

Merchant Marine Circular

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

MERCHANT MARINE CIRCULAR MMC-156

To: Recognized Organizations (RO's), Ship-owners/Operators, Legal Representatives of Panamanian Flagged Vessels, Panamanian Merchant Marine Consulates, Segumar Offices, ASI Inspectors, Port State Control Inspectors, Shipping Companies and other flag customers.

Subject: Exemption, Equivalentents, Conditional, Interim and Full-Term Certificates.

Reference:

- a) Resolution No. 106-002-DGMM dated January 4, 2024 that revokes Resolution No. 106-181-DGMM of December 24, 2021.
- b) Resolution A.1186(33) of December 6, 2023 - Survey Guidelines under the Harmonized System of Survey and Certification (HSSC), 2023.
- c) Resolution J.D. No. 028-2022 dated June 14, 2022.
- d) IMO SLS.14/Circ.115, Add.1, Add.2 and Add.3 Issue of Exemption Certificates under the 1974 SOLAS Convention and amendments thereto, to the issue of exemption certificate **(as a reference only)**.
- e) IACS Rec.98 Duties of Surveyors under Statutory Conventions and Codes, 2007/Rev.3 2019 **(as a reference only)**.

1. This Merchant Marine Circular replaces **MMC-39**.

2. Purpose

2.1. The purpose of this Merchant Marine Circular is to clarify the policy of this Administration in connection to the issuance of Exemption, Equivalentents Conditional, Interim and Full-Term Certificates.

3. Scope

3.1. This Circular provides definitions for various types of certificates issued by the Recognized Organizations authorized by this Administration and provides a common standard language indicated in our national legislation that all Recognized Organizations authorized by this Administration should use when issuing certificates on our behalf.



Merchant Marine Circular

- 3.2. This document provides reference to other merchant marine circulars (MMC) clarifying certain aspects related to the ISM Code, ISPS Code, MLC 2006, and ITC-1969 with regards to interim or short term or provisional certificates.
- 3.3. The changes in this policy will take effect from August 1, 2020.

4. Definitions

- 4.1. Exemption Certificate is a certificate issued under and in accordance with the provisions of relevant international conventions as prescribed in paragraph 6. of this Circular, in addition, a reference can be made to the IMO Circular SLS.14/Circ.115 to the issue of exemption certificates under the 1974 SOLAS Convention and amendments thereto, as amended. However, each Convention and Code may contain its own regulation related to Exemptions. (Refer to MARPOL I/3, MARPOL II/4, MARPOL IV/3, MARPOL VI/3, Load Line Convention Article 6; to cite a few.)
- 4.2. Equivalent Arrangement Certificate is an approval issued by the Administration allowing in substitution a fitting, material, appliance or apparatus, or type thereof, to be fitted or carried, or any other provision to be made in a vessel, is at least as effective as that required by the international instruments.
- 4.3. Conditional Certificate is issued by a Recognized Organization when the condition of the vessel and its equipment correspond substantially with the particulars of the certificate, and the vessel is fit to proceed to sea without danger to the vessel, or persons on board, and without presenting unreasonable threat of harm to the environment, but deficiencies exist that cannot be rectified at the time of survey. Conditional Certificate is valid only for a period long enough to permit the vessel to proceed to the port where the correction will be made. This particular certificate shall be identified by the wording Conditional Certificate printed under the name of certificate, and all outstanding deficiencies/defects including the details of any relevant requirements or provisions and the assigned due date for the time needed to rectify shall be annotated on or attached to the Conditional Certificate. The Recognized Organization, under previous authorization of the Administration may issue a Conditional Certificate with a validity date not exceeding ninety (90) days.
- 4.4. Interim Certificate, According IACS Rec. No. 98 2007/Rev.3 2019, "is a certificate issued by the attending surveyor upon satisfactory completion of a survey in order to permit the vessel to trade while the Full-Term Certificate is prepared." The surveyor should be nominated for the Recognized Organization duly approved by this flag Administration, and the Interim Certificate should be valid for a maximum period of five (5) months from the survey completion date.



Merchant Marine Circular

4.4.1. With regards to the ISPS Code, ISM Code and MLC, 2006 Convention, an interim certification may be issued to facilitate the initial implementation or as it is indicated in each instrument. Such interim Certificates shall be issued for a period not exceeding 6 months. Only in case of Interim SMC an extension may be allowed under previous authorization of the Administration.

4.5. Full-Term Certificate, According IACS Rec. No. 98 2007/Rev.3 2019, "is a certificate issued upon satisfactory completion of an initial or renewal survey. Full-Term Certificate is valid until the next periodical/renewal survey is due. Full-Term Certificate may also be issued or reissued when all deficiencies which led to the issuance of a Conditional Certificate are corrected." Full-Term Certificate validity shall not exceed five (5) years from the completion date of the periodical/renewal survey on which this Full-Term Certificate is based.

