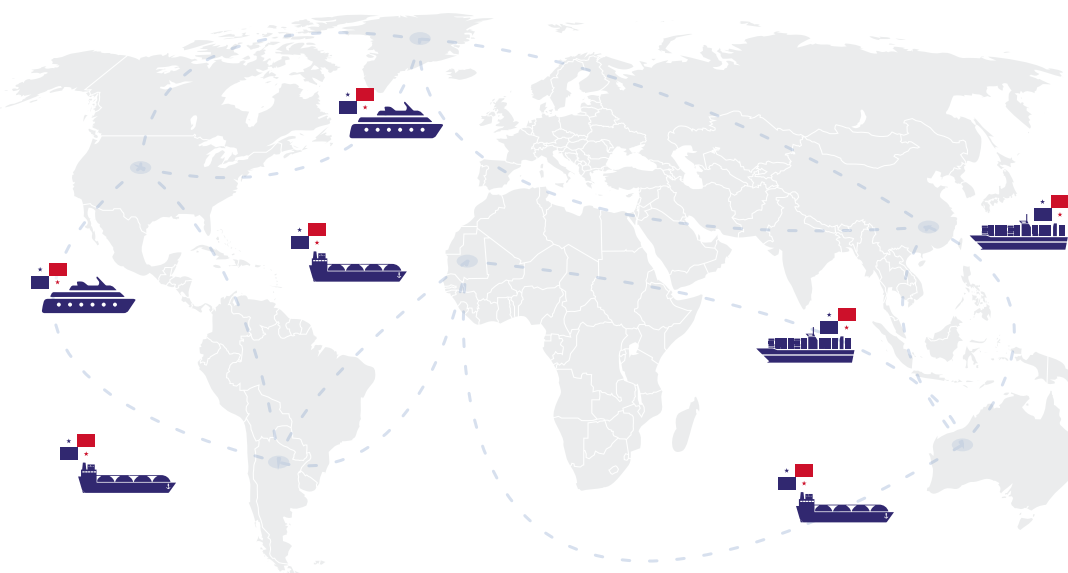


Panama reaffirms its commitment to international compliance



Control and monitoring (LRIT Reporting Data)

6,181 ships monitored

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

90% of compliance

5,549 ships

Compliance standard

75% - 95%

Weekly screening

Entire fleet under continuous control & monitoring

BENEFITS

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

The Panama Maritime Authority (AMP), the entity responsible for the administration of the Panama Ship Registry, has bolstered its operation for strengthening the application of its procedures, especially those related to due diligence and international compliance of its fleet.

The AMP has reinforced methodologies, acquired new tools, trained personnel and created new areas within the Directorate General of Merchant Marine, while implementing the highest international standards that guarantee the international compliance of the fleet.

Recently, Panama participated in the experts' meeting on the Full Implementation of the Maritime Resolutions of the United Nations (UN)' Security Council, of the Democratic People's Republic of Korea (DPRK), that addressed the effectiveness on DPRK of the UN application of sanctions in the maritime sector.

The experts' meeting also considered: The registration of ships, access to ports and the provision of services to ships registered with the DPRK.

The purpose of this activity, organized

by the United States and the Netherlands, was to bring together representatives of governments and authorities interested in exchanging information, improving efforts for the implementation of maritime regulations and incorporating omitted elements regarding their compliance. Representatives of Singapore, Spain, Japan, Panama, the United Kingdom and the European Union made formal presentations and interventions during the meeting which was attended by representatives of 53 countries.

Panama's representatives reiterated their commitment to comply with the established provisions and shared the experience of the Panamanian Registry in the implementation of actions in favor of international compliance such as:

- Strengthening due diligence and its application. The Control and Monitoring Section was created which is responsible for ensuring that all vessels entering the Panamanian Registry -and those already in its fleet- comply with international norms and standards; in addition to not being involved in activities that are not aligned with the policies and commitments acquired by the Panamanian Ship Registry.

- The Implementation, Control and Enforcement of International Measures Section has been created to follow up on international norms and measures, through the verification of the official sites of organizations such as the UN's Security Council.

- The review and update of the flagging procedure, its requirements and controls, by the Ship Registry's Vessel Registration Department.

- The constant communication with Panama-flagged shipowners for urging them to keep their Long-Range Identification and Tracking System (LRIT) and Automatic Identification System (AIS) equipment active, as well as to stay out of conflict areas where their commercial operations could be compromised.

