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CIRCULAR

## ISM Code – Panama Policy

C23055 | 20 September 2023

Notice to: Ship Owners/ Managers/ Operators / Surveyors/ Auditors

This circular is issued to advise that the Panama Maritime Authority has re-issued a [Merchant Marine Circular, MMC-176](#) on “International Safety Management (ISM) Code Panama Policy”.

Circular MMC-176 replaces MMC-95, MMC-97, MMC-100, MMC-115, MMC-160, MMC-176 and MMC-213

The Circular reminds that **“failure to take adequate corrective actions in compliance with the ISM Code, including measures to prevent recurrence, may be considered as a major nonconformity affecting the validity of the Document of Compliance and related Safety Management Certificate.”**

Key points covered in the circular include:

- Additional verifications:
  - In case of Port State Control detentions;
  - In case of reactivation after interruption of operations due to a period out of service;
  - In case of reporting on deficiencies possibly affecting the implementation of the ISM Code on board;
  - In case of non-conformities found during ISM verifications.
- Verifying that effective corrective actions have been taken and/or are being properly implemented (excluding PSC deficiencies).

### Additional verifications

The Circular details the additional verification, and reporting procedures required by the Administration (in accordance with the Revised Guidelines on the Implementation of the International Safety Management (ISM) Code) to check if the safety management system still functions effectively, following situations beyond normal procedures:

In case of Port State Control detentions:

Additional verifications are to be carried out at the port of detention. The scope and depth of the verification is to be the same as the initial verification.

The Port State Control report is to be presented in case of Ship's detentions or ISM related deficiencies.

Requests for additional verifications arising from Port State Control detentions are to be sent to: [ism@amp.gob.pa](mailto:ism@amp.gob.pa) or to the nearest SEGUMAR Office.

On satisfactory completion of the additional verification, the Safety Management Certificate is to be endorsed accordingly.

The Class Society/RO is to submit to the Administration as soon as possible:

- a copy of the additional verification report; together with
- the corrective actions based on the non-conformities (once approved by the PSCO).

Corrective actions and any subsequent audits:

- Are to be completed within the agreed time period but should not normally exceed three (3) months;
- At least one (1) additional verification (follow-up audit) is to be carried out within the time frame indicated in the agreed corrective action plan.

Class Societies/ROs are to ensure that the company applies for the follow-up audits as agreed.

Follow-up audit authorizations are to be requested to [ism@amp.gob.pa](mailto:ism@amp.gob.pa) and confirmation of closing and correction of deficiencies is to be informed to the Navigation and Maritime Safety Department [ism@amp.gob.pa](mailto:ism@amp.gob.pa) or to the nearest SEGUMAR Office.

Further information related to ships under high risk assessment is given in [Circular MMC-380](#).

#### [In case of reactivation after interruption of operations due to a period out of service:](#)

Requests for additional verifications after the interruption of operations of the ship and its SMS are to be sent to [authorizations@segumar.com](mailto:authorizations@segumar.com) or to the nearest SEGUMAR Office.

After interruption of the SMS on board a ship, the Company is to review the SMS. For ships which only operate seasonally, the Company is to establish specific procedures for the lay-up period and reactivation, based on their commercial activities.

The Company is to notify the port State or coastal State about the reactivation of the ship. This is to include information about:

- the time needed for reactivation of the vessel,
- any change of ownership or change of Company and
- the next intended destination after reactivation, e.g. normal trade, repair yard or scrap yard.

Where the interruption period of the SMS on board the ship is 3 – 6 months, an additional verification is required before the ship re-starts operations. On satisfactory completion of the shipboard assessment, the Safety Management Certificate (SMC) is to be endorsed for additional verification. Where non-conformities are found, a copy of the additional verification report is to be submitted by the Class Society/RO, as soon as possible, to the Administration, along with the corrective action plan approved by them, to the email address [authorizations@segumar.com](mailto:authorizations@segumar.com) or to the nearest SEGUMAR Office.

If the interruption period of the SMS on board the ship is more than 6 months, then the Company should request an interim verification from its Class Society/RO, before the ships re-starts its operations.

#### [In case of reporting on deficiencies possibly affecting the implementation of the ISM Code on board:](#)

Where deficiencies are found which possibly affect the implementation of the ISM Code, the RO responsible for the SMC is to carry out the additional verification after obtaining authorization from SEGUMAR.

On satisfactory completion of the shipboard assessment, the Safety Management Certificate is to be endorsed for additional verification.

The Class Society/RO responsible for the SMC is to submit a copy of the additional verification report as soon as possible to the Administration along with the corrective actions based on the non-conformities to [internationaloffices@segumar.com](mailto:internationaloffices@segumar.com) and [authorizations@segumar.com](mailto:authorizations@segumar.com).

Corrective actions and any subsequent audits are to be completed within the agreed time period but should not normally exceed three (3) months; at least one (1) additional verification (follow-up audit) is to be carried out within the time frame in the agreed corrective action plan. The Class Society/RO is to ensure that the company applies for the follow-up audits as agreed.

#### In case of non-conformities found during ISM verifications:

Where non-conformities are found during ISM verifications, requests for additional verification by the Class Society/RO are to be sent to [authorizations@segumar.com](mailto:authorizations@segumar.com) or to the nearest SEGUMAR Office.

On satisfactory completion of the shipboard assessment, the additional verification is to be endorsed on the SMC

The Class Society/RO responsible for the SMC is to submit to the Administration, as soon as possible, a copy of the additional verification report, along with the corrective actions based on the non-conformities to [internationaloffices@segumar.com](mailto:internationaloffices@segumar.com) and, [authorizations@segumar.com](mailto:authorizations@segumar.com).

Corrective actions and any subsequent audits are to be completed within the agreed time period but should not normally exceed three (3) months; at least one (1) additional verification (follow-up audit) should be carried out within the time frame indicated in the agreed corrective action plan. The Class Society/RO is to ensure that the company applies for the follow-up audit as agreed.

#### Verifying that effective corrective actions have been taken and/or are being properly implemented (excluding PSC deficiencies):

Requests for additional verification (follow-up) to ensure the effectiveness of corrective actions have been taken and/or are being properly implemented are to be sent to [authorizations@segumar.com](mailto:authorizations@segumar.com) or to the nearest SEGUMAR Office.

Corrective actions and any subsequent audits are to be completed within the agreed time period but should not normally exceed three (3) months.

At least one (1) additional verification (follow-up audit) is to be carried out within the time frame indicated in the agreed corrective action plan to verify that effectiveness of corrective actions has been taken and/or are being properly implemented.

Class Societies/ROs are instructed to ensure that the company applies for the follow-up audits as agreed.

#### Act now

Ship Owners / Managers/ Operators / Surveyors / Auditors should note the contents of the Circular and ensure that the procedures and reporting requirements are followed.