



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION

MARITIME INDUSTRY AUTHORITY



OCT 15 2021

MEMORANDUM CIRCULAR NO.: MS-2021-01
Series of 2021

To : ALL SHIPPING COMPANIES/OPERATORS/CHARTERERS AND ALL OTHERS CONCERNED

SUBJECT : RULES AND REGULATIONS GOVERNING SHIPS CARRYING/STORING/PROCESSING LIQUEFIED GASES IN BULK

Pursuant to Presidential Decree No. 474, EO 125/125-A, Republic Act No. 9295, and its Implementing Rules and Regulations and the International Gas Carrier (IGC) Code, the following rules and regulations are hereby adopted.

I. OBJECTIVE

This Memorandum Circular aims to provide rules and regulations in accordance with the standards and requirements set by the IGC Code relative to the carriage, storage and/or processing on board ships of liquefied gases in bulk.

II. COVERAGE

These rules shall apply to the following ships carrying, storing and/or processing liquefied gases in bulk, including but not limited to gas carrier, floating power plants/barges using LNG or other liquefied gas as fuel, Floating Storage and Regasification Units (FSRUs), Floating Storage Units (FSUs) and Floating Production Storage and Offloading (FPSO).

1. Philippine-registered ships engaged in international and domestic waters;
2. Foreign-registered ships intending to operate within Philippine waters through a Special Permit.
3. Unless expressly provided otherwise, for ships constructed on or after 1 July 1986 and before 1 July 2016, the Administration shall ensure that the requirements which are applicable under the IGC Code, as adopted by resolution MSC.5(48) as amended by resolutions MSC.17(58), MSC.30(61), MSC.32(63), MSC.59(67), MSC.103(73), MSC.177(79) and MSC.220(82), are complied with.
4. The Code applies to ships regardless of their size, engaged in the carriage of liquefied gases having a vapour pressure exceeding 0.28 MPa absolute at a

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temperature of 37.8°C and other products, as shown in chapter 19¹ of the Code, when carried in bulk.

III. EXEMPTION

For Philippine-registered ships, when upon any requirement for the design, construction, installation, and equipment of the covered ships prescribed under this Circular is deemed impractical, an exemption shall be requested from MARINA.

The provision for exemptions under this circular shall be as follows:

1. A ship which is not normally engaged on international voyages but which, in exceptional circumstances is required to undertake a single international voyage may be exempted by the Administration from any of the requirements of the present regulations provided that it complies with safety requirements which are adequate in the opinion of the Administration for the voyage which is to be undertaken by the ship.²
2. The Administration may exempt any ship which embodies features of a novel kind from any of the provisions of Chapters II-2 of SOLAS, the application of which might seriously impede research into the development of such features and their incorporation in ships engaged on international voyages. Any such ship shall, however, comply with safety requirements which, in the opinion of that Administration, are adequate for the service for which it is intended and are such as to ensure the overall safety of the ship and which are acceptable to the Government of the State to be visited by the ship.³
3. The Administration may, if it considers that the sheltered nature and condition of the voyage are such as to render the application of any specific requirements of this circular unreasonable or unnecessary, exempt from those requirements individual ship or classes of ships provided that such ships, in the course of their voyage, do not sail at distance of more than 20 miles from the nearest land.⁴
4. For this purpose, an Exemption Certificate (EC) shall be issued to:
 - i. Philippine-registered ships in the overseas trade, as prescribed under Chapter I regulation 4 of the International Convention for the Safety of Life At Sea (SOLAS) 1974, as amended, by a Recognized Organization (RO) upon approval by MARINA in accordance with the Memorandum of Agreement (MOA) entered into between MARINA and the RO under MARINA Circular No. 2018-0. The issued EC shall take into consideration the model form under the Appendix of SOLAS.
 - ii. Philippine-registered ships in domestic waters in the format as prescribed under Appendix III.

¹ Subject to amendments by the International Maritime Organization (IMO) in accordance with the provisions of article VIII and Reg. VII/8.1 of SOLAS, 1974 as amended.