The purpose of these implementations and actions is to ensure that vessels and companies that own and operate vessels flying the Panamanian flag comply with international regulations on terrorism, money laundering and other illicit activities that affect both national interests and the maritime industry itself.

Customer Service and International Expansion as objectives of the Administration

The Panama Maritime Authority, in charge of the administration of the Panama Ship Registry, has established 4 essential objectives for its operation; among these are Customer Service and International Expansion. The Directorate General of Merchant Marine and the heads of the International Technical Offices worldwide held a working meeting to examine their progress.

The Registry wants to maintain and improve the service given to its clients, which is the principal objective of the Registry. The occasion was appropriate to review statistics and discuss how to do it for the Registry's ship owners' benefit.

Segumar's International Technical Offices are under permanent training to guarantee that they respect what is established in the international agreements and offer an efficient service to the clients of the Registry.

Segumar's innovation and digitalization are fundamental for the improvement of the operation of the Panama Ship Registry. The creation of the module for the issuance of the Declaration of Compliance with the Harmful Materials List (IHM) in electronic format, available on the "E-Segumar Application" platform, within the "Applications Forms" section, allows the user to complete their data and process their documentation securely and quickly, since September 1, 2020.

The modules for issuing authorizations electronically have been installed incorporating their new functionality of digital controls. Since the creation of these modules until the end of March 2021, more than 3,800 authorizations have been processed electronically.

During the meeting, the Registry's directors expressed their confidence in the staff assigned to give support and tech-

nical advice to the Panama flag's users, and the issuance of technical certifications necessary for the operation of the vessels. In addition, they recognized them as a fundamental piece of the organization.

In recent months, the Registry has reinforced its international teams and has opened a new office in Hong Kong for the benefit of its Asian clients. With the Hong Kong office, Panama has now 14 international offices for technical support. A roadmap was established focused on those two objectives: Customer satisfaction and international compliance.



Working meeting for the benefit of the Registry's clients



The Directorate General of Merchant Marine (DGMM), held a working meeting with members of the Panama Maritime Law Association (PMLA) to improve processes and the Registry ship owners' benefits.

The discussions centered on: flag registration processes and requirements; amelioration of processing time, certificates and electronic patents granted by the Administration, among others.

The Panama Maritime Authority, through the Panamanian Ship Registry, has strengthened its operation in order to increase the range of application of its procedures, especially those related to due diligence and international compliance of its fleet. The Registry has reinforced

methodologies, acquired new tools, trained personnel and created new areas, aiming at uniforming and implementing the highest international standards, which guarantee the international compliance of the fleet.

During the pandemic, it has provided support with technical assistance to its fleet, established policies for remote inspections through the Recognized Organizations, digitalized processes that have helped operators and the maritime industry to continue working regularly.

The meeting also focused on the revision of the requirements for the registration of vessels in the Panamanian Registry. The modifications to the group of requirements established by the DGMM, will contribute to maintain the quality standards of the

fleet and comply with two important objectives established by the administration: The reengineering of processes and international compliance.

Ms. Galán was grateful for the opportunity to discuss key issues that benefit their customers; and the PMLA's members also contributed with ideas and points of view during the meeting.

"For the Panama Maritime Authority, it is very important to keep opened the channels of communication with you and be able to know your concerns while sharing our proposals for new mechanisms that will lead us to have a fleet that complies with international regulations established for the maritime industry," said the Director of Merchant Marine Rafael Cigarraista.



Legal security

An attractive advantage for the maritime industry

The Panama Ship Registry has registered, from January 1st to april 9th, 2021, a total of 469 property titles and 323 ship mortgages.

AMP participates in Lloyd's Register's Latin American Committee



The Panama Maritime Authority (AMP) with the General Directorate of Merchant Marine participated in Lloyd's Register's Latin American Committee, attended by important members of the international maritime industry. It was the opportunity to discuss the Panama Ship Registry's positive changes for maintaining its leadership in the sector and continuing to be chosen by shipowners worldwide.

The Panamanian representative pointed out that the analysis, based on the statistics, weaknesses and strengths of the Registry, served as a guide to define the guidelines for the future, through 4 objectives:

- Reengineering.
- Customer service and international expansion.
- International compliance.
- Technology and innovation.

With regard to international compliance, the AMP created the Control and Monitoring department that makes due diligence on vessels wishing to join the Panamanian fleet. In 2020 Panama received 1,402 applications for registration of vessels, of which 1,349 were accepted, 24% of them belonging to new-built vessels.

