

MEMORANDUM CIRCULAR No. 177

TO : ALL SHIPPING COMPANIES / SHIPOWNERS / OPERATORS AND OTHER MARITIME ENTITIES AND ALL OTHERS CONCERNED

SUBJECT : REGULATIONS AMENDING CHAPTER XV OF THE 1997 PMMR ON THE REGISTRATION, DOCUMENTATION AND LICENSING OF SHIPS

Pursuant to P.D. 474, Executive Order No. 125, as amended, and the Public Service Act, as amended, the following amendments to Chapter XV of the 1997 Philippine Merchant Marine Rules and Regulations (PMMRR) are hereby adopted and prescribed:

I. OBJECTIVES:

1. To ensure proper recording of any transactions or events that may affect the right or interest of persons who may have taken charge of or acquired beneficial interest over a Philippine registered ship so that responsibilities for liabilities that may be incurred in the operation of such ships could be pinpointed; and,
2. To enhance and strengthen the implementation and monitoring capabilities of the Administration.

II. COVERAGE:

Unless expressly provided otherwise, this Memorandum Circular shall apply to the following Philippine -registered ships engaged in domestic voyages:

1. All types of motorized ships of more than 3.0 tons gross, including fishing vessels; and,
2. Ships, regardless of size, operating as a public carrier pursuant to the Public Service Act, as amended,.

III. REGULATION XV/5, CHANGE OF OWNERSHIP

1. The buyer/transferee of a Philippine-registered ship shall, within fifteen (15) days from approval by the Administration of the sale/transfer of ownership, secure a new *Certificate of Ownership (CO) /Certificate of Philippine Registry (CPR)* or *Certificate of Vessel Registry (CVR)* from her current homeport.
2. In case of judicial sale/award, the buyer/awardee shall secure a new CO/CPR(CVR) from the current homeport within fifteen (15) days from the favorable endorsement by the Administration.
3. If there is a corresponding change of homeport as a result of the transfer of ownership, the buyer/transferee shall instead secure clearance to change homeport from the current homeport. The buyer/transferee shall, upon grant of the clearance by the current

homeport, file an application for the issuance of a new CO/CPR(CVR) in the new homeport.

4. The concerned MARINA Office in the current homeport or the new homeport, as the case may be, shall issue a new CO/CPR(CVR) upon proper application made by the buyer/transferee, provided, the new homeport shall provide the current homeport with a copy of the CO/CPR(CVR) thus issued.
5. If the buyer /transferee is a foreign national, the seller/transferor shall, within fifteen (15) days from the transfer, cause the deletion of the ship from the Philippine Port of Registry pursuant to Regulation XV/II.
6. The buyer/transferee shall submit the following documentary requirements:

6.1. For issuance of new CO/CPR(CVR):

- 6.1.1 Letter of Application;
- 6.1.2 Approval of Sale/Transfer of Ownership issued by the Administration;
- 6.1.3 Original CO/CPR(CVR);
- 6.1.4 Power of Attorney or Secretary's Certificate authorizing the applicant to file the application in behalf of the company/owner; and,
- 6.1.5 If there is a corresponding change of homeport, clearance issued by the current homeport.

6.2 For clearance to change of homeport as a result of change of ownership:

- 6.2.1 Letter of Application indicating therein the reason for the change of homeport; and,
- 6.2.2 Business Address at the new homeport

IV. REGULATION XV/6, HOMEPORT

1. Homeport

A ship shall be homeported in her port of call or her area of operation nearest to where the company's principal office is located.

2. Certificates

All safety and trading certificates of a ship shall be issued by the concerned MARINA Office where the ship is homeported.

3. Change of Homeport

3.1. A homeport may be changed in any of the following instances:

1. change in ports of call or area of operation of the ship; or
2. change of owner, operator or manager of the ship who is domiciled in another place.

3.2. . The following documentary requirements shall be submitted:

1. Letter of application indicating the reason/s for the change of homeport; and,
 2. Original CO/CPR(CVR).
- 3.3. Application for change of homeport shall be filed with the concerned MARINA Office in the current homeport, which shall issue the clearance
- 3.4. No clearance for the change of homeport shall be issued under the following instances:
1. the company/owner has no branch office in the intended homeport; and,
 2. there is an outstanding safety requirement/recommendation which the ship need to comply prior to the issuance of statutory certificates.
- 3.5. Upon approval of the change of homeport, all records pertaining to the ship shall be transmitted by the previous homeport to the new homeport.