² Refer to SOLAS Chapter I, Part A, Regulation 4(a)

³ Refer to SOLAS Chapter I, Part A, Regulation 4(b)

⁴ Refer to SOLAS Chapter II-1, Part A, Regulation 1.4



The EC shall be attached to the certificate it refers (Safety Certificates and/or the Certificates of Fitness for the Carriage of Liquefied Gases in Bulk) and shall not be valid for longer period than the period of the certificate to which it relates.

IV. DEFINITION OF TERMS

For the purpose of this Memorandum Circular:

1. **"ADMINISTRATION"** refers to the Maritime Industry Authority or MARINA.
2. **"Implementing Rules and Regulations"** refers to policies and legal provisions implementing R.A. 9295 otherwise known as "An Act Promoting the Development of Philippine Domestic Shipping, Shipbuilding, Ship Repair and Ship Breaking, Ordaining Reforms in Government Policies towards Shipping in the Philippines and for Other Purposes."
3. **"Floating Production Storage and Offloading (FPSO)"** refers to an installation which is a floating facility usually based on a (converted) oil tanker hull. It is equipped with hydrocarbon processing equipment for separation and treatment of crude oil, water and gases, arriving on board from sub-sea oil wells via flexible pipelines.
4. **"Floating Storage/Production and Regasification Unit (FSRU)"** refers to a special type of ship which is designed to be used in transferring, storing and/or processing of Liquefied Natural Gas (LNG).
5. **"Floating Storage Unit (FSU)"** – refers to an offshore structure capable of storing LNG or other gas products.
6. **"Gas carrier"** is a cargo ship constructed or adapted and used for the carriage in bulk of any liquefied gas or other products listed in the table of chapter 19 of the IGC Code.
7. **"International Association of Classification Societies (IACS)"** refers to a group of classification societies formed in 1968 which formulates unified interpretations (standards set by the member Societies) and provide services on maritime safety and regulation through technical support, compliance verification and research and development.
8. **"International Gas Code (IGC)"** refers to the International Code for the Construction and Equipment of Ships Carrying Liquefied Gases in Bulk by the International Maritime Organization (IMO).
9. **Liquefied Gas** – refers to a gas that has been turned into a liquid state by means of cooling or compressing.
10. **"Liquefied Natural Gas (LNG)"** refers to the liquefied state of natural gas, which is created by cooling and maintaining the gas to about -160.2 °C (-260 °F).



11. "Recognized Organization (RO)" refers to an organization that has been assessed by the Administration and has complied with the RO Code and the provisions of MC 2018-01 as amended and has entered into a MOA with the Administration.⁵
12. "RO CODE" refers to the Code adopted by the IMO through Resolutions MSC. 349(92) and MEPC. 237(65) that serves as the international standard and consolidated instrument containing minimum criteria against which organizations are assessed towards recognition and authorization as well as the guidelines for oversight by Flag States.

V. GENERAL PROVISIONS

1. Relative to the design, construction and equipment of covered ships, the latest version of the International Code for the Construction and Equipment of Ships Carrying Liquefied Gases in Bulk or IGC Code is hereby adopted. The Code provides an international standard for the safe transport by sea in bulk of liquefied gases, by prescribing the design and construction standards of ships involved in such transport and the equipment they should carry so as to minimize the risk to the ship, its crew and to the environment, having regard to the nature of the products involved.
2. This Circular in no way prohibits other concerned government agencies to promulgate and prescribe rules and regulations on the carriage and storage of liquefied gases in bulk in accordance with their mandates.
3. For Philippine-registered ships in overseas trade, where it is proposed to carry products that may be considered to come within the scope of the IGC Code that are not at presently designated in chapter 19 of the Code, the MARINA, in coordination with other competent Authority/ies and the port Authorities involve in such carriage (i.e. loading and unloading port) shall establish a Tripartite Agreement based on a provisional assessment and lay down preliminary suitable conditions of carriage based on the principles of the Code.
4. In the case of Philippine-registered ships operating in domestic waters, relative to the condition describe in para. 3 of this section, MARINA shall likewise assess in coordination with other competent Authority/ies the suitable condition of carriage based on the principles of the IGC Code.
5. For the evaluation of such products, the manufacturer of the product shall submit to the MARINA a completed assessment form (see Appendix I- IGC CODE PRODUCT DATA REPORTING FORM), **which includes the proposed ship type and carriage requirements.**
6. When a ship is intended to carry products covered by the IGC Code and products covered by the *International Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk* (IBC Code), the ship shall comply with the requirements of both Codes appropriate to the products carried.

