

4. The captain of the Peruvian-flagged vessels must be a Peruvian national and the crew must have at least 80% of Peruvian nationals authorized by the "Dirección General de Capitanías y Guardacostas". In cases where there is no duly qualified Peruvian captain, a foreign national may be authorized to serve as captain.

5. Only a Peruvian national may be a licensed harbour pilot.

6. Cabotage is exclusively reserved to Peruvian flagged vessels owned by a National Shipowner or National Ship Enterprise or leased under a financial lease or a bareboat charter, with an obligatory purchase option, except that:

- (i) Twenty-five per cent of the transport of hydrocarbons in national waters is reserved for the boats of the Peruvian Navy; and
- (ii) Foreign-flagged vessels may be used by a National Shipowner or National Ship Enterprise for a period of no more than six months for water transportation exclusively between Peruvian ports or cabotage when such an entity does not own its own vessels or lease vessels.