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CIRCULAR

Financial Securities and ISM Declarations for Panama flagged vessels

Panama Maritime Authority has released new requirements involving the Financial Securities and the ISM Declarations.

[Notice to: Ship Owners/ Managers/ Operators | Surveyors/Auditors/Inspectors](#)

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The Panama Maritime Administration (PMA) has released Letter No. 109-01-014-DGMM-SEG to Recognized Organizations concerning items under the International Safety Management Code and the Maritime Labour Convention, 2006.

The Administration requires that during the annual verification of the Document of Compliance (DoC/ISM) as well as during the intermediate verification of the Safety Management Certificate (SMC/ISM) the validation of the following documents must be verified:

- Certificate of Insurance or other Financial Security in respect of Civil Liability for Bunker Oil Pollution Damage;
- Certificate of Insurance or other Financial Security in respect of Liability for the Removal of Wrecks;
- Certificate of Insurance or other Financial Security in respect to Ship owners' Liability as required under the MLC, 2006; and
- Declaration of Company Operator and Designated Person Ashore, duly endorsed by this Administration, as per the MMC-176.

In addition, the Administration requires that for the certificates of International Safety Management Code (ISM) and Maritime Labour Convention, 2006 (MLC, 2006) to proceed as follows:

1. [Expired Financial Securities](#) must be treated as a **Non-Conformity** as per the ISM Code;
 2. [Declaration of Company Operator and Designated Person Ashore](#) if detected not reported to and endorsed by the Panama Administration **must be treated as a Non-Conformity**;
- both non-conformities should be reported **immediately** to Dromon Head office for further action.

Act now

Ship Owners / Managers / Operators of Panama flying vessels should take into consideration the above notice and ensure compliance on board their fleet.

Dromon Auditors / Inspectors during the above-mentioned audits/inspections should act as appropriate regarding the issuance of non-conformities, where applicable. An immediate notice should be submitted to Dromon Head office without delays.