

under the provisions of the Act passed by the Governor General in Council No. X of 1841, to any ports in the territories under the Government of the East India Company, shall be deemed to be British ships for all purposes of trade within the said limits including the Cape of Good Hope and the territories and dependencies thereof.

(c) REGISTRATION OF SHIPS AMENDMENT ACT NO. XI OF 15 MARCH 1850. ¹

AN ACT TO AMEND ACT X OF 1841

For amendment of Act X of 1841, it is enacted as follows—

1. [*Repeal of s. 13 of Act X of 1841.*] *Rep. by Act XIV of 1870.*

2. The passes which, under section 24 of the said Act, may be issued for conferring the privileges and advantages of a British ship, in certain cases, to any ship or vessel built within [any Acceding State] may, after the passing of this Act, be issued in the like cases, and under the same restrictions, to any ship or vessel belonging to any [Acceding State or the Ruler or a subject thereof] wherever the same may have been built.

3. All ships or vessels, of whatever rig and of whatever tonnage, owned by British subjects, entitled to registry under Act X of 1841, or owned by [an Acceding State or the Ruler or a subject thereof] entitled to passes under Act X of 1841, as amended by this Act, employed only in coasting voyages, or between any port of * * * [Pakistan and India, the Island of Ceylon] [or Burma] may be registered and obtain passes, and the tonnage may be marked, according to such rules as shall be made from time to time, by [Central Government].

5. This Act shall be construed with and as part of Act X of 1841.

45. Panama

(a) COMMERCIAL CODE OF 22 AUGUST 1916. ²

Article 1080. Merchant vessels which are wholly or partly the property of Panamanian citizens or of foreigners domiciled in the Republic with more than five years of residence therein, or of commercial societies having their headquarters in Panama shall be deemed to be Panamanian, provided that they are registered and enrolled as such and that the owners thereof submit expressly to the laws of the Republic concerning navigation.

In the case of partnership in the ownership of a vessel, this last circumstance must result from the unanimous and express declaration of the partners made before the official charged with the registration of vessels.

¹ *Ibid.*, p. 38.

² English text from C. Berguido and J. Fabrega: *Manual for Masters and Seamen on Ships Under the Panamanian Flag* (1949), p. 78.

(b) LAW NO. 8 OF 12 JANUARY 1925, ESTABLISHING PROCEDURE FOR THE NATIONALIZATION AND MEASUREMENT OF VESSELS, AND PRESCRIBING OTHER MEASURES.¹

Article 1. Owners or agents of vessels who desire to possess in regard to them the rights and obligations belonging to them as national merchant ships in accordance with laws and treaties, must observe the following requirements:

1. They shall have the vessel enrolled in one of the registries kept in the Inspectorates of the ports of entry of the Republic;
2. They shall provide themselves with the requisite register; and
3. They shall navigate under the Panamanian flag.

By merchant vessels shall be meant for the purpose of registry, in addition to craft intended for the transportation of passengers and cargo, any pontoon, dredge, floating dock or other hull constructed of wood, concrete, iron, steel, composite or any other material actually in use or which may be devoted to the service of maritime commerce.

Article 2. To obtain the nationalization of a vessel its owners or agents must apply in writing to the respective Inspector of the Port, requesting the enrollment of the ship and furnishing the following data for recording in the registry:

- (a) The full name of the ship, stating also those under which it might have been known before, in case of a change of name;
- (b) Its class, that is, whether steamship, sailing vessel, auxiliary motor, yacht or any other kind;
- (c) The name of the company or of its owner as well as the nationality thereof and address;
- (d) The nationality renounced by the vessel and those which it might have had before;
- (e) Its net and gross tonnage and capacity;
- (f) The material of which it is constructed, stating whether wood, concrete, iron, steel or composite;
- (g) Class of apparel;
- (h) Description of motive power, if steam, stating the number of cylinders of engine, the horse-power and the name of the manufacturers;
- (i) Principal dimensions, length over all, measured on main deck, from the stem to the stern post, along the under side; width or beam, depth, measured from bottom to main deck;
- (j) Number of bridges, decks, masts and funnels;
- (k) Nature of traffic in which engaged, whether passenger, cargo or both;
- (l) Place where constructed, the year and the company which built it;
- (m) Distinctive signal in the International Code of Signals; and
- (n) All other particulars serving for the full identification of the ship.

Article 3. The applicant shall forward with his application the document or documents tending to prove that according to law he is the owner of the vessel in question.

Article 4. In the case of vessels built at the cost of the applicants, the title to be submitted in support of the application shall be that issued

¹ *Ibid.*, pp. 67-73.

according to law, conforming to the requirements for proving ownership of buildings constructed on lands belonging to others.

Article 5. In the case of vessels of less than five tons capacity, ownership may be proved by means of declarations made by witnesses before the Inspector of the Port.