The Panamanian representative stated that for ship owners and operators, time is of the utmost importance. The Registry has digitalized a group of services, including Radio Licenses and Navigation Patents, which by means of a QR code, can be validated instantly by any international authority. In addition, different modules have been created in the "E-Segumar Application" platform that save time for its customers.

It is extremely significant, for the Panamanian Administration to participate in this type of meetings that offer an opportunity to share with people in the industry their common interests and knowledge.

New Regional Office

We are delighted to announce the opening of our new technical certification office Segumar in Hong Kong

hongkong@segumar.com



The Directorate General of Merchant Marine publishes guidelines for cases of assault or death on Panama-flagged vessels

The Directorate General of Merchant Marine (DGMM), through the Department of Investigation of Maritime Affairs, has published MMN 07/2021, the Standard Guide for incidents on board Panama-flagged vessels, in cases of robbery, sexual assault, natural death, suicide and homicide, with the purpose of providing guidance to the crew of the Panama-flagged vessels when confronting these situations.

It establishes a series of steps to be followed depending on the situation that may arise on board a Panama-flagged vessel. These are the steps to follow:

- The notice of the incident by the Captain or the Protection Officer (depending on the case) via the ship's company form, to the e-mail casualty@amp.gob.pa corresponding to the DGMM's Maritime Affairs Investigation Department, of the Panama Maritime Authority.
- Upon arrival at the port of destination, the authorities should be notified of the incident and the corresponding complaint should be filed.
- The Consulate General of the Republic of Panama in the country of destination

should be informed of the case, in order to coordinate with the local authorities on the procedure to be followed on Panama-flagged vessels.



- The Panama Maritime Authority's Legal Advisory Office will inform the Superior Prosecutor's Office of International Affairs of the Public Prosecutor's Office of Panama.

- The Superior Prosecutor's Office of International Affairs of the Public Prosecutor's Office, through its investigation, if it has sufficient

evidentiary material to initiate criminal proceedings against the alleged aggressor, will contact the local authorities of the country of destination, in order to coordinate the status of the same.

- The Prosecutor's Office will coordinate with the Ministry of Foreign Affairs of the Republic of Panama and notify the alleged aggressor through the Embassy of his nationality, about the Criminal Proceeding.

- Once the Prosecutor's Office has knowledge of the punitive act and initiates the corresponding investigations, the victim can follow up on the case through the e-mail ainternacionales@procuraduria.gob.pa.

The Panama Maritime Authority, through the Directorate General of Merchant Marine is responsible for providing support to the vessels of its fleet, as well as their crew and passengers. Therefore, it issues this type of regulations to ensure the protection and proper management of any situation that may occur on board the vessels.



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through our 14 Segumar offices and 53 Consulates*

Annual Safety Inspection Certification for 11 Panama-flagged cruise ships

On April 6, the team of flag surveyors from Segumar's International Technical Office in Miami, regional of the Panama Maritime Authority (AMP) in Florida, USA, delivered the annual safety inspection (ASI) certification for eleven Panama-flagged vessels operated by Carnival Cruise Line (CCL).

The annual safety inspections (ASI) of CCL's Panama-flagged fleet were carried out under a unique and temporary agreement ratified by the Panamanian Maritime Authority with the company due to the interruption in the provision of maritime services to this fleet, including the performance of inspections to the fleet. This action was part of a pilot plan that was carried out on a one-time basis with CCL vessels.

Annual remote safety inspections (ASI) or other alternative measures taken by the AMP, will be limited to specific situations caused by the COVID-19 pandemic and relevant decisions will be made on a case-by-case basis.

The inspection plan was conducted between October 26, 2020 and April 1, 2021 in accordance with a ratified agreement between Carnival Cruise Line (CCL) and the Panama Maritime Authority.

The annual safety inspections (ASI) were conducted using the following



remote inspection techniques:

- Remote connection platforms (Microsoft TEAMS).
- IPads.
- Video-conference/remote-meetings.
- Video, live streaming or similar.
- Visual images, photographs, screen shots, etc.
- Other remote inspection means and techniques recommended by CCL and accepted by the AMP.