⁵ Refer to MARINA Memorandum Circular No. 2018-01



7. The requirements of the IGC Code shall take precedence when a ship is designed and constructed for the carriage of the following products:
- .1 Those listed exclusively in chapter 19 of the IGC Code (see Appendix IV); and
 - .2 One or more of the products that are listed both in the IGC Code and in the IBC Code. These products are marked with an asterisk in column "a" in the table contained within chapter 19 of the IGC Code.

VI. SPECIFIC PROVISIONS

1. Philippine Registered Ships Trading in Domestic Waters

- 1.1 All Philippine-registered ships covered by this circular trading in domestic waters shall secure the following safety certificates prior to its operation:

- a. Loadline Certificate
- b. Tonnage Measurement
- c. Stability Certificate
- d. Cargo Ship Safety Construction Certificate (CSSCC)
- e. Cargo Ship Safety Equipment Certificate (CSSEC)
- f. Exemption Certificate (EC), as applicable.
- g. Safe Manning Certificate (SafeMC)
- h. Certificate of Fitness for the Carriage of Liquefied Gases in Bulk
- i. Document of Compliance (DOC)
- j. Safety Management Certificate (SMC)
- k. International Ship and Port Facility Security Certificate (ISPS)
- l. Anti-fouling System Certificate
- m. Other safety-related certificates as may be required by MARINA.

The foregoing certificates shall be issued upon compliance with the requirements prescribed under this Circular and/or other MARINA applicable rules and regulations.

- 1.2 Tankers, tanker-barges, including FSRU/FSU, and ships covered under this circular shall comply with the following requirements:

- a. Mandatory Marine Insurance Cover from recognized International Protection and Indemnity Club or any locally registered/licensed insurance company as provided under MARINA Circular 2009-22 and its subsequent amendments;
- b. Registration, licensing and documentation requirements for the issuance of required certificates pursuant to EO 125/125-A, MC No. 2013 - 02 and their subsequent amendments, R.A. No. 9295 and its R-IRR;



- c. MARINA Circular no. 203 and its succeeding amendments, on the rules governing the implementation of the Ship Survey System and the requirement of ship safety certificates;
- d. Safe Manning requirements under MARINA Memorandum Circular No. MS-2020-03 and its subsequent amendments.

All company shall ensure every ship is adequately manned based on the safe manning scale provided under MC No. MS-2020-03, as amended. For those companies who cannot comply for reasons that pertain to type of ship, size, trading or other analogous cases, may opt to prepare and submit a proposal for the safe manning of the ship under Section VII of the said MC.

- e. To possess mandated competence of Crew Safety Standards and Training for Gas Carrier Operation prescribed under STCWO Circular 2018-04, MC-SC-2021-05, MC-MD-2020-04 and their subsequent amendments, as applicable.
- f. Development, adoption, implementation and maintenance of a Safety Management System pursuant to the International Safety Management (ISM) Code in accordance with MARINA Circular 2015-11 and its subsequent amendments.
- g. Certificate of Public Convenience, as applicable, under R.A. 9295 and its R-IRR.
- h. In addition to the foregoing requirements, the applicant-owners, operators or ship managers shall satisfy the following requisites:
 - 1. Submission of Plan as per MC 2015-07 and its subsequent amendments
 - 2. Tonnage Certificate as per MC 2007-04 and its subsequent amendments
 - 3. Certificate of Stability as per MC 2007-03 and its subsequent amendments
 - 4. Loadline Certificate as per MC 2007-05, and its subsequent amendments
 - 5. The ship shall be subjected to inspection and drydocking as per MC 152, MC 2016-03 and their subsequent amendments
- 1.3 Philippine-registered ships operating in domestic waters covered by this Circular shall be classed by a MARINA accredited IACS member Classification Society and shall be maintained throughout its service life.