Article 6. The documents mentioned in articles 3 and 4 shall be accepted as proof even though they have not yet been entered in the Public Registry, but they must be recorded as soon as the Patent of Nationalization is entered in the Registry of Ships kept in the Public Registry Office.

Article 7. In the case of a vessel not yet registered in any other country, the Port Inspector shall appoint two experts for the purpose of measuring and surveying the ship. These experts shall issue a sworn certificate describing minutely the structure of the ship, its condition, apparel, length, beam, depth, tonnage capacity and every other particular contributing to the description of the class or identity of the ship and, if a steamship, that it is provided with the proper equipment and every device requisite for its proper steering and navigation.

In the case of vessels registered in other countries the data referred to in this article shall be obtained through a sworn certificate of the applicant verified by the Port Inspector after examination of the ship's papers.

Article 8. On submission of the data prescribed in the foregoing articles, an entry will be made in the Ship Registry kept in each inspectorate. This entry shall consist of a record of the registration of the vessel under its proper number and shall include the data contained in the application and in the report of the surveyors or admeasurers, or in the certificate mentioned in the preceding article, where such is presented, after which the vessel shall be declared duly incorporated in the National Merchant Marine. The entry shall be signed by the Port Inspector and an attested copy thereof shall be transmitted to the Secretariat of Finance and the Treasury and another to that of Foreign Relations.

Article 9. On the requirements laid down in the preceding article being fulfilled and the proper voucher presented to the Port Inspector proving that the registration fees have been paid into the National Treasury at the rate of one balboa for each net ton or fraction thereof register when the vessel exceeds five tons in capacity, and of fifty cents (\$0.50 U. S. Cy.) when of less capacity, or in the case of any pontoon, dredge, floating dock or any other such craft, the Port Inspector shall issue the Patent of Navigation conforming to the model adopted by the Secretariat of Finance and the Treasury.

Of every patent so issued a report shall be made to the Secretary of Finance and the Treasury and to the Director General of Posts and Telegraphs.

Article 10. After completing the registration of the vessel and before executing the Patent of Navigation, the Inspector of the Port and the surveyors appointed for making the examination and admeasurement of the vessel shall see to the following requisites:

1. That the ship has its name and port of registry plainly marked on each bow and on its stern in white or yellow letters on a dark or black ground or in dark letters on a light ground. The letters must have a minimum height of sixteen (16) centimeters and a proportional breadth;

2. That each side of the stem and also the stern shall show a scale marked in Roman numerals, in white, yellow or black, according to the background, of not less than sixteen (16) centimeters in height, the numeration beginning from the normal draft line of the ship.

3. That the hull, keel, stem, boilers, engines, or motors, propellers, boats, decks, interior structure, bulkheads, safety valves and other sections of the ship are in perfect condition and the equipment in good working order; and

4. That the vessel is provided with modern life-saving equipment sufficient for all the passengers and crew of the vessel and that she carries aboard full sets of rescue signals and rockets such as are required in case of accident.

The Port Inspector in Panama and the Panamanian Consuls abroad shall prohibit the departure of any vessel which fails to show that its hull is staunch and seaworthy and its machinery and tackle in perfect working order.

Article 11. No instrument of sale, transfer or assignment of a vessel shall be recorded in the Public Registry unless and until the Patent of Nationalization be presented at the Port Inspectorate for cancellation and substitution by another issued in favor of the new owner of the vessel.

Article 12. In cases where it is intended to alienate or encumber a vessel belonging to any natural or juridical person not established in the country or engaged in commerce therein and which is not enrolled in the Public Registry, the respective instrument shall not be recorded in the Mercantile Section of the Registry unless accompanied by a notarial certificate, issued in the country in which the shipowner resides, that the grantor is vested with full legal powers to alienate or encumber the vessel.

Article 13. In time of war the sale or alienation of a national vessel destined for navigation under a foreign flag may only be carried out under a written permit from the Executive issued through the Secretariat of Finance and Treasury.

Article 16. National vessels engaged in international traffic are required to give employment to Panamanian citizens in the proportion of ten per centum (10%) at least of their crews, provided those applying for employment are up to the physical and moral standards required for the posts.

Article 18. Panamanian Consuls abroad are hereby empowered to grant provisional registration under the national flag and to issue a provisional patent of navigation to such vessels as are located in foreign waters but which desire to proceed to this country to be enrolled definitely in the Registry of the National Merchant Marine, conditioned on payment of the registration impost as provided for above.

The provisional patent to be issued by Panamanian Consuls abroad pursuant to this article shall be valid for the term of six months, during which period the definite registration of the ship must be accomplished. The Secretariat of Finance and Treasury may, nevertheless, for sufficient reasons, extend the term stipulated in such patent or even declare it permanent, if deemed desirable. In such case the port of registry shall be Panama. The Executive shall regulate by decree the provisional enroll-

ment of vessels and prescribe the manner in which consular officials shall carry it into effect.

