

**REPUBLIC OF PANAMA
MINISTRY OF AGRICULTURAL DEVELOPMENT**

**Executive Decree No. 131
(From April 14, 2020)**

Wherein it establishes and regulates the licenses of capture and activities related to the fishing for ships with the national flag, of international service and dictates provisions to prevent, discourage and eliminate illegal, unreported, unregulated (IUU) fishing.

THE PRESIDENT OF THE REPUBLIC
In full use of his constitutional and legal powers,

CONSIDERING:

That numeral 1 of article 92 of Law 38 of June 04, 1995, which approves the United Nations Convention on the Law of the Sea (CONVEMAR), made in Montego Bay, on December 10, 1982, provides that the Ships must sail under the flag of a single State and except in the exceptional cases expressly provided for in the International Treaties or in this Convention, they will be subject to the exclusive jurisdiction of that State on the high seas, and that a ship may not change its flag during a trip or on a stopover, except in the case of effective transfer of ownership or change of registration;

That said Convention, in article 116, establishes that all States have the right for their nationals to engage in fishing on the high seas, subject to conventional obligations;

That through Law 44 of November 23, the Aquatic Resources Authority of Panama is created, hereinafter, the Authority, as the State's governing entity to ensure compliance and application of national fishing and aquaculture laws and policies;

That according to numeral 3 of article 4 of Law 44 of 2006, its function is to regulate, promote and apply the technical and administrative measures and processes for the rational, sustainable and responsible use of aquatic resources, in order to protect the National aquatic heritage and co-assist in the protection of the environment, as well as to comply with international agreements and conventions to which the Panamanian State is a signatory in matters of its competence;

That numeral 10 of article 21 of Law 44 of 2006, establishes among the functions of the General Administrator, authorizing the approval, modification, revocation and cancellation of permits, licenses and authorizations, related to fishing and aquaculture, in the terms of the applicable legal and administrative provisions;

That article 52 of Decree Law 17 of July 9, 1959, establishes among the objectives of the fishing license, the partial or total recovery of the public treasury funds that are spent in the administration and research regarding the industry of fishery, and contribute to the Treasury with fair compensation for the extraction of natural resources owned by the State, when their exploitation does not result in direct benefit to the national economy;

That through Executive Decree 162 of June 6, 2013, the fishing licenses and support licenses for international service vessels were established and regulated, and that such regulations that need to be updated, with the aim of establishing provisions that allow greater access to information on such international service vessels flying the Panamanian flag, and to enforce measures to prevent, discourage and eliminate illegal, unreported, and unregulated (IUU) fishing, and maintain better control over their fleet for the sake of respect and compliance with current fishing regulations;

That this Authority considers it necessary to issue updated provisions to exercise greater control over the issuance of fishing licenses and activities related to fishing, in order to optimize the work and commitment of the Panamanian State to prevent, discourage and eliminate illegal fishing, undeclared, unregulated (IUU); in consequence,

DECREES:

Article 1. All vessels, bearing the national flag, of international service dedicated to fishing or to carry out activities related to fishing, must have an international fishing license issued by the Authority.

Article 2. For the purposes of this Executive Decree, the following terms shall be understood as follows:

1. *Activities related to fishing*: Any operation to support or prepare fishing, including fish processing, transshipment, packaging, processing, transport of aquatic resources, planting fish concentrating devices (FADs), as well as the provision of personnel, fuel, fishing gear and other supplies at sea and related activities, except for container ships that do not transport fish or, in the case that they transport it, only fish that has been previously landed.
2. *Resident Agent*: Lawyer or company of lawyers, suitable for the exercise of the profession in the Republic of Panama with power granted by the owner of the ship, to manage the procedures before the Authority.
3. *Fishing Vessel*: Any vessel dedicated to the capture or activities related to fishing.
4. *Capture*: Activity that is carried out to extract aquatic resources.
5. RFMO: Regional or Sub-regional Fisheries Management Organization.
6. *IUU Fishing*: Illegal, Unreported, Unregulated Fishing.

Article 3. The international fishing license to which article 1 refers, will be valid for two (2) years, and the following categories will be classified:

1. International Capture Fishing License;
2. International Fishing License for activities related to fishing.

Article 4. Upon execution of this Executive Decree, every vessel duly registered in the national flag vessel registry, dedicated to the capture or activities related to fishing, outside the jurisdictional waters of Panama, must have a valid International Fishing License. In the event that a vessel requests its registration with the merchant marine as a fishing vessel, the Authority will issue a no-objection to said registration, provided that its owners and the vessel have no IUU fishing history.

