MEMORANDUM CIRCULAR NO. 138

TO : ALL SHIPPING COMPANIES, SHIPOWNERS, SHIP

OPERATORS, MOTORBOAT OPERATORS, OFFICERS IN

THE DOMESTIC TRADE AND ALL CONCERENED.

SUBJECT: RULES ON THE GRANT OF DIS PENSATION ON

SEAFARERS ON BOARD VESSELS POERATING IN THE

DOMESTIC TRADE

Pursuant to section 14 of Executive Order No. 125, as amended, and in reference to Regulation XVIII/8 of the Philippine Merchant Marine Rules and Regulations of 1997 (PMMRR) the following rules shall govern the grant of dispensation.

1. OBJECTIVE

This Circular shall prescribe the general policy, guidelines and procedures for the grant of dispensation to seafarers adequately qualified as provided for in the PMMRR of 1997.

2. COVERAGE

This Circular shall apply to all seafarers on-board vessels in the domestic trade except those on-board passenger-carrying vessels wherein the prescribed safe manning requirement under PMMRR shall be strictly observed.

3. DEFINITION OF TERMS – For purposes of this Circular:

- 1. **Administration –** refers to a Maritime Industry Authority (MARINA).
- 2. **Dispensation** refers to a document issued in favor of seafarer in case of exceptional necessity, as defined hereunder, who does not hold the appropriate certificate required by the Convention, permitting a seafarer to serve in a specified for a specified period.
- 3. **Adequately qualified seafarer** is a seafarer whose qualification and experience are of clear equivalence to the requirements of the position to be filled, as attested to in writing of the shipowner/operator, to the satisfaction of the administration.

4. GENERAL PROVISIONS

1. The grant of dispensation to seafarers will allow domestic-trading vessels to continue their operation based on the principle of exceptional necessity vis-avis the possible risk involve on safety of life and property at sea and the protection of

marine environment. This administration prerogative to grant dispensation shall not be used by the shipowners for the purpose of gaining commercial advantage or convenience or as a scheme for pooling on board officers not properly certificated.

- 2. The dispensation permit is not an exemption from the safe manning requirement of the vessel or a substitute document to fulfill the deficiency of officers not properly certificated to assume the higher position. Thus upon issuance of dispensation permit, it being merely an emergency measure, the concerned vessel owner/operator should address the deficiency immediately and at the earliest possible time.
- 3. When the position below the vacant post to be filled does not require any Certificate/License under regulation XVIII/8 of the PMMRR, a dispensation/upgrading may be issued to a specified seafarer whose qualifications and experience are, in the judgement of the Administration, of clear equivalence to the requirements of the position to be filled and/or examination acceptable to the Administration shall be required to be passed by the applicant, if necessary.

5. SPECIFIC PROVISION

Dispensation Permit can be issued to a properly licensed/ certificated seafarer to occupy the next higher rank provided that:

- 1. The dispensation permit to be issued within each year shall not exceed one (1) month for any single issue, provided, that only two (2) renewals of one month validity each can be granted within the same year.
- 2. The dispensation permit shall be issued only in exceptional necessity under any of the following situations:
 - 1. Force majeure;
 - 2. National emergency;
 - 3. Inability of the duly qualified and competent seafarer to assume his position and for which reason his absence caused the request for granting dispensation; or
 - 4. Temporary in availability of qualified manpower, relative to the technological demands of the vessels.
- 3. Dispensation/ upgrading shall not be granted to Master or Chief Engineer, except in circumstances of force majeure and shall be valid only until the next port of call, provided further, that such dispensation/ upgrading shall be granted to a ship operating in the domestic trade.
- 4. The grant of dispensation shall not result to a line –up of officers occupying ranks in succession.

6. DOCUMENTARY REQUIREMENTS

The following documents shall be submitted together with the duly accomplished application from to facilitate processing of its application for issuance of the dispensation permit.

FOR NEW APPLICANT

- 1. Letter request from the company;
- 2. Duly accomplished application form;
- 3. Oath of undertaking duly notarized, executed by the company attesting to:
 - 3.1 the seafarer's competence;
 - 3.2 assumption of risk and responsibility by the owner/ operator of the vessel in the hiring the applicant for the upgraded position including the current compensation/ remuneration for the said position;
 - 3.3 their diligent search for a qualified competent officer.
- 4. Photocopy of applicant's PRC ID and license duly authenticated by the PRC;
- 5. Photocopy of Seafarers Identification and Record Book (SIRB) issued by the MARINA showing the seafarer's personal identification and sea experience;
- 6. Photocopy of PA/CPC of the vessel; and
- 7. Two (2) copies of the applicant's picture in uniform (2" x 2")

FOR RENEWAL

- 1. Letter request from the company;
- 2. Duly accomplished application form;
- 3. Previously issued original dispensation permit;
- 4. Photocopy of valid CI; and
- 5. Proof of the company's most diligent search for qualified and competent officers in coordination with seafarer unions/associations and as may be evidenced by most recently paid advertisement for the vacant position appearing on national dailies, or local dailies of regional circulation.

7. FEES

The following schedule of fees shall apply:

Type of Issuance	<u>Amount</u>
New Issuance	PHP 5, 000.00
First Renewal	PHP 8, 000.00
Second Renewal	PHP 10, 000.00

8. SANCTIONS

Any dispensation permit may be revoked/ cancelled by the Administration at any time for a just cause and after due process without prejudice to any penalty that may be imposed under existing MARINA rules and regulations.

9. EFFECTIVITY

The Circular shall take effect immediately.

BY THE AUTHORITY OF THE MARINA BOARD:

AGUSTIN R. BENGZON

Administrator

SECRETARY'S CERTIFICATE

This is to certify that Memorandum Circular No. <u>138</u> has been approved in the 144th Regular Meeting of the Maritime Industry Board of Directors held on 15 October 1998.

ATTY. GLORIA J. VICTORIA –BANAS Acting Corporate Board Secretary

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