

F-33 (DCCM) V.04

# **Merchant Marine Circular**

### Panama Maritime Authority General Directorate of Merchant Marine Control and Compliance Department

### MERCHANT MARINE CIRCULAR MMC-67

- To: Recognized Organizations (ROs), Classification Societies, Shipowners/Operators, Company Security Officers, Legal Representatives of Panamanian Flagged Vessels, and Panamanian Merchant Marine Consulates.
- **Subject:** Tonnage Certificates (ITC,69 and NTC)
- **Reference:** a) Law No. 6 dated October 27, 1977, adoption of the International Tonnage Convention, 1969;
  - b) Resolution No. 603-07-07-ALCN dated July 1987;
  - c) Resolution 603-07-01-ALCN dated December 1986.
  - d) Resolution No. 106-37-DGMM dated August 10, 2010;
  - e) Resolution J.D. No. 028-2022 dated June 14, 2022;

f) IMO Resolution A.494(XII) adopted on November 19, 1981. (Only as Recommendation)

g) IMO Resolution A.541(13) adopted on 17 November 1983. (Only as Recommendation)

h) IMO Resolution A.1073(28), recommendation on the use of National Tonnage in applying International Conventions, adopted on 4 December 2013 (Only as a Recommendation)

i) IMO Circular TM.5/Circ.6 dated 19 May 2014 – "Unified interpretations relating to the International Convention on Tonnage Measurement of Ships, 1969".

1. This Merchant Marine Circular replaces and compile: MMC-45, MMC-89 and MMC-109.

### 2. Purpose

**2.1.** This Merchant Marine Circular is to inform to all Recognized Organizations (ROs), Classification Societies, Ship-owners/Operators and other stakeholders

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the applicability and procedures for the issuance of Tonnage Certificates to Panamanian flag vessels (IT69 which became effective as of 1 January 1987).

**2.2.** The amendments do not affect the relationship between ship-owners and Class Societies or neither other Recognized Organizations nor the validity of Tonnage Certificates already issued to Panamanian flag vessels.

#### 3. Applicability / Scope

- **3.1.** International Tonnage Convention, 1969 establishes that all ships engaged on international voyages, except warships and ships of less than 24 meters in length, are subject to the Convention. Therefore, the International Tonnage Certificate (ITC69) apply to ships of 24 meters (79 feet) in length.
- **3.2.** National Tonnage Certificate (NTC) applies to ships less than 24 meters (79 feet) in length.

#### 4. Definitions

- **4.1.** "length" in ITC69 means, 96 per cent of the total length on a waterline at 85 per cent of the least moulded depth measured from the top of the keel, or the length from the fore side of the stem to the axis of the rudder stock on that waterline, if that be greater. In ships designed with a rake of keel the waterline on which this length is measured shall be parallel to the designed waterline.
- **4.2.** The term "alterations or modifications which the Administration deems to be a substantial variation in their existing gross tonnage" should be interpreted to mean "an increase or decrease of more than 1% in the gross tonnage calculated in accordance with the 1969 Tonnage Convention". (Refer to TM.5/Circ.6)
- **4.3.** The **"Date"** shown on the front of the International Tonnage Certificate (1969) refers to the year when the keel was laid or the ship was at a similar stage of construction (article 2(6)) **or** the ship underwent alterations or modifications as defined in article 3(2)(b) but when the year of construction **or** alteration or modification is 1982 or 1994, the month and day should also be described. (Refer to TM.5/Circ.6).
- 4.4. Gross registered tons (GRT), term to express the National gross tonnage.

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**4.5. Gross tonnage (GT)**, term to express the gross tonnage measurement under the rules of the 1969 Tonnage Convention.

### 5. International Tonnage Certificate (ITC69)

- **5.1.** Ships in the following categories shall be measured according to the International Tonnage Convention, 1969 and shall carry the International Tonnage Certificate on board:
- **5.1.1.** All ships whose keels are laid, or which are at a similar stage of construction on or after the July 18<sup>th</sup>, 1982. These ships are considered as new ships by the Convention.
- **5.1.2.** All ships, other than new ships, which undergo alterations or modifications on or after July 18<sup>th</sup>, 1982, which the Administration deems to cause a substantial variation in their existing gross tonnages.
- **5.1.3.** All ships, other than new ships, if the owner so requests. This option, once exercised, cannot be reversed by the present or subsequent owners, even in the event of a change of flag.
- **5.1.4.** All ships, other than those indicated in paragraph 5.1.1, 5.1.2 and 5.1.3 above, on the July 18<sup>th,</sup> , 1994.
- **5.1.5.** Ships to which the Convention does not apply shall continue to use national tonnage certificates issued according to the regulations in force before the July 18th, 1982.