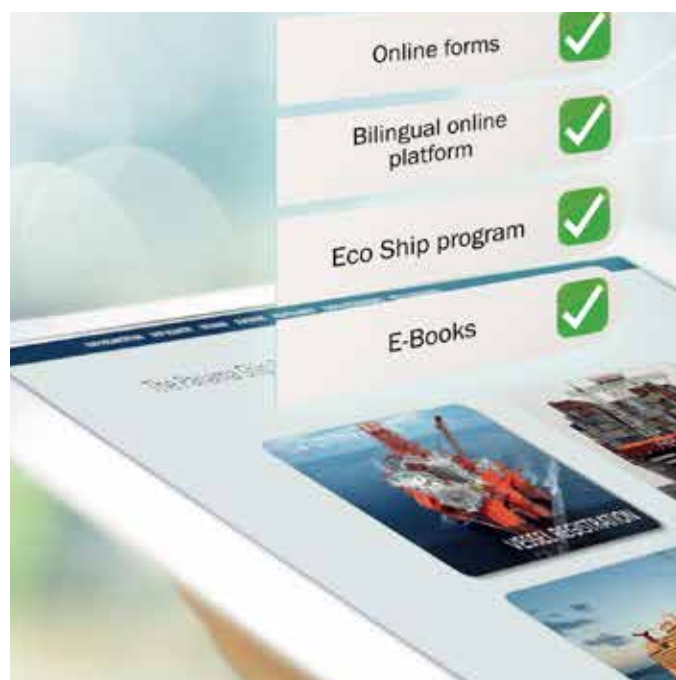
The execution of the inspection plan, as stipulated, covered all international rules and regulations and in addition, other aspects related to technical requirements to ensure that CCL vessels are maintained to a high standard.

The pandemic has caused most cruise ships to stop operations until it is safe to travel again. The continued ship

maintenance will not only preserve the value of this fleet, but will ensure that Carnival Cruise Line ships are ready to depart on short notice.

Separately, Carnival Cruise Line sent two of its ships to St. Vincent Island to assist with the evacuation of its citizens who were being affected by the volcanic eruption of La Soufriere. The Carnival Paradise and Carnival Legend transported residents to the neighboring islands that give shelter for the duration of the situation. The involvement of Panama-flagged vessels ships in rescue operations and humanitarian aid, fills the Panamanian Registry with pride.

The company's joint-work with the Panama Ship Registry ensures that the ships maintain the Flag State's high standards, expected by the Carnival Cruise Group.



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- Bilingual online platform ✓
- Eco Ship program ✓
- E-Books ✓



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The Directorate General of Merchant Marine creates new department to supervise ROs and RPOs

The Panama Maritime Authority (AMP)'s Directorate General of Merchant Marine (DGMM) has created a new department to supervise the performance of the Recognized Organizations (ROs) and Recognized Protection Organizations (RPOs).

This new department follows two of the objectives established by the administration for the operation of the Panama Ship Registry: Reengineering of the processes of the DGMM and international compliance of the Panamanian fleet.

The Department of Supervision and Monitoring of Recognized Organizations and Recognized Security Organizations, respecting international agreements and national regulations, must guarantee the effective compliance of the agreements of delegation of functions.

The main functions of this new department are:

- Elaborate and manage the audit program of ROs and RPOs for verifying their adequate respect of international standards and applicable legal regulations.
- Coordinate through training, the integration and additional training required for the audit team.
- Supervise the issuance, cancellation and/or suspension of certificates issued by ROs and RPOs authorized on behalf of the AMP.
- Coordinate with each audit team the corrections and corrective actions that arose from the audits.



- Recommend the establishment of new criteria, either technical or administrative, related to certification and regulatory services.

- Conduct the preliminary technical evaluation of RO and RPO that want the AMP's approval or an extension of their capacity.

- Coordinate with the different departments the follow-up of malpractices reported for non-compliance with the resolutions or circulars issued by the AMP.

- Maintain coordination with the designated International Office, with respect to the reporting records of payments made by ROs and RPOs.

- Coordinate with the Department of Control and Compliance and the Directorate General of Merchant Marine, when necessary, the positions of the Administration in the different international forums.

Currently the Panama Ship Registry works with 31 Recognized Organizations around the world.

If you wish to contact the Department of Supervision and Monitoring of Recognized Organizations and Recognized Security Organizations, you can send an email to: ro-panama@segumar.com.

Panama flags the world's first LNG-powered bulk carriers



In 2020, Panama flagged the world's first LNG-powered bulk carriers, HL Green and HL ECO operated by H-Line Shipping. The vessels have a cargo capacity of 180,000 DWT and are 292 m length overall, 45 m breadth moulded and 18.0 m draught.

The HL Green is the first bulk carrier of its kind to successfully operate outside her home country, transporting at full capacity iron ore from the South Korean city of Gwangyang to Australia.