2. Philippine Registered Ships Trading in International Waters

- 2.1 All surveys and audits of Philippine-registered ships trading in international waters shall be conducted by Recognized Organizations (RO) accredited by MARINA through MARINA Circular 2018-01 and its subsequent amendments.

2.2 The MARINA shall perform its oversight functions over Philippine-registered ships trading in international waters pursuant to MARINA Circular MS-2020-02 and its subsequent amendments.

2.3 Philippine-registered ships in international waters shall be classed by an IACS member Classification Society and shall be maintained throughout its service life.

3. Ships under Special Permits

3.1 Philippine-registered domestic ships covered by this Circular temporarily utilized in international voyage shall comply with MARINA Circular No. OS-2020-01 and its succeeding amendments.

3.2 Foreign-registered ships covered by this Circular temporarily utilized in Philippine waters shall comply with MARINA Circular No. 2017-02 and its succeeding amendments.

3.3 Relative to para. 3.2 above, foreign registered ships intending to be utilized in Philippine waters shall be inspected by MARINA based on MARINA Advisory No. 2018-12 and its succeeding amendments.

3.4 In addition, referring to para. 3.2, ships shall be classed by an IACS member Classification Society and shall be maintained throughout its service life or until the duration of the issued Special Permit.

VII. SCHEDULE OF FEES AND CHARGES

1. The fees and charges of the above-mentioned Circulars shall apply.
2. The provisions of MC 2015-05 and its subsequent amendments shall apply.
3. Fee for COF issued for Philippine-registered ships trading in domestic waters.

Certificate	Fees
(see Appendix II – Model Format of COF)	
Certificate of Fitness for the carriage of	
Liquefied gases in bulk	P 1,200.00

VIII. ADMINISTRATIVE FINES AND/OR PENALTY/IES

Administrative fines and/or penalty/ies provisions of the above-mentioned Circulars shall apply.

For other violations specific to this Circular:

Violation	Fines/Penalties
1. Non-compliance to Section III relative to any requirements on the design, construction, installation and equipment without exemption approval from MARINA.	P 200,000.00 plus suspension of Safety certificate (whether issued by MARINA or an RO) until complied
2. Non-compliance to Classification requirement under Section VI, Paragraphs 1.3, 2.3 and 3.4.	
3. Violation of Section V para. 3 and 4 on the carriage of product/s not identified under chapter 19 of the IGC code without coordination and approval from MARINA	

IX. TRANSITORY PROVISION

Upon effectivity of this Circular, existing safety certificates for gas carriers and other covered ships operating/utilized in domestic waters issued prior to this circular shall be replaced with the appropriate safety certificates upon expiration of the previous certificates.

X. REPEALING CLAUSE

Any provisions of other MARINA Memorandum Circular inconsistent herewith are hereby modified /amended accordingly.

XI. EFFECTIVITY CLAUSE

This Memorandum Circular shall take effect after fifteen (15) calendar days upon its publication once in a newspaper of general circulation and upon filing of a copy of this Circular with the UP-Law Center, which ever comes later.

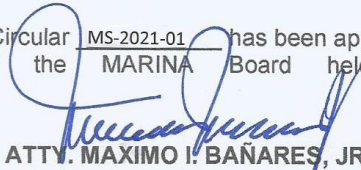
Manila, Philippines, OCT 15 2021

BY AUTHORITY OF THE BOARD:


VADM ROBERT A EMPEDRAD AFP (Ret)
Administrator

SECRETARY'S CERTIFICATE

This is to certify that the above Memorandum Circular MS-2021-01 has been approved during the 286th regular meeting of the MARINA Board held on 19 August 2021.


ATTY. MAXIMO I. BAÑARES, JR.
Board Secretary

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Date of Submission to ONAR: