



Republic of the Philippines
Department of Transportation and Communications
MARITIME INDUSTRY AUTHORITY

MEMORANDUM CIRCULAR NO. 181
Series of 2003

TO : ALL OVERSEAS SHIPPING COMPANIES AND OTHER MARITIME ENTITIES CONCERNED

SUBJECT: RULES IN THE ACCREDITATION OF SHIPPING COMPANIES FOR PURPOSES OF ACQUIRING/OPERATING PHILIPPINE-REGISTERED SHIPS FOR INTERNATIONAL VOYAGES UNDER REGULATION XV OF THE PHILIPPINE MERCHANT MARINE RULES AND REGULATIONS (PMMRR), 1997.

In order to further develop the Philippine overseas merchant fleet thereby pursue the objectives of national growth and economic development, the following rules on accreditation of shipping companies, firms and entities operating Philippine-registered ships engaged in international voyages were adopted by the Maritime Industry Board during its 162nd Regular Meeting on 22 January 2003.

I. Objective

This Circular aims to provide the qualification requirements for accreditation of shipping companies which shall acquire ships to be registered under the Philippine flag or operate Philippine-registered ships for international voyages.

II. Coverage

1. All shipping companies/firms operating Philippine-registered ships in international voyages; and
2. All shipping companies/firms which shall acquire ships under Presidential Decree No. 760, as amended or Republic Act No. 7471.

III. General Provisions

1. Only shipping companies, firms and entities established under Philippine laws and authorized to engage primarily in overseas shipping may apply for accreditation under this Circular.
2. Shipowning companies must have a paid-up capital of Seven Million Pesos (P7 M) and companies without owned ships must have a paid-up capital of Ten Million Pesos (P10 M).

3. The Chief Executive and Chief Operating Officers (but if he is one and the same, the next ranking Operating Officer) shall be citizens and permanent residents of the Philippines.
4. Two (2) of the principal officers (e.g., President, Vice President for Operations, General Manager, or their equivalents) of the company shall have at least five (5) years experience in ship management, shipping operations and/or chartering.
5. Any change/replacement of the principal officers of the company shall be subject to the requirements as provided in paragraph III.4.
6. Accreditation under this Circular shall be valid for a period of three (3) years.
7. A MARINA-accredited company under this Circular shall submit the following reports and/or documents in original or certified true copies attested by a responsible officer of the accredited enterprise, independent auditor, or proper government agency:
 - a. Any amendment of the Articles of Incorporation or By-Laws within thirty (30) days from the date of registration of said amendment with the Securities and Exchange Commissions (SEC);
 - b. Replacement of any director or any principal officer within thirty (30) days from date of replacement; and
 - c. Audited annual financial statements on or before 15 May of the following year.
8. Companies accredited under this Circular need not be registered under Memorandum Circular No. 9, series of 1976.

IV. Requirements/Procedure for Accreditation

1. The applicant company shall file with the MARINA an application in writing supported by the following documents:
 - a. Certificate of Registration with the SEC, together with the Articles of Incorporation and By-Laws;
 - b. Personal Information Sheet or Bio-data of Principal Officers with pictures; and
 - c. A management contract or any other document acceptable to MARINA in case of sister companies as proof that they belong to the same management.

2. Only applications with complete requirements shall be accepted. Mailed applications that are incomplete shall be immediately returned to the applicant.
3. The applicant company shall upon filing of application under this Circular pay a processing fee of P8,000.00.

V. Suspension of Accreditation and Penal Provisions

1. The MARINA shall, after due investigation, suspend the accreditation of MARINA-accredited enterprise for the following grounds:
 - 1.1 Failure to maintain the qualification requirements under this Circular;
 - 1.2 Violation of any of the terms and conditions of accreditation; and
 - 1.3 Violation of any law, rule or regulation pertinent to ship registration/operation.
2. Companies with existing Philippine-registered ships and which fail to renew its accreditation on time shall be required to pay fines/penalties in accordance with the following schedule:

First violation	- P 10,000.00
Second violation	- P 20,000.00
Third violation and succeeding violations	- P 25,000.00

VI. Repealing Clause

Memorandum Circular Nos. 33-A and 33-B are hereby repealed.

VII. Effectivity Clause

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

Manila, Philippines, 22 January 2003.

OSCAR M. SEVILLA
Administrator

SECRETARY'S CERTIFICATE

This is to certify that Memorandum Circular No. _____ has been approved By the MARINA Board in its _____ Regular Board Meeting held on _____.

ATTY. GLORIA V. B ANAS
Acting Corporate Board Secretary

Published on _____ at _____ copy filed with UP Law Center on _____.