4.6. Unmanned non-self-propelled (UNSP) barge, means a barge that is not propelled by mechanical means; carries no oil (as defined in MARPOL I regulation 1.1); has no machinery fitted that may use oil or generate oil residue (sludge); has no oil fuel tank, lubricating oil tank, oily bilge water holding tank and oil residue (sludge) tank; and has neither persons nor living animals on board.

5. Types of survey

5.1. The types of survey used in the most updated version of *IMO Resolution A.1186(33) "Survey Guidelines under the Harmonized System of Survey and Certification (HSSC), 2023"*, and guided through MMC-152.

6. Exemption Certificates

6.1. This Administration may grant to an individual vessel, exemptions from the provisions of a Convention, if the vessel complies with the conditions established by such convention, for the specific exemption.

6.2. When an exemption is granted to a vessel under and in accordance with the provisions of an International Convention, an Exemption Certificate shall be issued in addition to the certificates requested by related international instruments or the national legislation.

6.3. A request for an Exemption Certificate shall be sent to any of the Segumar Offices by the Ship's owner/ operator, legal representative, or Recognized Organization.

6.4. The request must be made for each individual vessel separately and must include the following:



Merchant Marine Circular

- 6.4.1. Copy of the Provisional/Permanent Certificate of Registry (Patente), (optional).
 - 6.4.2. Copy of the relevant full-term statutory certificate and its attached forms and/or supplements.
 - 6.4.3. Application for exemption Certificate properly filled out (detailed description or reasons to request such exemption).
- 6.5. In cases where the Exemption Certificate is requested for the first time, the issuance of such Certificate is of complete prerogative of this Administration; it means that recognized organizations will not issue Interim Exemption Certificates without authorization of Segumar Offices.
- 6.6. In cases of renewal Full-Term Exemption Certificate, previously issued by this Administration, the Recognized Organizations may issue an Interim Exemption Certificate without authorization from the Administration. This Interim Exemption Certificate will be valid for the same validity period of the related interim statutory certificate. Therefore, the validity of such interim exemption certificate shall not exceed five (5) months. During this period, the users must apply for the issuance of the Full-Term Exemption Certificate and proceed with the correspondent payment.

6.7. MARPOL Exemptions for UNSP Barge

Considering the entry into force of amendments to MARPOL Convention Annexes I and IV (Res. MEPC.330(76), June 17, 2021 - Exemption of unmanned non-self-propelled barges from certain survey and certification requirements) adopted through Resolution No. 107-OMI-258-DGMM dated May 24, 2022, and amendment to Annex VI (Res. MEPC.328(76), June 17, 2021 - 2021 Revised MARPOL Annex VI) adopted through Resolution No.107-OMI-256 dated 24 May 2022; the following exemptions will be issued according to the regular procedure indicated above:

- a) International Oil Pollution Prevention Exemption Certificate: applicable to Unmanned Non-self-propelled Barges. Valid for a period not exceeding five (5) years provided that the UNSP barge has undergone a survey by a Recognized Organization to confirm that the conditions referred to in regulations 1.40.1 to 1.40.5 of MARPOL Annex I are met.
- b) International Sewage Pollution Prevention Exemption Certificate: applicable to Unmanned Non-self-propelled (UNSP) Barges. Valid for a period not exceeding five (5) years provided that the barge has undergone a survey by a Recognized Organization to confirm that the conditions referred to in regulations 1.16.1 to 1.16.4 of MARPOL Annex IV are met.
- c) International Air Pollution Prevention Exemption Certificate: applicable to Unmanned Non-self-propelled (UNSP) Barges, for a period not exceeding



Merchant Marine Circular

five (5) years provided that the barge has undergone a survey by a Recognized Organization to confirm that conditions referred to in regulations 2.1.32.1 to 2.1.32.3 of MARPOL Annex VI are met.

6.8. In case of MARPOL Convention, MODU Codes, COLREG, IBC Code, MLC 2006, and other applicable national legislation, except for exemptions indicated in paragraph 5.7 above granted by this Administration, particulars of any of these exemptions shall be indicated in the relevant Certificate.

6.9. When an exemption is granted by this Administration, the corresponding report according to each international instrument, including particulars and reasons, will be communicated to the IMO. The IMO will then circulate the particulars to other Contracting Governments for their officers' information.

7. Equivalent Arrangement Certificates

7.1. The Administration may issue this certificate in cases where vessel demonstrate by trial or otherwise that a particular fitting, material, appliance or apparatus, or type thereof, be fitted or carried in a vessel, or that the application of any particular provision is at least as effective as the required by the international instruments.

7.2. When an equivalent arrangement is approved to a vessel, an Equivalent Arrangement Approval Certificate shall be issued in addition to the certificates requested by related international instruments or the national legislation.

7.3. A request for an Equivalent Arrangement Approval Certificate shall be sent to any of the Segumar Offices by the Recognized Organization.

7.4. When the Administration approves an Equivalent, the correspondent report including the particulars thereof together with a report on any trials made will be communicated to the IMO for circulation of such particulars to other Contracting Governments for the information of their officers.

8. Conditional Certificates

8.1. In cases where the condition of a vessel or its equipment does not comply with the requirements of an International Convention, this Administration may authorize the Recognized Organization which has issued the vessel's statutory certificate, to issue a Conditional Certificate, provided that the vessel is fit to proceed to sea without harm to the vessel, persons on board, or without presenting unreasonable threat of harm to the marine environment, allowing the vessel to proceed to a port where the necessary repairs may be carried out.



Merchant Marine Circular

- 8.2.** The Recognized Organization will ensure that the corrective action will be taken, and shall in due course, notify this Administration. Evidence of the corrective actions taken, may include, but are not limited to survey reports, re-issued, revalidated certificate, or a formal notification in written. If such corrective action is not taken before the expiration date of the Conditional Certificate, the Full-term Certificate shall be withdrawn, and the Administration shall be notified immediately.
- 8.3.** In cases where a full-term certificate loses its validity due to overdue annual, periodical, intermediate or outside of the ship's bottom endorsements, an authorization to issue a Conditional Certificate may be requested to the Administration through Segumar Offices, as a transitional measure until the correspondent revalidation survey is carried out and certificates validity is restored.
- 8.4.** The request for authorization to issue Conditional Certificates shall be sent to the Segumar Offices in cases were considered necessary by the owner, operator or legal representatives, however the Recognized Organization shall support this request. Under no circumstances the Conditional Certificate shall be issued without the previous authorization of Segumar Offices.
- 8.5.** The request must be made for each individual vessel separately and must include:
- 8.5.1.** Reasons to issue a Conditional Certificate,
 - 8.5.2.** Copy of the current statutory certificate, available onboard, relevant to the Conditional Certificate.
- 8.6.** The validity of a Conditional Certificate must not exceed ninety (90) days. This Administration will not authorize the extension or re-issuance of such Conditional Certificates and will not authorize extensions of full-term statutory certificates exceeding ninety (90) days. In exceptional circumstances and previous a comprehensive evaluation by Segumar Offices, it might be consider granting longer validity periods to Conditional Certificates, either the extension or re-issuance of existing Conditional Certificates.
- 9. Interim Certificates (excluding ISM Code, ISPS Code, MLC, 2006 & ITC69 Certificates)**
- 9.1.** When a vessel has been found to comply with all the requirements of an International Convention and the additional requirements of this Administration, after the correspondent surveys, the Recognized Organization may issue an Interim Certificate (as defined in subparagraph item 4.4 of this Circular), as a transitional measure until the correspondent Full Term Certificate (as defined in subparagraph 4.5 of this Circular) is issued and placed on board. The maximum validity of this Interim Certificate shall not exceed five (5) months.



Merchant Marine Circular

10. ISM Code, ISPS Code and MLC, 2006, and ITC69 interim Certificates

- 10.1.** In case of ISM Code Certificates (DOC and SMC) please refer to MMC-388. The use of “Short-term” Certificates is only accepted within the Certification process related to the Certificates described in MMC-388.
- 10.2.** In case of certificates issued by virtue of the ISPS Code please refer to MMC-359. The use of “Short-term” Certificates is only accepted within the Certification process related to the Certificates described in MMC-359.
- 10.3.** In case of certificates issued by virtue of the MLC, 2006 please refer to MMC-269. Where the validity of interim certificate is indicated and issuance of a Provisional MLC Certificate is instructed.
- 10.4.** In case of ITC69 interim certificates validity, please refer to MMC-67.

11. Handling fees

- 11.1.** Our MMC-324 instructs the Recognized Organization on the Administrative Fees imposed for technical documents, statutory certificates, endorsements and approvals.
- 11.2.** In addition to each Exemption 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).

April, 2024 – Amendments throughout all the text based on Resolution No.106-002-DGMM of January 4, 2024.

October, 2022 – Paragraph 4.7, 4.7.1, 4.7.2, 4.7.3 and 8 added.

April, 2022 – References updated.

June, 2020 – New paragraphs 2. Definitions and 3. Types of survey are incorporated, and existing paragraphs and subparagraphs are renumbered accordingly. This Merchant Marine Circular replaces MMC-39.

January, 2019 – Modifications in point 1.4.1 (Provisional/Permanent Certificate of Registry).



Merchant Marine Circular

October, 2018 - Updated point 2.6

July, 2018 - Updated MMC 359 in point 3.2

October, 2016 – New Purpose added, modifications to paragraphs 1, 2, 3, Paragraphs 4, 5, 6, 7, 8, 9, 10 were eliminated and resumed in paragraphs 1, 2 and 3.

February, 2012 – Modifications in points 7, 8, 9 and 10.

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

Segumar Panama & Segumar Miami
General Directorate of Merchant Marine
Panama Maritime Authority

Phone: (507) 501-5353 or 5350 or 5348

E-mail: segumar.headoffice@segumar.com; internationaloffices@segumar.com

Website: <https://panamashipregistry.com/circulars/>