

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

MERCHANT MARINE CIRCULAR MMC-150

To: Ship-owners/Operators and Resident Agents of Panamanian flagged

Mobile Offshore Units and Recognized Organizations (RO's).

Subject: MOU Annual Safety Inspection Program

Reference: Law No. 57 dated 6 August 2008 General Merchant Marine.

Law No. 39 dated 8 July 8 1976. Law No. 45 dated 9 October 1979. Law No. 30 dated 17 September 1980.

Executive Decree No. 56 dated 8 October 1976. Resolution No. 106-39-DGMM dated 8 May 2017.

Resolution No. 106-124-DGMM dated 27 November 2017. Merchant Marine Notice No. 03/2017 dated on August 2017.

Merchant Marine Circular MMC-171.

1. PURPOSE

- 1.1 This merchant marine circular establishes an Alternative Program to carry out flag State Inspections (FSIs) on board any type of Mobile Offshore Units (MOU) under the flag of Panama, regardless of its on-location for drilling, accommodation, production and/or storage or any other operation of the offshore industry.
- 1.2 To provide instructions in order to each Mobile Offshore Unit (MOU) registered with the Merchant Marine of the Republic of Panama can be subject a flag State Inspection (FSI) and can be verified its compliance with international and national laws currently in force.

2. SCOPE

2.1. Mobile Offshore Units (MOU) under the flag of Panama.

PanCanal Building Albrook, Panama City Republic of Panama





3. **DEFINITIONS**

- 3.1 ASI Global Platform: Maritime Safety and Inspection System whereby General Directorate of the Merchant Marine (DGMM) arranges, controls and manages the requests, authorizations and flag State Inspection reports of vessels under the flag of Panama.
- **3.2 Flag State Inspection (FSI):** Special or Panama Annual Safety Inspection (ASI) conducted on board a Mobile Offshore Unit (MOU) in order to determine whether it complies with international and national laws currently in force. It may also be a reinspection as deemed appropriate by the DGMM.
- 3.3 Flag State Inspector: Person duly authorized by the General Directorate of the Merchant Marine to carry out FSIs on board Mobile Offshore Units (MOUs) on behalf of Panama Maritime Authority (PMA).
- 3.4 MOU: For purpose of this MMC, a MOU is any self-propelled or non-self-propelled unit with hull configuration as either Self-elevating or Column Stabilized. It also includes any Surface Unit (ship or barge type) certified under the provisions of MODU Code and any Fixed Platform or any structure whose foundation is adhered semi-permanent or permanently to the seabed.
- **3.5 Remote ASI:** Inspection technique whereby an outcome as equivalent as possible to that obtained from a FSI conducted on board a MOU can be accomplished. This technique must apply technological systems through an efficient method.

Note: This methodology has not been approved by this Administration; therefore, it may be allowed on case-by-case basis only to flag State inspectors placed in either Panama Maritime Authority (PMA Head Office) or PMA International Office, through a previous authorization granted by the DGMM. It will not be an option to consider into the Alternative Program indicated in the paragraph 6.2.1 and 6.2.2 of this MMC.

4. BACKGROUND

Over the years, certain types of MOUs face difficulties to comply with a FSI on board, most of the time because the MOU is in remote or hard to reach area. In addition, when there is not an onshore Flag State Inspector with due training required by a coastal State and near of jurisdictional waters where the MOU is operating, causing that the annual basis established by this Administration for the FSI is exceeded or cannot be carried out.

PanCanal Building Albrook, Panama City Republic of Panama in Panama Ship Registry





5. EXCEPTIONS

All MOUs should be subject to a FSI to be conducted by a flag State inspector duly authorized. However, the General Directorate of the Merchant Marine, based on the Law No. 57 Article 117 may grant exceptions to Fixed Platforms and structures whose foundation are adhered permanently to the seabed, or in case-by-case, to any other MOU.

6. MOU ANNUAL SAFETY INSPECTION PROGRAM

- 6.1 Each MOU under the flag of Panama in port (not in Lay-up status) or on-location (afloat or bottom bearing) operating within jurisdictional waters of a coastal State (until its Continental Shelf) should be subject to a FSI to be conducted, in normal condition of availability & accessibility to go offshore, on board by an authorized flag State inspector.
- 6.2 When (a) a MOU is in remote or hard to reach area, (b) there is not an onshore flag State inspector near of jurisdictional waters where the MOU is operating or (c) the local flag State Inspector does not meet minimum safety training required by a coastal State to go offshore, an Alternative Program may be considered which will consist in one of the following three options:
 - 6.2.1 <u>FSI by MOU's company</u>: The General Directorate of the Merchant Marine (DGMM), based on the Res. No. 106-39-DGMM related to the In-House Annual FSI (MMN-03/2017), could authorize the FSI can be carried out by a staff personnel of drilling contractor or operating company of the MOU.
 - **6.2.1.1** The MOUs that are under this program will be as far as practicable subject to alternated FSIs which will be conducted by flag State inspectors assigned by the DGMM with the purpose of verifying the performance of the MOU company flag state inspector.
 - 6.2.2 <u>FSI by MOU's Class Society</u>: The General Directorate of the Merchant Marine (DGMM), based on the Law 57 Article 119, could authorize the FSI can be carried out by a class surveyor.





- **6.2.2.1** The MOUs that are under this program will be subject to the issuance of the MODU/MOU Safety Certificate by IACS members only and the Recognized Organization (RO) issuer of said certificate will not be the same as RO attending surveyor assigned to carry out the FSI on board the MOU.
- **6.2.2.2** The RO surveyor should comply with specific instructions to be detailed by the Maritime Safety and Navigation Department related to items to be verified and inspection report to be submitted.
- 6.2.3 Remote FSI: The General Directorate of the Merchant Marine (DGMM), based on the Law 57 Article 123, could authorize the FSI can be carried out through a efficient technique that upon applying technological systems the FSI outcome can be as equivalent as a FSI conducted on board. Not approved by this Administration yet.
- 6.3 In all cases above indicated, owners, Masters and/or Offshore Installation Managers (OIMs) will have the following responsibility with the DGMM in order to determine the Inspection Program to be conducted and the flag State inspector to be assigned / authorized:
 - To inform their MOUs for timely inspection when a required ASI is due;
 - To advise the unit's next available location or port and ETB;
 - To advise the shipping agency contact; and
 - To admitting duly the authorized ASI flag State Inspector providing them full cooperation and allowing them to carry out inspection accordingly.

7. FLAG STATE INSPECTORS AUTHORIZED BY THE DGMM

The flag State inspectors that have met the requirements established in the Res. No. 106-38-DGMM (dated on May 8th, 2017) and as consequently have been authorized by the General Directorate of the Merchant Marine (DGMM) are listed on a document which can be found through the following path:

- Go to the link: https://panamashipregistry.com/
- 2. Click on the blue bottom: Segumar; and
- 3. Click on the flashing bottom: ASI SURVEYOR LIST

PanCanal Building Albrook, Panama City Republic of Panama 

December, 2023 - Changes in subject, reference updated; scope, purpose added and general review. **July, 2007**

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

Navigation and Maritime Safety Department General Directorate of Merchant Marine Panama Maritime Authority

> Phone: (507) 501-5031 E-mail: <u>ilortega@amp.gob.pa</u>

Website: https://panamashipregistry.com/circulars