Pursuant to Sec. 2(c) of P.D. 474, 14(d) of E.O. No. 125, as amended, and the Public Service Act, as amended, the following rules are hereby adopted:

I. OBJECTIVE:

To generate a more accurate and realistic profile of the country’s domestic operating fleet for the purpose of formulating promotional and developmental programs for the industry, as well as foster more effective monitoring of all Philippine-registered domestic ships.

II. COVERAGE:

The coverage of this Circular shall be all types of ships of domestic ownership, regardless of tonnage, issued with a Certificate of Vessel/Philippine Registry, including ships acquired under P. D. Nos. 760/866/1711 documented for domestic trade.

The following ships are not covered by this Circular:

1. Warships, naval and coast guard vessels; and,

2. Non-motorized bancas, sailboats and other waterborne contrivance of less than three (3) gross tons capacity.

III. IMPLEMENTING GUIDELINES:

A. Domestic Ship Registry Receipt

1. All ships covered under Sec. II hereof shall apply with the Maritime Industry Authority (MARINA) for the issuance of a Domestic Ship Registry Receipt (DSRR), on or before 30 June 2004. Upon compliance with the prescribed requirements and fees to be paid, the DSRR shall be issued, in a format to be adopted by the MARINA.
2. The MARINA shall maintain an annual inventory of registered ships operating during the current year, to be referred to as “Domestic Operating Fleet”, using as base data the information contained in the submitted Application form for DSRR.

3. The Domestic Operating Fleet database shall contain basic information in such form and detail as the MARINA shall adopt.

4. The issuance of the DSRR shall be effected at the Maritime Regional Offices/Central Office wherein a ship’s Certificate of Vessel/Philippine Registry was issued.

5. A duly authenticated copy of the DSRR shall be kept on board the ship at all times, together with the original or duly authenticated copy of the CVR.

   However, no ship shall be detained, or its departure clearance withheld, due to the absence of, or non-possession of a DSRR on board such ship.

B. Requirements of Renewal

1. A duly filled up Application Form, sworn under oath.

2. Presentation of photocopies of registration, trading and safety certificates:

   2.1. Certificate of Vessel/Philippine Registry;
   2.2. Certificate of Inspection;
   2.3. Certificate of Admeasurement;
   2.4. Class Certificate and latest Class Survey Report, if applicable;
   2.5. Bay and River License or Coastwise License, if applicable;
   2.6. Special Permit, Provisional Authority or Certificate of Public Convenience, If applicable;
   2.7. Passenger Insurance cover, if applicable;
   2.8. Certificate of Fishing Boat License or other related certificates for fishing vessels.

IV. VALIDITY:

   The DSRR shall be a one-time issuance only.
V. FEES AND CHARGES:

<table>
<thead>
<tr>
<th>GT Range</th>
<th>Fee</th>
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</thead>
<tbody>
<tr>
<td>34.99 GT and Below</td>
<td>P100.00</td>
</tr>
<tr>
<td>35 GT to 499.99 GT</td>
<td>200.00</td>
</tr>
<tr>
<td>500 GT to 999.99 GT</td>
<td>350.00</td>
</tr>
<tr>
<td>1,000 GT and above</td>
<td>500.00</td>
</tr>
</tbody>
</table>

VI. PENALITIES & SANCTIONS:

Any ships operating without a DSRR shall be imposed a penalty equivalent to 100% of the applicable fees and charges.

The imposition of the administrative penalties should be without prejudice to the filing of criminal action.

VII. AMENDATORY CLAUSE

The pertinent chapters, regulations and provisions of the PMMRR 1997, and relevant MARINA Memorandum Circulars are hereby amended/revised accordingly.

VIII. EFFECTIVITY

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

BY THE AUTHORITY OF THE BOARD:

(Sgd.) ATTY. OSCAR M. SEVILA
Administrator

SECRETARY'S CERTIFICATE

This is to certify that Memorandum Circular No. 198 was approved during the 166th Regular Meeting of the MARINA Board held on 23 February 2004.

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

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