### 5.2. Interim Scheme and ITC 69

**5.2.1.** Ships included in categories indicated in paragraph 5.1.1, 5.1.2 and 5.1.3 above may continue the use of tonnages measured according to the applicable national tonnage rules in force prior to 18 of July 1982 (before the entry into force of the ITC,69), for the purpose of the application of the International Convention for the Safety of Life at Sea 1974 (SOLAS) according to recommendation indicated in Resolution A.494(XII), except for its Chapter IV "Radiocommunications", if the keel of such ships was laid **before** the following dates:

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i. 18th July 1994, for ships under 1600 GRT.





- ii. December 31st, 1985, for ships of 1600 GRT and above.
- **5.2.2.** Ships included in the following category may continue indefinitely the use of tonnages measured according to the applicable national tonnage rules in force prior to 18 July 1982, for the purpose of the applications of MARPOL Conventions according to recommendation indicated in Resolution A.541(13):
- 5.2.2.1. ships which keel was laid before 18 July 1994 under 400 GRT;
- **5.2.3.** The Interim Schemes for Tonnage Measurement for the use of national tonnage in applying relevant requirements under international conventions to certain ships with keel laid dates on or before 18 July 1994 does not apply to International Ship and Port Facility and Security (ISPS) and International Safety Management (ISM) Codes.
- **5.2.4.** Ships intending to apply the provisions of 5.2.1, or 5.2.2 above must have both the International Tonnage Certificate (1969) and the National Tonnage Certificate issued under the regulations in force prior to the 18 July 1982.
- 5.2.5. Ships measured according to the rules of the International Convention on Tonnage Measurement of Ships, 1969, will use this measurement for the5.2.5. purpose of assessing Panamanian tax obligations.
- **5.2.5.** purpose of assessing Panamanian tax obligation
- 5.3. Major Conversion according to ITC69
- **5.3.1.** Considering the term "alterations or modifications which the Administration deems to be a substantial variation in their existing gross tonnage" should be interpreted as per TM.5/Circ.6 to mean "an increase or decrease of more than 1% in the gross tonnage calculated in accordance with the 1969 Tonnage Convention" any ship suffering such an increase or decrease of more than 1% in its gross tonnage shall be subject to re-calculation and new statutory certificates shall reflect its new measurements at the earliest opportunity.
- **5.3.2.** In case that an increase or decrease is 1% or less in the gross tonnage calculated in accordance with the 1969 Tonnage Convention then a recalculation and change of the vessels' measurement is not required. However, the existing International Tonnage Certificate shall be re-issued and annotated

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with details of the new structure and the effect it has on the vessel tonnage, if any, and at the earliest opportunity.

### 5.4. International Tonnage Certificate (ITC69) issued by the Recognized Organizations and Endorsed by this Administration

- **5.4.1.** This Merchant Marine General Directorate aiming to perform a more active role in the verification of the determination of gross and net tonnages and in the issuance of the final International Tonnage Certificate, instruct the following procedure:
- **5.4.1.1.** The determination of gross and net tonnages will continue to be carried out by Class Societies/Recognized Organizations already authorized to do so.
- **5.4.1.2.** After the completion of the determination of gross and net tonnages of a vessel, Class Societies/Recognized Organizations may issue an Interim Tonnage Certificate with a maximum validity of six (6) months.
- **5.4.1.3.** Class Societies/Recognized Organizations will then present to the SEGUMAR Offices, the final Full-Term Certificate sealed and signed by its responsible officer (electronic certificates via e-mail), together with the required information supporting the determination of gross and net tonnages as well as the ship's drawings.
- **5.4.1.4.** The SEGUMAR Offices will verify the determination of gross and net tonnages and may ask the Class Society/Recognized Organization for additional information if required. In case of a discrepancy, the SEGUMAR Office may request that the certificate be modified prior to its endorsement.
- **5.4.1.5.** Once the determination of gross and net tonnages is verified, the SEGUMAR Offices will validate the Certificate through the signature of an authorized technical officer and will send it back to the Class Society/Recognized Organization for forwarding to its destination. Electronic Certificates shall comply with the features required in MMC-355, after its endorsement as well.

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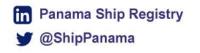
#### 5.5. Re-Issuance of the International Tonnage Certificate