Article 5. Every owner of a fishing vessel with a national flag of international service, must assign a suitable lawyer or law firm in order to exercise the profession in the Republic of Panama as its Resident Agent before the Authority.

In case of resignation of the Resident Agent, the Authority will inform the owner of the ship of said action so that he can make the appointment of a new Resident Agent in a term no longer than sixty (60) calendar days. Otherwise, the fishing license of said vessel will be suspended.

The suspension process will be notified to the owner of the ship by email and by edict set by the term of five (5) business days on the board of the Central Maritime Office. If upon expiration of the term, the power of attorney is not received by the owner of the ship with the designation of a new Resident Agent, the definitive suspension will be announced on the website of the Authority and the owner of the ship informed via the email address on the record.

Article 6. The capture fishing license must be requested by the vessel's Resident Agent before the Authority, complying with the following requirements:

1. Power of Attorney, by which the Resident Agent of the ship is designated before the Authority.
2. Memorial containing the following information:

- a. Name, nationality, address, telephone number and emails of the ship owner, owner and the ship's charterer, if any, as well as the final beneficiaries of the ship's activity'. In the event that the beneficiary is a legal entity, the details of its directors, dignitaries and legal representative must be provided.
 - b. International IMO Identification Number.
 - c. Capacity in total volume of the fish cargo holds, measured in cubic meters.
 - d. Species to be captured by the vessel, indicating the common name and scientific name of the species and the name of the applicable RFMO according to the area where it will be captured.
 - e. The fishing method and gear used by the vessel.
 - f. Ports where the ship will carry out landing operations.
 - g. Ports where the ship will make transshipments of fish.
3. If the owner of the ship is a foreign legal person, a document issued by the competent authority of the country of incorporation, duly legalized, stating its existence and legal representation.
 4. A Simple copy of the ship's last valid navigation permit, issued by the Panama Maritime Authority. Newly built ships are exempt from this requirement. Those who must provide a copy of the flag document for assignment or new construction vessel.
 5. Three (3) recent photographs of the ship at different angles, one of which must show the name of the ship. In the case of a newly built ship, a simple copy of the ship's design plans.

Article 7. The fishing license for activities related to fishing must be requested by the Resident Agent of the vessel to the Authority, fulfilling the following requirements:

1. Power Attorney by which the Resident Agent of the ship is designated to the Authority.
2. Memo containing the following information:
 - a. Name, nationality, address, telephone number and emails of the ship builder, owner and the ship's charterer, if any, as well as the direct beneficiaries of the activity from the ship. In the event that the beneficiary is a legal entity, the details of its directors, dignitaries and legal representative must be indicated.
 - b. International IMO Identification Number.
 - c. Capacity in total volume of the fish cargo holds, measured in cubic meters.
 - d. Name of the RFMOs applicable, according to the areas where they will unload, transport or transfer fish or another aquatic resource in the case of refrigerated cargo ships, as well as ports where the ship will carry out landing operations.
 - e. Ports and areas in the high seas areas, where the ship will carry out transshipment operations or transfers of fish.
3. If the owner of the ship is a foreign legal person, present a document issued by the competent authority of the country of incorporation, duly legalized, stating its existence and legal representation.
4. A simple copy of the ship's last valid navigation permit, issued by the Maritime Authority of Panama. New ships are exempt from this requirement, but must provide a copy of the flag document by assignment or of new ship-status.
5. Three (3) recent photographs of the ship at different angles, one of which must show the name of the ship clearly. In the case of newly constructed ships, a simple copy of the ship plans will do.

Article 8. Once an application for an international service fishing license has been accepted, the General Bureau for Organization and Comprehensive Management of the Authority will request the General Bureau for Inspection, Surveillance and Control of the same, in a certificate, which will be incorporated in the ship's file, indicating that the ship has satellite communication equipment (VMS) and that it complies with the provisions of Executive Decree 17 of June 30, 2008 and its modifications. If the issuance of said certificate does not proceed, the Authority will not issue an international service fishing license. Ships under construction exempted from this provision.

