

## **MEMORANDUM CIRCULAR NO. 128**

**TO : ALL OWNERS/OPERATORS OF TANKERS AND BARGES  
HAULING OIL AND/OR PETROLEUM PRODUCTS IN  
THE PHILIPPINE WATERWAYS AND COASTWISE  
SHIPPING, AND ALL CONCERNED**

**SUBJECT : REVISED GUIDELINES FOR TANKERS AND BARGES  
CARRYING OIL AND PETROLEUM PRODUCTS**

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In view of recent developments and need to harmonize the policies and requirements currently enforced by this Authority on the operation of domestic tankers and barges carrying oil and petroleum products, to ensure safety of life and property at sea and the protection of the marine environment, the Maritime Industry Board, in its 141<sup>st</sup> Regular Meeting, approved and adopted the following.

### **I. OIL POLLUTION COVER**

Oil tankers and barges engaged or to be engaged in the carriage of oil and petroleum products shall be covered by a recognized insurance company/ies, Protection & Indemnity Clubs, or their equivalent, against oil/marine pollution risks for not less than the limits set under the Civil Liability Convention for Oil Pollution of 1992 (CLC 92), following the country's accession thereto and subsequent entry into force on 07 June 1998. For tankers and barges 5,000 gross tons or less, the limit shall be 3 million Special Drawing rights (SDR). For tankers and barges above 5,000 gross tons, the limit shall be 3 million SDR plus an additional insurance cover of 420 SDR per tonnage in excess of 5,000 GT.

### **II. THIRD PARTY LIABILITY COVER**

A Liquefied Petroleum Gas (LPG) / Liquefied Nitrogen Gas (LNG) carrier shall be covered against third party liability in the amount equivalent to US\$2 million to be secured from a licensed insurance company/ies, recognized Protection and Indemnity Clubs, or their equivalent.

### **III. CLASSIFICATION REQUIREMENT**

All LPG carriers, as well as tankers and barges 500 gross tons and above, whether existing or coming into the present system, shall be classed and class-maintained by a classification society recognized by the government.

Tankers and barges below 500 gross tons however, need not be classed but shall pass MARINA survey and inspection and have valid Certificate of Inspection.

#### **IV. CAPITALIZATION**

The required minimum paid-up capital of P5 million, in addition to the financial capability requirement, shall be applied to operators of LPG/LNG carriers, as well as tankers and barges carrying oil and petroleum products.

#### **V. ISSUANCE OF CPC/PA**

The Maritime Industry Authority(MARINA) shall not act on applications for issuance of Certificate of Public convenience or temporary authorities(i.e, Provisional Authority to Operate, Special Permits) unless and until the foregoing requirements shall have been complied with, save on meritorious cases where public/national interest would be affected as determined by the MARINA.

#### **VI. REPEALING CLAUSE**

Any provisions of existing MARINA circulars, rules and regulations inconsistent herewith are hereby repealed or modified accordingly.

#### **VII. EFFECTIVITY**

This Memorandum Circular shall supersede MC No. 56 and 56-A and shall take effect fifteen (15) days after its publication in the Official Gazette or newspaper of general circulation.

18 February 1998.

**RADM PIO H GARRIDO JR AFP (Ret)**  
Administrator

#### **SECRETARY'S CERTIFICATE**

This is to certify that Memorandum Circular No. 128 was approved by the MARINA Board on 18 February 1998.

**GLORIA V. BANAS**  
Deputy Corporate Board Secretary

Published on 18 March 1998 at Phil. Star Newspaper, copy filed with UP Law Center on 23 March 1998.