- **5.5.1.** SEGUMAR Offices will Re-issue the Tonnage Certificate only in cases of International Tonnage Certificate issued by the Class Society/ Recognized Organization and previously endorsed or issued by this Administration.
- **5.5.2.** Tonnage Certificates will be re-issued by the Administration in the following cases:
- **5.5.2.1.** Change of vessel's name.
- **5.5.2.2.** Replacement of the Certificate (such as loss of the original).
- **5.5.3.** Owners may apply directly to any Segumar Offices in these cases, without going through the organization involved in the calculations.
- **5.5.4.** The applicable fee for the re-issuance of the Tonnage Certificates by the Administration is USD 100.00 according to Resolution 603-07-01-ALCN of December 1986.
- **5.5.5.** In addition to each Certificate regular fee, from September 25, 2022, an additional charge applies for reviewing and handling documentation of fifty dollars (USD50.00), for the issuance of any other technical certificate duly authorized by the General Directorate of Merchant Marine or through any SEGUMAR Office in a Merchant Marine Consulate, including the SEGUMAR offices in the State of Florida, the United States of America based in the city of Miami and SEGUMAR Head Office. The additional charge applies for the issuance in Panama, of technical certificates by the General Directorate of Merchant Marine. This charge shall be reflected in the official receipt, as fees for this service. (Resolution J.D. No.028-2022 dated June 14, 2022).

#### 6. National Tonnage Certificate (NTC) (Determination of gross and net tonnages for Vessels less than 24m in Length)

**6.1.** The Panama Maritime Authority through its SEGUMAR Offices, has the exclusive responsibility for the determination of gross and net tonnages and the issuance of Certificates for vessels less than 24m in Length (as defined in Art.2(8) of the International Tonnage Convention 1969) holding an International Registry Certificate, unless it is required otherwise by the Coastal State where

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the vessel is operating; for example: A coastal State requires the vessel to comply with the International Tonnage Convention (ITC 69).

- **6.2.** The owners/operators of these vessels shall request to the nearest SEGUMAR Office to determine of gross and net tonnages and the issuance of the National Tonnage Certificate (NTC).
- **6.3.** The applicable fee for the re-issuance of the National Tonnage Certificate (NTC) by the Administration is USD125.00.
- **6.4.** In addition to each Certificate regular fee, from 25 September 2022, an additional charge applies for reviewing and handling documentation of fifty dollars (USD50.00), for the issuance of any other technical certificate duly authorized by the General Directorate of Merchant Marine or through any SEGUMAR Office in a Merchant Marine Consulate, including the SEGUMAR offices in the State of Florida, the United States of America based in the city of Miami and SEGUMAR Head Office. The additional charge applies for the issuance in Panama, of technical certificates by the General Directorate of Merchant Marine. This charge shall be reflected in the official receipt, as fees for this service. (Resolution J.D. No.028-2022 dated 14 June 2022).

### 6.5. Instructions to the Class Societies/Recognized Organizations

**6.5.1.** This Administration authorized Class Societies/Recognized Organizations to make the appropriate entries (refer to Resolution A.1073(28)), in the REMARKS section of the 1969 Tonnage Certificate for existing Panamanian vessels as defined in article 3(2)(d) of the International Tonnage Convention 1969 and for Panamanian vessels covered by Resolution A.494(XII) and A.541(13). In some cases, both entries would apply. Remarks should be as follows:

.1 for "existing" ships as defined in article 3(2) (d) of the Convention:

"The ship is remeasured according to article 3(2) (d) of the 1969 Tonnage Convention.

The GROSS TONNAGE according to the measurement system previously in force to the measurement system of the International Convention on Tonnage Measurement of Ships, 1969, is: **GRT**, according to the regulations ..--..-...."

.2 for ships covered by resolution A.494(XII):

"The ship is additionally measured according to resolution A.494(XII).

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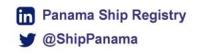


- **6.5.2.** The entry is to be signed by the Class Society/Recognized Organization issuing the International Tonnage Certificate (1969).
- **6.5.3.** If the ship undergoes alterations or modifications which affect its tonnage on or after 18 July 1994 the old national tonnage figure should be deleted from the "Remarks" column.
- **6.5.4.** In case of ship's changing flag to this Administration and any alterations or modification of the ships' dimensions, the Class Society/Recognized Organization shall certify such and submit the corresponding International Tonnage Certificate (ITC69) for the required endorsement of the Administration.
- **6.5.5.** Upon transfer of a ship to the flag of another State the Government of which is a Contracting Government, the International Tonnage Certificate (1969) shall remain in force for a period not exceeding three months, or until the new flag Administration issues another International Tonnage Certificate (1969) to replace it, whichever is the earlier.
- **6.5.6.** Please refer to MMC-324 in order to verify the administrative fee imposed by this Administration for the endorsement of the International Tonnage Certificate.

July, 2023 - This Merchant Marine Circular replaces and compile: MMC-45, MMC-89 and MMC-109.

January, 2023 – Text in point 2 amended. Text in points 2.2, 3.4, 3.5, 4.3 and 4.4 added. Text in paragraph 5 is moved to paragraph 2.2. December, 2021 – paragraphs 2.1.3 and 2.1.5 amended. July, 2021 – Changes through the text. February, 2015 – Completely reviewed, fees have no changes. July, 1993 – Revised June, 1992.

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Inquiries concerning the subject of this Merchant Marine Circular or any other request should be forward to:

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