Article 9. Ships under construction, may only have an international fishing license granted, called "International Fishing License for Vessel under Construction", if they

comply with the requirements established in numerals 1, 2, and 3 of article 6 of this Executive Decree and the presentation of a simple copy of the plans or design of the ship under construction. Said license will have an annual cost of five thousand balboas with 00/100 (B / 5,000.00) according to the schedule and completion of the construction project, indicating that it is not suitable for the task of fishing and will be covered by an Administrative Resolution issued by the General Administration of the Authority, authorizing its granting.

Article 10. Panamanian fishing vessels that enter into a charter contract, which implies the transfer of said vessel to another flag temporarily, but that continues to maintain the national flag, will be granted an international fishing license called "International Fishing License of Charter Ship", after complying with the requirements established in numerals 1, 2, and 3 of article 6 of this Executive Decree and the presentation of authenticated glass of the charter contract. This license will have an annual cost of five thousand balboas with 00/100 (B / 5,000.00), it will indicate that it is not suitable for the fishing task and will be covered by an Administrative Resolution issued by the General Administration of the Authority, authorizing its granting .

Article 11. Vessels requesting an international service fishing license for the first time before the Authority, provided the VMS verification is on file, the Authority will verify that the application for an international service fishing license meets the requirements established in the this Executive Decree, and will analyze the ship's compliance history according to national and international regulations and evaluate the impact of granting the license according to the socioeconomic interests of the Republic of Panama. Once this verification, analysis and evaluation has been completed, the Authority will proceed to approve or deny the application for the international service fishing license, by means of a motivated resolution.

In the case of renewal of a fishing license, once the legal requirements have been provided, the Authority will proceed with the granting of the corresponding fishing license, except in cases where it has been identified as an IUU fishing vessel.

Article 12. The authority may establish additional requirements for the granting of the licenses regulated in this Executive Decree, by means of an administrative resolution.

Article 13. The following will be powers of the Resident Agent before the Authority:

1. The presentation of an application for an international service fishing license, its renewal or cancellation.
2. Payment of the fees for the issuance of the international service fishing license or other fees incurred in the issuance of any document requested from the Authority.
3. The payment of fines and surcharges, the representation of the ship in sanctionary administrative processes and the filing of appeals against sanctions imposed by the Authority on the ship.
4. Receive notifications of any administrative act that must be notified to the ship, its owner, operator, or captain.
5. Any other faculty that may have been assigned to him through the instrument of his appointment.
6. Perform due diligence of researching the source, the owners and the vessel and any other information that may lead to determine their behavior for IUU fishing issues.

Article 14. The Resident Agent of any ship registered with the Authority must provide updated information on the contact details of the owner, operator and direct beneficiaries of the ship's activities.

Article 15. The Authority may, at any time, inspect, supervise, monitor, control, enter, monitor and inspect vessels that have a fishing license granted by the Republic of Panama, with the aim of complying and enforcing current legislation. , related to your competition. The expenses incurred by the Authority to carry out the activities of this article shall be borne by the owner of the vessel.

Article 16. The Authority will be responsible for registering vessels with our national flag before the corresponding RFMOs, based on their competences and by what is

established by each of them. If a vessel with an international service fishing license is not registered as an authorized vessel, according to the established procedures, it may not carry out operations in the area of competence of the corresponding RFMO.

The Authority will impose a fine of two hundred and fifty balboas with 00/100 (B / 250.00) multiplied by the gross registration tonnage registered in the navigation permit, to the vessel that engages in fishing or fishing-related activities before being registered by the Authority in the corresponding RFMO. The Authority will estimate the fine according to the analysis of the data supplied by the RFMO Secretary, since these have been received by physical or electronic correspondence, and supported by the reports emanating from the Authority's Fisheries Monitoring Center.

Article 17. Any flag vessels not registered in the RFMO corresponding to where they carry out their activities or without a capture license or activities related to fishing, and that are carrying out said activities under these conditions, following due process, will be considered Vessels that practice IUU fishing will therefore be removed from the vessels registry at the Merchant Marine of Panama and the Authority will make it publicly known to the corresponding organizations, requesting its inclusion in the list of IUU vessels of the respective RFMO.

Article 18. The request for the renewal of an international service fishing license must be submitted to the Authority within a term not less than thirty (30) calendar days before its expiration, and the date of issue of said license will be the day of expiration date of the previous license.