Using LNG as fuel offers important advantages for the vessels in fuel and engine maintenance savings, better combustion, control and efficiency and reduction of polluting emissions by up to 90% compared to fuels such as IFO or diesel.

The Registry's fleet includes also other vessels with technologies that help reduce greenhouse gas (GHG) emissions:

- The cruise ship Mardi Gras and the SSCV Sleipnir crane (both LNG-powered).

- The freighters Drive Greenhighway and the Auriga Leader (solar panels for on-board lighting)

- The tanker Creole Sun (methanol)

For those vessels, registering in Panama is appealing because of the legal security provided by a State-owned-Registry, the 24/7 technical attention and an attractive incentive scheme to which vessels of this type can apply.

Panama's legislation includes the Eco Ship discount, a special incentive for

vessels registered or to be registered that demonstrate corporate social responsibility programs focused on reducing gas emissions or marine pollution.

The vessels have to present the required documents showing that the Energy Efficiency Project Index (EEDI) obtained by the ship that applies, is less than or equal to the established. The ships, if they qualify after the analysis, will obtain the incentive for a term of 3 years.

The ships that are already part of this program, once the period is over, may request the renewal of the same for 3 more years, providing the required documents.

Merchant Marine Circulars - March 2021

Title	Number	Update
Ship Security Alert System (SSAS).	MMC-133	March 2021
Recognized Organizations authorized by the Panama Maritime Authority.	MMC-136	March 2021
List of Approved P&I Clubs / Insurers.	MMC-202	March 2021
High Risk Areas (HRA) and precautionary zones.	MMC-230	March 2021
Authorized Private Maritime Security Companies (PMSC) transiting High Risk Areas (online application).	MMC-245	March 2021
Authorized service providers for maintenance, thorough examination, operational testing, overhaul and repair of lifeboats and rescue boats, launching appliances and release gear.	MMC-258	March 2021
Maritime Labour Convention, 2006, as amended (MLC). Certification Process.	MMC-269	March 2021
Recognized Organizations approved for the issuance of the Class Certificate.	MMC-284	March 2021
Regulation that rule the Maritime Training Centers with head offices in the Republic of Panama or abroad, offices and/or branches, to whom the Panama Maritime Authority delegates the training of seafarers.	MMC-311	March 2021
Security Measures sailing in the Gulf of Guinea (GoG).	MMC-327	March 2021
Medicine Chest and Medical Equipment.	MMC-339	March 2021
Restrictions for the recognition of technical documentation of seafarers by other Maritime Administrations.	MMC-344	March 2021
Ballast Water Management Convention 2004, Panama Policy.	MMC-345	March 2021
Use of Electronic Certificates onboard.	MMC-355	March 2021
Panama Policy for Maritime Anti-Corruption Matters.	MMC-389	March 2021

Merchant Marine Notices - March 2021

Title	Number	Release
Dnv GL change of name to DNV.	MMN-06/2021	March 2021
Standard guide of facts on board a Panama Flag Ship, in cases of theft, sexual assault, natural death, suicide and homicide.	MMN-07/2021	March 2021
Safety and health on board - responsibilities of the shipowners and operating companies.	MMN-08/2021	March 2021

Merchant Marine Circulars - April 2021

Title	Number	Update
List of Approved P&I Clubs/Insurers.	MMC-202	Abril 2021
High Risk Areas (HRA) and precautionary zones.	MMC-230	Abril 2021
Authorized Private Maritime Security Companies (PMSC) transiting High Risk Areas (online application).	MMC-245	Abril 2021
Authorized service providers for maintenance, thorough examination, operational testing, overhaul and repair of lifeboats and rescue boats, launching appliances and release gear.	MMC-258	Abril 2021
List of Approved P&I Clubs/Insurers - MLC.	MMC-352	Abril 2021
Adoption of Amendments to MARPOL 73/78, Annex VI Panama Policy on IMO-DCS scheme.	MMC-365	Abril 2021
Independent Companies Authorized by the Panama Maritime Authority for Data collection	MMC-369	Abril 2021
Panama Policy on Remote Surveys for Recognized Organizations and Recognized Security Organizations.	MMC-382	Abril 2021
Chief Cook Dispensation Letter - (MLC 2006)	MMC-385	Abril 2021

Merchant Marine Notices - April 2021

Title	Number	Release
MSA - PSC campaign and precaution for navigating chinese heavy traffic waterway in Shanghai.	MMN-09/2021	Abril 2021
International Fisheries affairs	MMN-10/2021	Abril 2021



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