

MEMORANDUM CIRCULAR NO. 121

TO : ALL OWNERS/OPERATOR OF INTERISLAND LINER VESSELS AND ALL CONCERNED

SUBJECT : POLICY GUIDELINES IN THE REGULATION OF HIGH SPEED CRAFT

In line with the national policy of pursuing a program of deregulation, modernization of the existing domestic fleet and fostering a favorable climate for increased investments, and pursuant to the provisions of PD No. 474, Executive Order Nos. 125/125A, 185 and 213 and the Philippine Merchant Marine Rules and Regulations (PMMRR) of 1997, the following guidelines are hereby adopted:

I. OBJECTIVE

This Circular serves to provide policy guidelines in the regulation of high speed craft in the domestic shipping trade within the purview of the mandate vested with the MARINA.

II. COVERAGE

This Circular shall apply to all persons, corporations, firms and entities engaged in the operation of high speed craft in the domestic marine transportation, for compensation, commercial or public use, involving the carriage of passengers and cargoes between various ports and places in the Philippines.

III. DEFINITION OF TERMS

1. Coastwise Voyage – means a voyage limited to waters subject to the jurisdiction of the Philippines.
2. Dynamically Supported Craft (DSC) – is a craft which is operable on or above water and which has characteristics so different from those of conventional displacement ships, to which the existing International Conventions, particularly the Safety and Loadline Conventions apply that alternative measures should be used in order to achieve an equivalent level of safety.
3. Daytime Navigation – starts from the time of daylight between sunrise and sunset as stated in the International Rules of the Road. In tropical countries like the Philippines, daytime starts at 30 minutes plus minus 0500 H and ends at 30 minutes plus minus 1700 H.
4. High Speed Crafts (HSC) – is a craft capable of maximum speed in meters per second (m/s) equal to exceeding.

where ∇ = Displacement corresponding to the design water line in M³

The above definition notwithstanding the minimum service speed of the craft shall at least be 25 knots. Existing craft constructed under the DSC Code may qualify as a HSC upon satisfaction of the foregoing definition.

5. IACS – refers to International Association of Classification Societies
6. IMO – refers to the International Maritime Organization
7. MARINA – refers to the Maritime Industry Authority (MARINA)
8. Maximum Speed – is the speed achieved at the maximum continuous propulsion power for which the craft is certified at maximum operational weight and in smooth waters.
9. Night Vision Equipment (NVE) – equipment using camera, either low light or thermal imaging type, to detect short range targets in darkness, the information being displayed on separate video monitors to the Master and the crew in the wheelhouse.
10. Partly Protected Waters Voyage - means a voyage in which a vessel, is not at any time, more than 100 miles by sea from the point of departure and not more than 20 miles from land at any point.
11. Protected Waters - are harbor, rivers or similar areas and waters in which a vessel is not more than 3 miles from land.
12. Recognized Classification Society - means a classification society which is a full member of International Association of Classification Societies (IACS).
13. "The Code" - refers to the IMO International Code of Safety for High Speed Craft as incorporated in SOLAS Chapter X.

The meaning of other terms/phrases used herein are as defined in relevant MARINA Memorandum Circulars or as generally understood in maritime industry practice.

IV. ACQUISITION OF HIGH SPEED CRAFT

Taking into account the existence of policy guidelines for acquisition of vessels for domestic operations under Memorandum Circular No. 104, including the amendments thereto, all pertinent provisions therein except those which are herein provided shall be adopted.

1. Hull Requirement

Wooden hulled HSC shall not be allowed for acquisition under this Circular.

2. Age Requirement

The limitations on the importation and/or chartering of vessels under this Circular according to age are, as follows:

Period	Maximum Age
1997	10
1998	9
1999	8
2000	7
2001	6
Beyond 2001	5

3. Classification Requirement

All vessels to be acquired under this Circular shall be classed by a recognized IACS classification society, having full set of Rules specifically developed for HCS, prior to delivery to the buyer/charterer. The owner shall submit to the MARINA, within sixty(60) days from completion of survey, certificates issued for annual and/or special surveys conducted. Provided, finally, that the HSC shall be classed maintained at all times during its operation in the domestic trade.

4. Documentary Requirements

The submission of pre-approval documents for authority to acquire vessels as required in MC No. 104 shall be made as post-approval requirements, except for the following:

- 4.1 Letter of intent/application
- 4.2 Duly signed Memorandum of Agreement / Deed of Sale/Bareboat Charter Contract
- 4.3 Valid Certificate of Vessel's Registry
- 4.4 General Arrangement Plan
- 4.5 Class Certificate/Certificate of Compliance with Annual//Special Survey
- 4.6 Receipt of Payment of Processing Fee – P20,000.00/vessel

V. ISSUANCE OF CERTIFICATE OF PUBLIC CONVENIENCE (CPC)

The relevant provisions of Memorandum Circular Nos. 80, 106 and 117, in implementation of EO 185 and 213, respectively, providing consolidated policy guidelines intended to promote a more liberal/deregulated atmosphere for liner operations in the domestic shipping industry, except as herein provided, shall apply.

1. Prescription of Sailing Schedules

As a rule, the proposed sailing schedules and frequencies of new entrants will be favorably considered; provided, no conflict in sailing schedules with other affected HSC operators in the applied route/link shall result therefrom, and; provided further, that the minimum interval between arrival/departures of HSC shall be thirty(30) minutes; otherwise, the MARINA shall prescribe, motu proprio, sailing schedules that will best serve the public interest and convenience. In addition, the following guidelines shall be considered:

- 1.1 HSC may be prescribed a departure time as that of other duly authorized vessel(s), not otherwise considered a HSC operating in the route; and,
- 1.2 Should there be an existing authorized HSC in the proposed route, the determination of safe and reasonable sailing schedule shall be taken by the MARINA in consideration of factors including, but not limited to: (1) area of operation; (2) navigational equipment of the craft; (3) safe speed of the craft to attain its proposed travel time; (4) number of existing HSC operators; (5) availability of berthing space at all ports to be served. Further, in the interest of safety, the schedules must provide sufficient rest periods for the crew.

If the new entrant in the route proposes a time schedule earlier than those of the existing HSC operator, this may be allowed in the acknowledgement of its/his/her recognition of need of services at the proposed time, unless previous acts of the existing operator will show its/his/her intention to provide an earlier service. Finally, the MARINA may limit or qualify further entry of additional HSC in a given route/link when the berthing and other facilities, as well as other technical considerations in a given port can no longer accommodate additional vessels at a given time, subsequent to the prescription of reasonable sailing schedules therein.

2. Substitution of Vessels

In case of emergency repairs/drydocking or mechanical/engine trouble, authorized HSC operators may be allowed to make automatic substitution of their other HSC, provided that:

- 2.1 No route/link shall be left unserved; and,
- 2.2 There must be notice in writing to the MARINA within 24 hours of such substitution and reason/s therefor.

3. Operational Limitations

3.1 Area of Operation

The operation of a HSC may be restricted in terms of routes, as follows:

- i.) Coastwise voyage
- ii.) Partly Protected voyage
- iii.) Protected waters
- iv.) Short sea waters

As a rule, HSC are allowed to operate during daytime only, HSC may be allowed to navigate during nighttime provided the required aids to navigation and collision avoidance on the craft are complied with, to the satisfaction of the MARINA.

In cases where night vision equipment (NVE) is not provided, the craft's operation shall be restricted to daytime navigation only. Where NVE as provided is fitted, proper crew training and bridge routine are necessary.

In addition, HSC should have special navigation lights similar to the hovercraft flashing light for better identification.

The above restrictions/limitations shall be reflected in the craft's Certificate of Inspection(CI).

3.2 Maximum Safe Speed

The craft's operational speed shall be limited to ninety percent(90%) of its maximum speed, as defined under this Circular.

The craft's service speed shall in no case be less than 25 knots.

However, the speed of a HSC shall be restricted by wind force and direction, wave height during severe weather conditions, entering narrow channels and reduced visibility, among others. Likewise, HSC shall observe maximum docking or berth impact speeds to avoid causing nuisance in harbors or other confined areas and avoid damage to the port and/or other vessels; provided, finally, that HSC's shall not race each other in any event, time, or place.

3.3 Number of Passengers

3.3.1 The number of passenger for maximum loading shall be based on the number of permanent seats on board; and,

3.3.2 Only seats approved by the MARINA in accordance with the requirements of The Code shall be allowed.

3.4 Craft Documentation

As required in the Code, several manuals, including detail of their contents, must be carried on board. These are the Craft Operating Manual, Route Operational Manual, Training Manual and the Maintenance and Servicing Manual.

These manuals must be submitted to the MARINA for approval.