In the case of a renewal request submitted to the Authority outside the indicated period or with the license already expired, the new international service fishing license will be granted, effective from the date of its issue.

Article 19. Requests for renewal of an international service fishing license must be presented by means of a memorandum signed by the Resident Agent. Said request must comply with the requirements established in this Executive Decree, except those that are already in effect, in their file.

Article 20. Ship photographs must be submitted every two (2) years. However, if the vessel has made a name-change, substantial modification in its characteristics, its gear or in the activities inherent to the fishing operation, presentation of a new set of photographs will be mandatory.

Article 21. The vessels registered in an RFMO, of which the Republic of Panama is a Contracting Party or Cooperating non-Contracting Party, in addition to the cost of the license, must cover the financial contributions of said organization, for its participation as a fishing vessel or that carries out activities related to fishing. For such purposes, the Authority shall establish the procedures to cover said contributions.

Article 22. The licenses established in this Executive Decree will cause annual fees, which must be paid to the Authority at the time of making your request according to the following:

1. Capture license with purse seine fishing gear, the sum of ten balboas with 00/100 (B / 10/00) for each ton of gross registration by authorized RFMOs.
2. Capture vessels with longline fishing gear, the sum of five thousand balboas with 00/100 (B / 5,000.00) by authorized RFMOs.
3. Vessels that carry out activities related to fishing whose gross tonnage is up to 5,000; the sum of five thousand balboas with 00/100 (B / 5,000.00).
4. Vessels that carry out activities related to fishing whose gross tonnage is between 5,001 and 10,000; the sum of ten thousand balboas with 00/100 (B / 10,000).
5. Vessels that carry out fishing-related activities whose tonnage is greater than 10,000; the sum of fifteen thousand balboas with 00/100 (B / 15,000.00).

If the application for a license is for two (2) years, the fees corresponding to two years of fishing license must be paid for the issuance of said license.

Article 23. The issuance of international service fishing licenses to fishing vessels that use fishing gear or gear called a trawl or driftnet of any kind is prohibited.

Article 24. Vessels with a purse seine network of international service, may only transfer at ports authorized by the Authority.

Article 25. Nationally flagged refrigerated cargo ships licensed for fishing-related activities may receive transshipment at sea from foreign-flagged longline vessels, provided that the Panamanian vessel carries an observer on board, recognized by the Authority and by the corresponding RFMO, and that said transshipment had been previously authorized by the Authority and does not contradict the norms, resolutions and / or recommendations from the respective RFMO.

Article 26. Fishing licenses may be modified at the request of a party, in accordance with the following:

1. Fund: A change of vessel ownership, fishing gear or specifications inherent to the extraction of the aquatic resource, which would imply the issuance of a new fishing license.
2. Form: Any change in the characteristics of the vessel that is not considered a change of fund, will incur a payment of two hundred balboas with 00/100 (B / 200.00) for effecting said change.

Article 27. Every company incorporated in the Republic of Panama that owns vessels with a foreign flag, must ensure that their vessels do not incur and are not identified as vessels that have carried out IUU Fishing. Likewise, all fishing vessels owned by them must register and be declared at the Authority, indicating the following information:

1. Name, nationality, address and emails of the ship builder, owner, and the ship's charterer, if any, as well as the direct beneficiaries of the activity from the ship. In the event that the beneficiary is a legal entity, the contact details of its directors, officers and legal representative must be provided.
2. International IMO identification number.
3. Nationality or flag of the ship.
4. A copy of the fishing license and navigation license issued by the corresponding competent authorities.

Article 28. The authority will impose a fine in the amount of five thousand balboas with 00/100 (B/ 5,000.00) upon any company that fails to comply with the provisions of the previous article. The Authority will proceed to issue an official letter to the General Directorate of Revenue of the Ministry of Economy and Finance, in order to take the appropriate measures against the company that owns the vessel in the event that the fine is not paid once the resolution imposing it is executed. .

Article 29. Executive Decree 162 of June 06, 2013 is repealed.

Article 30. This Executive Decree shall enter into force, effective as of its promulgation in the Official Gazette.

FOUNDATION OF LAW: Law 38 of June 04, 1995, Law 44 of November 23, 2006, Decree Law 17 of July 9, 1959

COMMUNICATE AND COMPLY

LAURENTINO CORTIZO COHEN
President of the Republic

Augusto Valderrama
Minister of Agricultural Development