(c) LAW NO. 54 OF 1926 (APPROVED DECEMBER 11) AMPLIFYING LAW NO. 8 OF 1925.¹

Article 1. Every merchant vessel which has acquired Panamanian nationality shall lose that status in either of the following cases:

1. When it engages in the service of a nation with which the Republic of Panama is at war;
2. When it acquires any other nationality;
3. When it engages habitually in smuggling, in unlawful trade or in piracy.

The resolutions declaring loss of nationality by any vessel shall be issued by the Executive through the Secretariat of Finance and the Treasury, but are subject to reconsideration by the Executive in the presence of sufficient reasons therefor.

Article 4. Owners, agents or masters of Panamanian vessels who desire to nationalize them in some other country must file a statement of their intention with the Inspector of the Port of registry in Panama, or with the Consuls of the Republic abroad, requesting that the inscription in the registry be cancelled. The application must be accompanied by the patent of navigation of the ship, a certificate of the Chief Collector of the Secretariat of Finance and the Treasury or from the Judge-Assessor (*Juez Ejecutor*) of the province, stating that the vessel has paid its taxes to the National Treasury, and also the document accrediting the applicant as the owner, agent or master of the vessel.

Acting on this application, the Inspector of the Port of registry or the Panamanian Consul abroad shall proceed to draw up the corresponding resolution declaring the provisional or definite inscription of the vessel cancelled.

Article 6. When a vessel lying in foreign waters desires to acquire nationality in some other country and is without the necessary certificate of solvency with the National Treasury permitting its release, the owner, agent or master of such vessel shall apply to the Panamanian Consul at the port or place where the vessel may be lying to address the Chief of Collections, (*Sección de Ingresos*) of the Secretariat of Finance and the Treasury or the Judge-Assessor (*Juez Ejecutor*) of the province, by letter, cable or radiogram, inquiring the exact amount due the Treasury by the vessel. On ascertaining the amount outstanding, the taxes may be paid to the Consul, who in this case shall issue the corresponding certificate and release by the Treasury. The expenses of cabling and others occasioned by the inquiry shall be borne by the applicant.

Article 11. Every act of nationalization must be approved by the Executive through the Secretariat of Finance and the Treasury. The provi-

¹ *Ibid.*, pp. 73-77.

sional acts carried out by the Consuls abroad in accordance with article 18 of Law 8 of 1925 do not require such approval.

Whenever the Executive may declare a vessel's Patent of Navigation permanent, it shall order the cancellation of the provisional patent, the issue of the permanent title, and the recording of the vessel definitely in the register of the National Merchant Marine.

(d) LAW No. 67 OF 11 NOVEMBER 1947, ADOPTING THE LABOR CODE. ¹

Article 142. Every captain of a Panamanian vessel engaged in the international service is required to maintain on the crew list not less than twenty-five per cent (25%) of seamen of Panamanian nationality or of foreigners married with Panamanian women or with child or children of Panamanian mothers, provided that the said seamen are domiciled in the Republic of Panama.

Proviso. The Department of Labor, upon proof of the lack of available Panamanian seamen in the Republic of Panama, may authorize that the foregoing percentage may be temporarily altered.

46. Peru

(a) PORT AUTHORITIES AND NATIONAL MERCHANT MARINE REGULATIONS OF 31 OCTOBER 1951. ²

SECOND PART. NATIONAL MERCHANT MARINE

TITLE VI. MERCHANT MARINE

Chapter III. Peruvian vessels: requirements for nationalization

Article 400. A merchant vessel shall be deemed to have Peruvian nationality if it is entered in a register of the Peruvian merchant marine and navigates in compliance with the law of the Republic.

Article 401. A merchant vessel shall be entered in a register of the Peruvian merchant marine if the following conditions are complied with—

- (a) The owners of the vessel must be Peruvian citizens;
- (b) The master, officers and crew must be Peruvian nationals;
- (c) If the vessel is owned by a company, three-quarters of the capital thereof must be the property of Peruvian citizens as laid down under (a), and if the capital is in the form of shares, three-quarters thereof must be registered shares.

Article 402. A merchant vessel shall not be deemed to be a Peruvian vessel unless it satisfies one of the following conditions—

- (a) It must be the property of a Peruvian national;
- (b) It must be the property of a company or undertaking constituted in accordance with Peruvian law and domiciled in the Republic;
- (c) If it was abandoned on the high seas, or in the territorial waters of Peru it must have been found by Peruvian citizens:

¹ *Ibid.*, p. 126.

² Text of Regulations provided by the Ministry of Foreign Affairs of Peru. Translation by the Secretariat of the United Nations.