

## Flag leads from the front

Panama Ship Registry, which falls under the Panama Maritime Authority's department of merchant marine, maintains its position as the world's leading flag. As of end-June 2013 it had 8,261 vessels (over 500gt) totalling 230.1m tonnes registered, representing 21.9% of the world's total merchant fleet, according to Lloyd's Register statistics.

Quality has been on the increase, as well as quantity. The age of the fleet that has been lowered to 16 years, down from an average of 19 years in 2009.

Alfonso Castellero, head of the Registry and Panama Maritime Authority's director of merchant



Alfonso Castellero

marine, says the flag has benefited from 'a series of measures to improve quality, a successive number of incentives to shipowners and numerous visits to our customers.' It has also 'strengthened its inspections and quality standards to comply with international conventions on maritime safety,' he adds. The quality drive began with Panama's accession to the White List

A series of innovations were implemented in 2013, beginning with the creation, in July, of a set of further economic incentives for registration of newbuilds additional to those already issued in 2009. Aimed at giving some respite to ship owners because of the

global economic situation, they will terminate at end 2014, says Castellero.

The Panama Maritime Authority has also introduced a customised system to facilitate the work of more than 300 Panama nautical surveyors worldwide that helps centralising all the inspection results in real time. The \$3.7m-system is a mobile device with wireless network connection that will optimise the Annual Safety Inspections (ASI) of Panamanian vessels around the world. Panama is the first country to use this modern mobile device. 'This new tool has proved very valuable for the safety security and control of the fleet while keeping the registry updated and aware of possible problems,' explains Castellero.

## Boost for auxiliary shipping services' sector

After years of trying to get approval for developing the country's auxiliary maritime industry, the sector has at last received the good news that the Panama Maritime Authority has approved a concession for the construction of two multipurpose berths. Located one apiece on the Pacific and Atlantic sides, they will provide services to ships transiting the Panama Canal, barges and launches.

On the Pacific side, the pier is located near the Bridge of the Americas in a sector called Mystic Rose, and is being developed by Port & Harbour Marine Service Corp. with an investment of \$17m.

The concession is for 20 years. The government, through the AMP, will receive around \$9.4m during the period of the concession. The 9.3ha area will be used to provide transfer services and fuel supply, freight and passenger transport, repair and maintenance of ships, services for approach and landing boats, construction and repair depots and workshops to service auxiliary maritime industries. Also the pier will be authorised to various supply and waste collection and disposal services.



Marvin Castillo



On the Atlantic side, a multipurpose dock will be built in the area between Pier 3 inside the compound of the Port of Cristobal, and should be ready by 2015 to also serve the auxiliary industry.

Another positive development for Panama's maritime sector has been the 2013 reopening of the former Braswell Shipyard. The new operator, Panamanian consortium MEC Balboa Shipyard, has bookings well into 2014 for the yard, which can handle ships up to current Panamax.

MEC had to invest \$6m in equipment

and an additional \$4m on infrastructure for the reopening. 'We had to buy three tower cranes of 10 tonnes capacity and one 30-tonne-RTG to attend our first customers,' says ceo Marvin Castillo. During its first nine months of operations the yard has attended 52 ships and 30 more on its floating dock.

MEC also has space available for vessel repairs not carried out by the shipyard. 'We are trying to develop part of the shipyard into an economic processing free zone for the maritime sector,' says Castillo. 'We want to attract companies that service vessels with new technologies that are not [yet] present in Panama.' ●