4. Rates Prescription

In support of the government's thrust to increase the attractiveness of investments in domestic shipping industry through introduction of innovative or technologically advance shipping services, the applicable provisions of MC No.117, providing policy guidelines in the implementation of Executive Order No.213, except Sec. 2.1.a on deregulation of passage rates for vessels not otherwise accredited or certified by the Department of Tourism, and Sec. 5.1 on general policy guidelines on rates prescription, are hereby adopted.

5. Period of CPC Validity

<u>Vessel's Age upon CPC Issuance</u>	<u>CPC Validity</u>
5 years old and below	10 years
above 5 years old	5 years

VI. MINIMUM SERVICE STANDARDS

1. General Standards

The minimum service standards for HSC shall be those prescribed for Second Class Accommodations under MC No. 65/65A.

2. Arrangement
 - 2.1 Passenger and crew accommodations shall be designed and arranged so as to protect the occupants from unfavorable environmental conditions and to minimize the risk of injury to occupants during normal and emergency conditions; and,
 - 2.2 Passenger accommodations shall not contain operating controls unless the same are protected and located so that their operation by any crew member will not be impeded by passengers during normal and emergency conditions of operation.
3. Seat Construction
 - 3.1 Seats shall be of a form and design as to minimize the possibility of injury and to avoid trapping of the occupants particularly in emergency conditions. Dangerous projection and hard edges should be eliminated; and,
 - 3.2 The installation of seats shall allow adequate access to any part of the accommodation space. In particular, they should not obstruct access to, or occupy space of any essential or emergency equipment or required means of escape.
4. Safety Belts
 - 4.1 Seats facing solid bulkheads or other constructions which may cause injuries in case of collision shall be provided with safety belts; and,
 - 4.2 Safety belts and their attachment should be sufficiently strong to withstand the load that may arise due to a collision.
5. Baggage, store and cargo compartments
 - 5.1 Provisions should be made to prevent shifting of baggage, store and cargo.
6. Deck, Floor and Railings
 - 6.1 Passengers should not be carried on open deck;
 - 6.2 Decks, walkways and stairs which are intended for passengers should be of the non-skid type. Indoor floors may have carpets; and,
 - 6.3 Entrances, stairs, gangways should have handholds on both sides.

7. Exit Provisions

7.1 Exit doors, aisle and passageway shall be kept clear from any obstructions at all times during the travel.

7.2 The craft should have a sufficient number of exits which are suitable to facilitate the quick and unimpeded escape of passengers wearing approved wearing approved lifejackets in emergency conditions.

8. Safety Film and Voice Tape

The showing of a tape film or actual demonstration on the safety features of the vessel is hereby required/reiterated in accordance with the provisions of MC No. 72.

9. Onboard Accessibility

9.1 At least one deck shall be provided with accessible ramps, passageway, access to gangways, galleys, toilet and bath, safety equipment and berth/cabins with dimensions conforming with the requirement as provided in MC 65-A;

9.2 A station for disabled persons at the gangplank, with appropriate identification mark, shall be provided;

9.3 Lifejackets for the exclusive use of disabled persons, with the appropriate markings, shall be provided;

9.4 Provision of at least two(2) uniformed crew members with appropriate identification shall act as coordinator on board vessel;

9.5 Designated seats for disabled persons with the appropriate marking near exit/entrance of gangway/gangplank shall be provided;

9.6 Accessibility posters on fixed berth, designated seats and places on board the vessel shall be pasted.

10. Water Accessibility

10.1 Wheelchairs/stretchers stationed at the waterfront or ports shall be provided;

10.2 A Disabled Persons' Station at the Booking Office(s) shall be provided ; and,

10.2 The shipowner is required to assign at least two(2) shipping company's personnel(shorebased) with proper identification as coordinator.

11. Provision for Toilet:

These shall be provided at least one(1) separate toilet for men and women for every eighty(80) passengers.

VII. MANNING REQUIREMENTS AND QUALIFICATION OF CREW

1. General Provisions

1.1 HSC shall be completely manned by Filipino officers and ratings except as authorized by the MARINA.

1.2 Masters, officers and ratings on board HSC shall be duly qualified, competent, certificated and medically fit in accordance with the Philippine Merchant Marine Rules and Regulations(PMMRR) of 1997.

1.3 Masters, officers and ratings performing watchkeeping duties shall meet the training requirements of STCW 1978, and the Code as amended, and those not performing watchkeeping duties shall undergo the basic safety training in accordance with the Code.

