

News 03 Jun, 2020

Panama announces sanctions for deliberate AIS/LRIT deactivation



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In likely response to the recent Global Maritime Advisory concerning steps to prevent breach of sanctions issued by the U.S. authorities (please see Notice to Members No.6 2020/2021 for details), Panama has announced that their General Directorate of Merchant Marine will “impose sanctions to all those Panamanian flagged vessels that deliberately deactivate, tamper or alter the operation of Long Range Identification and Tracking System (LRIT) or the Automatic Identification System (AIS).”

Those sanctions include a fine of US\$10,000 and/or removal of the vessel from the Panamanian registry.

Copies of Panama’s MMN-09/2020 and the accompanying Resolution No. 106-048-DGMM can be found using the links on this page. Members with vessels flying the Panamanian flag are advised to take note of this announcement and ensure that their AIS and LRIT systems are operated at all times in accordance with applicable statutory requirements.

More generally, as all IG Clubs noted in their recent circular regarding AIS tracking (please see Notice to Members No.5 2020/2021):


“Where a ship is not in compliance with Flag State requirements the owner risks prejudicing cover under their P&I Club rules. There will also be grounds to deny P&I cover on the basis of imprudent or unlawful trading where an owner trades his vessel in breach of sanctions, disguising its location by manipulating or withholding the transmission of AIS data.”

All Members are consequently reminded that it is a condition of cover under Rule 20(F) that “...every Member insured in respect of an insured vessel shall at all times comply with all statutory requirements of the state of the vessel’s flag relating to the construction, adaptation, condition, fitment, equipment and manning of the vessel.”

Cover may also be jeopardised under Rule 19 if there the Committee determines that there was any “activity on board or in connection with the insured vessel, [which] was imprudent, unsafe, unduly hazardous or improper.”

Members with any questions concerning the above are asked to contact the Managers.

Resolution No.106-048-DGMM

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Panama Merchant Marine Notice

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