V. REGULATION XV/7, ASSIGNMENT OF NAME

1. Assignment of Name

- 1.1 A name shall be assigned to only one (1) ship regardless of size, type, rig or area of operation, provided that, in case where the proposed new name has already been issued/assigned to another registered ship, its owner/operator has the option of adding letters of the alphabet, any Arabic number or Roman numeral which can be represented by words or its numeric equivalent, to the proposed name.
- 1.2 Prior to filing an application to acquire a ship, the ship owner/buyer shall secure clearance from the Administration for the use of a proposed name for the ship.

2. Change of Name

- 2.1. When an owner of a ship documented in the Philippines desires to change the name of his ship, an application for change of name shall be filed with the the homeport at whose office the registration of the ship was recorded.
- 2.2 Any proposal to change the name of a particular ship shall comply the following requirements:
 - a.) *For ships 15 GT and above engaged in coastwise operation:*
To publish once the proposed change of name in a newspaper of national circulation;
 - b.) *For ships 15 GT and above engaged in ferry operation:*

To publish the proposed change of name in a newspaper of regional/local circulation; and,

c.) *For ships below 15 GT:*

To post a notice to the public in the ports of call of the ship the proposed change of name.

2.3 In every case where a change of name of a ship is approved, a new CO/CPR(CVR) shall be issued.

3. The following documentary requirements shall be submitted upon application:

3.1 Assignment of Name:

.1 Letter of application.

3.2 Change of Name:

.1 Letter of application, also stating the reason for such;

.2 Proof of publication;

.3 Authority to file application to change name i.e. Board Resolution or Secretary's Certificate or Power of Attorney; and,

.4 Original CO/CPR(CVR).

VI. FILING FEES

1.1 Change of Ownership	
- Ships 35 and above	P1,000.00/ship
- Ships below 35 GT	500.00/ship
- For undocumented ships	125.00/ship
1.2 Change of Homeport	
- Ships 35 GT and above	1,000.00/ship
- Ships below 35 GT	500.00/ship
- For undocumented ships	125.00/ship
1.3 Change of Name	
➤ Steel-Hulled Ships	2,000.00/ship
➤ Aluminum-Hulled Ships or Fiberglass-Hulled Ships; or combination of both, or any other type of hull	2,000.00/ship
➤ Wooden-Hulled Ships	
- Ships 35 GT & above	500.00/ship
- Ships below 35 GT	200.00/ship
1.4 Certificate of Vessel Clearance	50.00/ship

VII. SANCTIONS

Any ship found to have a CO and/or CPR(CVR), with the shipowner/operator established to have been responsible in not complying with the provisions/ requirements herein provided, such as Change of Ownership, Change of Homeport and Assignment or

Change of Name, shall be subject to the following fines and/or penalties, after due notice and hearing:

• SHIPS THAT ARE STEEL-HULLED, ALUMINUM-HULLED, FIBERGLASS-HULLED, COMBINATION OF BOTH OR OTHER TYPES OF HULL BUT NOT WOODEN-HULLED.	
- First Violation	Fine of P 25,000.00
- Second Violation	Fine of 40,000.00
- Third and Succeeding Violation	Fine of 100,000.00
• WOODEN -HULLED SHIPS	
A. Ships 35 GT and above (per ship)	
- First Violation	Fine of P 1,000.00
- Second Violation	Fine of 5,000.00
- Third and Succeeding Violations	Fine of 10,000.00
B. Ships below 35 GT (per ship)	
- First Violation	Fine of P 500.00
- Second Violation	Fine of 1,000.00
- Third and Succeeding Violations	Fine of 1,500.00

VIII. REPEALING CLAUSE

Any provision of the Philippine Merchant Rules and Regulations (PMMR) of 1997 inconsistent herewith is hereby repealed and modified accordingly.

IX. EFFECTIVITY

This Memorandum Circular shall take effect immediately upon its publication once in a newspaper of general circulation.

Manila, Philippines, 08 October 2002.

BY AUTHORITY OF THE BOARD:

ATTY. OSCAR M. SEVILLA
Administrator

SECRETARY'S CERTIFICATE

This is to certify that, the above-mentioned Memorandum Circular was approved during the **161st Regular Meeting** of the Maritime Industry Board held on **07 October 2002**.

ATTY. GLORIA J. VICTORIA-BAÑAS
CESO V/Director II, Franchising Office
Corporate Board Secretary

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