

MARINA CIRCULAR NO. 199
Series of 2004

TO : REVISED CLASS REQUIREMENT FOR PHILIPPINE-REGISTERED DOMESTIC SHIPS

Pursuant to Sec. 6(b) of P.D. No. 474, Sec. 14 (a)/(e) of E.O. No. 125, as amended, and R.A. No. 9295, the current policy on the mandatory requirement for Philippine-registered domestic ships to be classed pursuant to MARINA M.C. No. 124 as amended, is hereby revised to effect the following:

I. EXPANDED COVERAGE OF SHIPS REQUIRED TO BE CLASSED:

All passenger-carrying ships, above 3 GT, regardless of hull material, whether existing or to be acquired and registered under the Philippine flag, shall be required to be classed by government-recognized/accredited classification societies.

II. GUIDELINES AND REQUIREMENTS FOR IMPLEMENTATION:

1. Convention-sized passenger-carrying ships (i.e. 500 GT and over), which are not yet classed, shall be immediately applied for classification with any of the government-recognized/accredited classification societies.
2. Non-convention sized steel-hulled passenger-carrying ships covered by the herein requirement, which are not yet classed, shall likewise immediately be applied for classification with any of the government recognized/accredited classification societies having existing and approved rules for such.
3. In classing non-convention sized wooden-hulled passenger-carrying ships covered by this Circular, the herein attached Administration standards, which shall form an integral part hereof, shall be used as basis for government-recognized/accredited classification societies to adopt their corresponding Class Rules to be used for such type of ships, and submit the same for MARINA's review, evaluation and approval.

The MARINA shall undertake a review/evaluation of the herein adopted Administration standards for classing wooden-hulled ships, and amend the same where necessary, especially within the deadlines set for compliance, after due consultation with affected shipowners/operators and government-recognized/accredited classification societies.

4. Only upon approval by the MARINA of the submitted Class Rules and issuance of the corresponding Certificate of Authority to Class, shall the government-recognized/ accredited classification societies be authorized to class non-convention sized wooden-hulled passenger-carrying ships.

5. The government-recognized/accredited classification societies are enjoined to adopt reasonable fees and charges for small to medium-sized shipowners/operators, with the Administration subsequently prescribing caps for such fees and charges after due consultation/discussion with the concerned recognized/ accredited organizations.
6. All passenger-carrying ships covered by this Circular which are to be acquired as newbuilding, bareboat-charter or lease-purchase should be immediately classed by a government-recognized/accredited classification society, and submit proof of such prior to their registration under the Philippine flag.
7. The Administration shall undertake verification and monitoring of activities in the classing of ships provided herein, to ensure the adequacy of work performed by the concerned recognized/ accredited organizations authorized to act in its behalf.

III. TIMETABLES FOR COMPLIANCE:

1. For owners/operators of **all convention-sized, passenger-carrying ships** covered under Sec. I hereof, they are given until **30 August 2004** to **initiate compliance** with the herein prescribed class requirement, and submit proof of such initiation on or before such date.

Such ships shall obtain their ***Interim or Final Class Certificate*** and submit the same to the Administration on or before **30 August 2005**.

2. For owners/operators of all **steel-hulled, non-convention sized, passenger-carrying ships** covered under Sec. I hereof, they are given until **30 September 2004** to **initiate compliance** with the herein prescribed class requirement, and submit proof of such initiation on or before such date.

Such ships shall obtain their ***Interim or Final Class Certificate*** and submit the same to the Administration on or before **30 September 2005**.

3. For owners/operators of all **wooden-hulled, non-convention sized, passenger-carrying ships** covered under Sec. I hereof, they are given until **30 October 2004** to **initiate compliance** with the herein prescribed class requirement, and submit proof of such initiation on or before such date.

Such ships shall obtain their ***Interim or Final Class Certificate*** and submit the same to the Administration on or before **30 October 2005**.

4. Upon reaching the deadlines set for the submission of Class Certificates, covered ships unable to comply but have submitted proof of undergoing the process of being classed although the issuance of the Class Certificate is delayed for valid/ justifiable causes to be determined by the MARINA, a reasonable extension for such compliance may be granted by the Administration.

IV. SANCTIONS AND PENALTIES:

1. Ships required to be classed which fail to submit to the Franchising Office the certificate/ proof of being in the process of complying with the requirement, or having been classed, after the prescribed due dates, shall be immediately ordered to cease and desist from operating, and their authority to operate (SP, PA, CPC) shall be suspended and/or revoked, after due notice and hearing.
2. For covered ships which cannot obtain and submit a Class Certificate on the deadlines set, due to failure to qualify on the basis of the standards and requirements for classification, they shall not be allowed to operate in the domestic trade and shall be automatically de-listed from the Philippine Registry, in conjunction with the mandatory vessel retirement program to be issued by the MARINA.
3. Ships required to be classed found and proven to be operating without having complied with the class requirement, as well as other violations related to the implementation of and compliance with the class requirement, shall be imposed the prescribed fines/ penalties under M.C. No. 120, or its amendments, and other applicable laws, rules and regulations.

V. REPEALING CLAUSE:

Any provision(s) of existing MARINA Memorandum Circulars, Rules & Regulations and Orders which are inconsistent herewith are deemed modified accordingly.

VI. EFFECTIVITY:

This Memorandum Circular shall be published once in a newspaper of general circulation and shall take effect fifteen (15) days after publication.

BY THE AUTHORITY OF THE BOARD:

(Sgd.) OSCAR M. SEVILLA
Administrator

SECRETARY'S CERTIFICATE

This is to certify that the above-mentioned Memorandum Circular No. 199 has been approved in the 167th Regular Meeting of the MARINA Board of Director held on 16 June 2004.

(Sgd.) ATTY. GLORIA J. VICTORIA-BAÑAS
Corporate Board Secretary

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