



Circular

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TO: Related departments of CCS Headquarters; Branches and Offices; and Ship Companies

Notice of Panama Maritime Authority Merchant Marine Circular

MMC-227

Background

Panama Maritime Authority issued the Merchant Marine Circular MMC-227 on July 6, 2011 to Ship-owners, Operators, Company Security Officers, Legal Representative of Panamanian Flagged Vessels, Panamanian Merchant Marine Consulates and Recognized Organization. The purpose of this circular is to inform users about the current stage of the adaptation of the national regulation according to the requirements of the *Maritime Labour Convention, 2006*(MLC, 2006) as well as the issuance of the Declaration of the Maritime Labour Compliance –Part I”.

“Panama Maritime Authority (PMA), aware of the importance of the control and compliance that must exert over the application of the regulations that altogether constitute the MLC, 2006, is in the process of unification and adaption of the national regulation with respect to each and every one of the laws that guarantee decent working and living conditions onboard ships flying the Panamanian flag, with the only purpose to continue guaranteeing users the registry of a flag of excellence.

The PMA is currently in the final stage of a complex process of adaption of the national regulation with respect to the requirements of the *MLC, 2006* a process that has been subject to close scrutiny by the social interlocutors, or ship-owners and seafarers representatives, who have been present at all times, exerting their rights and embody them in the regulation that will be shortly applied to all Panamanian flagged vessels.

Ship-owners and operators should verify if their flags count with the appropriate channels and mechanisms to make effective tripartite decisions, with the purpose to prevent those flags lacking interlocutors representing ship-owners and employees from

affecting the development of its operations as indicated in Articles VII and XIII of the Convention. In the case of Panama, safer procedures are being following to the Convention.

PMA expects that the process of legal unification and adaptation will be concluded by the end of 2011, after which a process of volunteer certification can be started by our ship-owners and operators.”

General application of the MLC, 2006

- “This Merchant Marine Circular applies to all ships and their seafarers, to which the MLC, 2006 applies in accordance with Article II of the MLC, 2006 upon its entry into force.
- The MLC, 2006 applies to all ships, irrespective of tonnage, whether publicly or privately owned, which are ordinarily engaged in commercial activity.
- All ships to which the MLC, 2006 applies of 500 gross tons or over, engaged in international voyages or operating from a port, or between ports, in another country must be certified for compliance with 14 areas of the MLC, 2006 which are subject to mandatory inspection.
- All ships to which the MLC, 2006 applies, but which are not required to be certified (under 500 gross tons, not engaged in international voyages, or not operating from a port, or between ports, in another country), shall still be subject to full inspection against the same requirements as for certified ships.
- Any other ship registered under the Republic of Panama, to which the MLC 2006 does not apply, may request voluntary certification subject to submission of a completed DMLC Part II and the satisfactory completion of all inspection requirements necessary for certification.
- The MLC, 2006 applies to all seafarers on all ships to which the MLC, 2006 applies (Article II, paragraph 1(f) of the MLC, 2006).
- The MLC, 2006 recognizes in Article II, paragraph 3, that there may be doubts whether a particular category or categories of persons who may perform work on board a ship covered by the MLC, 2006 should be regarded as seafarers for the

purposes of the MLC, 2006.

- In considering how to resolve such doubts, the PMA, in consultation with the ship-owners' and seafarers' organizations, will take into account information as provided under Resolution VII adopted by 94th (Maritime) session of the International Labour Conference (see Annex I of this MMC)."

Inspection and Certification

- "All inspections shall be carried out in accordance with the ILO document, *Guidelines for Flag State Inspections under the Maritime Labour Convention, 2006*.
- The Panama Maritime Authority will delegate the functions of an effective system of inspection and certification of the maritime labour conditions to the Recognized Organizations (ROs) competent and independent, in compliance with the established in paragraph 3 of rule 5.1.1 of the MLC, 2006.
- Based on what will be established in the national standards for implementing the MLC, 2006, PMA will issue a Declaration of the Maritime Labour Compliance (DMCL) - Part I taking into consideration the 14 mandatory inspection items required for certification.
- The DMCL Part II shall be certified in compliance with the Recognized Organizations (ROs) prior to the issuance of the Maritime Labour Certificate."

Contact points

- In order to provide a better service to our users, PMA has created the following E-mail account: mlc@segumar.com where all queries related to the Maritime Labour Convention. 2006 can be directed.

Inquiries concerning the subject of this Circular or any request should be directed to:

Directorate General of Merchant Marine
Panama Maritime Authority
Phone: (507) 501-5033
Fax: (507) 501-5083

and/ or
Directorate General of Seafarers
Panama Maritime Authority
Phone: (507)501-5052
Fax: (507)501-5047
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SUMMARY

Forwarding PMA Merchant Marine Circular MMC-227, in which informs users about Panama's current stage of the adaptation of the national regulation according to the requirements of the MLC, 2006 as well as the issuance of the DMLC- Part I.

ACTION REQUESTED

All the related auditors of CCS branches and offices are required to study of this circular. All the parties concerned should pay attention to the progress of Panama's unification and adaption of their national regulation with respect to the requirements of the MLC, 2006, and the requirements of Panama's inspection and certification.