1.4 At least one Red Cross certified First Aider with appropriate identification for every 100 passengers shall be designated.

2. Tables of Minimum Safe Manning for HSC

2.1 Deck Department

Tonnage (gt)	No.	Position	License/Qualification
Below 100	1	Master	2 nd Mate
	1	1 st Officer	3 rd Mate
		Deck Rating *	
Over 100 to 250	1	Master	Chief Mate
	1	1 st Officer	3 rd Mate
		Deck Rating *	
Over 250 to 500	1	Master	Master Mariner
	1	1 st Officer	3 rd Mate
		Deck Rating*	

*One deck rating for every 100 authorized passenger capacity

2.2 Engine Department

HORSEPOWER	UNMANNED	MANNED SINGLE	MANNED MULTI-ENGINE (DOUBLE)
14401-18000	Chief Engineer + 2 nd Engineer	Chief Engineer + 2 nd Engineer + 3 rd Engineer	Chief Engineer + 2 nd Engineer + 3 rd Engineer
10801-14400	Chief Engineer + 3 rd Engineer	Chief Engineer + 2 nd Engineer + 4 th Engineer	Chief Engineer + 2 nd Engineer + 4 th Engineer
7201-10800	Chief Engineer + 4 th Engineer	Chief Engineer + 2 nd Engineer	Chief Engineer + 3 rd Engineer + 3 rd Engineer +
5401-7200	Chief Engineer	Chief Engineer + 3 rd Engineer	Chief Engineer + 3 rd Eng'r + 4 th Eng'r
3601-5400	2 nd Engineer	2 nd Engineer + 3 rd Engineer	2 nd Engineer + 3 rd Eng'r + 3 rd Eng'r
1801-3600	3 rd Engineer	2 nd Engineer + 4 th Engineer	2 nd Engineer + 3 rd Eng'r + 4 th Eng'r
below 1800	4 th Engineer	3 rd Engineer + 4 th Engineer	3 rd Engineer + 4 th Engineer + 4 th Engineer

Provided, finally, that nighttime navigation shall be allowed only in case where an NVE as defined herein is properly fitted and operated by the Master and one duly qualified officer.

VIII. PENALTIES AND SANCTIONS

Ship operators/owners who shall violate or fail to comply with policies/guidelines herein set forth shall subject to the following administrative fines, and/or penalties provided under the Public Service Act, as amended, and other relevant rules and regulations of the MARINA.

Imposition of such fines shall be without prejudice to the institution of criminal and/or civil action with the regular courts against the company and/or responsible officials/s or the recommendation to the Professional Regulations Commission for the suspension/cancellation of the license, as the case maybe.

	Operator/Owner	Seafarer
First Infraction	P25,000/vessel	P5,000
Second Infraction	P50,000 /vessel and/or suspension of CPC/PA/SP	P10,000 and/or suspension of SIRB
Third Infraction	P100,000 /vessel and/or cancellation of CPC/PA/SP	P25,000 and / or cancellation of SIRB

IX. REPEALING CLAUSE

Any provision of existing MARINA Circulars, rules and regulations, Orders or Decisions which are inconsistent with this Circular are hereby repealed or modified accordingly.

X. SEPARABILITY CLAUSE

Should any provision or part of this Circular be declared by the competent authority to be invalid or unconstitutional, the remaining provisions or parts thereof shall remain in full force and effect and shall continue to be valid and effective.

XI. TRANSITORY PROVISIONS

The MARINA shall undertake a re-inspection of existing fast craft vessels to determine compliance with the requirements under this Circular.

Existing vessels which may be classified as HSC under this Circular are hereby given until 01 January 1998 to comply with Secs.V-VIII herein; otherwise, said vessels shall have to be reclassified as conventional vessels or as appropriate.

XII. EFFECTIVITY

This Memorandum Circular shall take effect on 15 August 1997 after its publication once in newspaper of general circulation in the Philippines.

Manila, Philippines, July 29, 1997.

By The Authority of the MARINA Board:

RADM PIO GARRIDO JR AFP (Ret)
Administrator

Secretary's Certificate

This is to certify that the foregoing Memorandum Circular No. 121 was approved by the MARINA Board in its 136th Regular Meeting dated July 29, 1997.

Atty. Gloria V. Bañas
Deputy Corporate Board Secretary

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