Attachment: PANAMA MARITIME AUTHORITY MERCHANT MARINE CIRCULAR MMC-227, total 3 pages

For any problem please contact the Certification Management Dept. of CCS Headquarters without hesitation
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PANAMA MARITIME AUTHORITY
MERCHANT MARINE CIRCULAR MMC-227

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Republic of Panama
Tel: (507) 501-5000
segumar@segumar.com

To: Ship-owners/Operators, Company Security Officers, Legal Representatives of Panamanian Flagged Vessels, Panamanian Merchant Marine Consulates and Recognized Organizations (ROs).

Subject: Maritime Labour Convention, 2006 (MLC, 2006).

Reference: Law 2 of January 6, 2009.

1. The purpose of this circular is to inform users about the current stage of the adaptation of the national regulation according to the requirements of the *Maritime Labour Convention, 2006*, (MLC, 2006) as well as the issuance of the Declaration of the Maritime Labour Compliance - Part I".
2. The *Maritime Labour Convention, 2006* (MLC, 2006) was adopted in Geneva in February 23, 2006, within the frame of the 94th Maritime Meeting of the International Labour Organization (ILO) Conference, as a result of the joint initiative of ship-owners and seafarers, with the main objective to adopt a global instrument that gathers in one sole document the fundamental principles of various international labour conventions.
3. The Panama Maritime Authority (PMA), aware of the importance of the control and compliance that must exert over the application of the regulations that altogether constitute the MLC, 2006, is in a process of unification and adaptation of the national regulation with respect to each and every one of the laws that guarantee decent working and living conditions onboard ships flying the Panamanian flag, with the only purpose to continue guaranteeing users the registry of a flag of excellence.
4. The Panama Maritime Authority (PMA) is currently in the final stage of a complex process of adaptation of the national regulation with respect to the requirements of the *MLC, 2006* a process that has been subject to close scrutiny by the social interlocutors, or ship-owners and seafarers representatives, who have been present at all times, exerting their rights and embody them in the regulation that will be shortly applied to all Panamanian flagged vessels.
5. Ship-owners and operators should verify if their flags count with the appropriate channels and mechanisms to make effective tripartite decisions, with the purpose to prevent those flags lacking interlocutors representing ship-owners and employees from affecting the development of its

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operations as indicated in Articles VII and XIII of the Convention. In the case of Panama, safer procedures are being followed according to the Convention.

6. As a result of the consensus that has been undertaken, the Panama Maritime Authority (PMA), through the adaptation of national laws and committed to the principles of the International Labour Organization (ILO), will not require in the future to consult the Special Tripartite Committee based on Article VII of the MLC, 2006, guaranteeing that the adopted regulations together with the social interlocutors and in a tripartite way will not be subject to modifications, unlike other administrations that do not count with organizations representing ship-owners and seafarers.
7. The Panama Maritime Authority (PMA) expects that the process of legal unification and adaptation will be concluded by the end of 2011, after which a process of volunteer certification can be started by our ship-owners and operators.

GENERAL APPLICATION OF THE MLC, 2006

8. This Merchant Marine Circular applies to all ships and their seafarers, to which the MLC, 2006 applies in accordance with Article II of the MLC, 2006 upon its entry into force.
9. The MLC, 2006 applies to all ships, irrespective of tonnage, whether publicly or privately owned, which are ordinarily engaged in commercial activity.
10. All ships to which the MLC, 2006 applies of 500 gross tons or over, engaged in international voyages or operating from a port, or between ports, in another country must be certified for compliance with 14 areas of the MLC, 2006 which are subject to mandatory inspection.
11. All ships to which the MLC, 2006 applies, but which are not required to be certified (under 500 gross tons, not engaged in international voyages, or not operating from a port, or between ports, in another country), shall still be subject to full inspection against the same requirements as for certified ships.
12. Any other ship registered under the Republic of Panama, to which the MLC 2006 does not apply, may request voluntary certification subject to submission of a completed DMLC Part II and the satisfactory completion of all inspection requirements necessary for certification.
13. The MLC, 2006 applies to all seafarers on all ships to which the MLC, 2006 applies (Article II, paragraph 1(f) of the MLC, 2006).
14. The MLC, 2006 recognizes in Article II, paragraph 3, that there may be doubts whether a particular category or categories of persons who may perform work on board a ship covered by the MLC, 2006 should be regarded as seafarers for the purposes of the MLC, 2006.
15. In considering how to resolve such doubts, the PMA, in consultation with the shipowners' and seafarers' organizations, will take into account information as provided under Resolution VII adopted by 94th (Maritime) session of the International Labour Conference (see Annex I of this MMC).

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INSPECTION AND CERTIFICATION

16. All inspections shall be carried out in accordance with the ILO document, *Guidelines for Flag State Inspections under the Maritime Labour Convention, 2006*.
17. The Panama Maritime Authority will delegate the functions of an effective system of inspection and certification of the maritime labour conditions to the Recognized Organizations (ROs) competent and independent, in compliance with the established in paragraph 3 of rule 5.1.1 of the MLC, 2006.
18. Based on what will be established in the national standards for implementing the MLC, 2006, the Panama Maritime Authority (PMA) will issue a Declaration of the Maritime Labour Compliance (DMCL) - Part I taking into consideration the (fourteen) 14 mandatory inspection items required for certification.
19. The DMCL Part II shall be certified in compliance with the Recognized Organizations (ROs) prior to the issuance of the Maritime Labour Certificate.

CONTACT POINTS

20. In order to provide a better service to our users, the Panama Maritime Authority (PMA) has created the following E-mail account: mlc@segumar.com where all queries related to the *Maritime Labour Convention, 2006* can be directed.

July, 2011

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