



Republic of the Philippines
Department of Transportation
MARITIME INDUSTRY AUTHORITY



MEMORANDUM CIRCULAR NO. SR-2019-01

TO : ALL SHIPBUILDERS, SHIP REPAIRERS, SHIPYARDS AND ALL OTHER CONCERNED ENTITIES

SUBJECT : AMENDMENT TO MARINA CIRCULAR NO. 2018 – 02, REVISED RULES AND REGULATIONS RELATING TO REGISTRATION AND LICENSING OF SHIPBUILDING AND SHIP REPAIR FACILITIES AND FOR OTHER PURPOSES

Pursuant to Presidential Decree 474, Presidential Decree No. 1059, Executive Order 125/125-A, and Republic Act No. 9295 and its Implementing Rules and Regulations, the following amendments to MARINA Circular No. 2018-02, Series of 2018, are hereby adopted:

IV. GENERAL PROVISIONS

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LICENSING

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14. All MARINA-licensed Shipbuilder and/or Ship Repairer shall conform to relevant environmental standards particularly taking measures to prevent, reduce or control pollution of the marine environment in accordance with International Maritime Organization (IMO) instruments and national laws, rules and regulations.
15. All MARINA-Registered Shipyards licensed under this Circular shall be required to secure the following based on their classification:

Category		Classification	Requirement
Ship Builder (SB)	Ship Repair (SR)	Class A	ISO 9001 : 2015 on Quality Management System and its latest amendments from a certification body accredited by accreditation bureaus associated with Pacific Accreditation Cooperation (PAC)
Ship Builder (SB)	Ship Repair (SR)	Class B	
Ship Builder (SB)	Ship Repair (SR)	Class C*	

**Existing SB and / or SR, Class C to comply with ISO 9001:2015 with in two (2) years as per Section XI of this Circular.*

V. QUALIFICATION REQUIREMENTS

1. **Classification and Capitalization for Shipyards.** The applicant must comply with all the minimum requirements prescribed hereunder to be classified and registered accordingly.

CATEGORY	CLASSIFICATION	FACILITY		CAPABILITY	PAID UP
Shipbuilding and / or Ship Repair (SB / SR)	Class A	Ship dry-dock/launch way using at least 2 of the following, one of which should be at least 130 m in length Shipyards area that can accommodate a Fabrication Area, Machine shop and Assembly Area	<ul style="list-style-type: none"> • Slipway • Graving Dock • Floating Dock¹ • Syncrolift or Lift Dock Building Yard	capable to build and repair big ships with MINIMUM length overall of 130 meters	P 50,000,000
Shipbuilding and / or Ship Repair (SB / SR)	Class B	Ship dry-dock/ launch way using at least 1 of the following, one of which should be at least 80 m in length Shipyards area that can accommodate a Fabrication Area, Machine shop and Assembly Area	<ul style="list-style-type: none"> • Slipway • Graving Dock • Floating Dock¹ • Syncrolift or Lift Dock • Building yard 	capable to build and repair ships with MAXIMUM length overall of 129 meters	P 25,000,000
Shipbuilding and / or Ship Repair (SB / SR)	Class C	Ship dry-dock/launch way and equivalent facility below 80 m in length Shipyards area that can accommodate a Fabrication Area, Machine shop and Assembly Area	<ul style="list-style-type: none"> • Rollers • Inflatable Rubber² • Ship lift • Electric/Hydraulic Marine Winch for Ship Pulling • Marine Travel lift • Marine Railways or Prime movers • Building yard 	capable to build and repair ships with MAXIMUM length overall of 80 meters	P 10,500,000

2. Staffing Requirements for Shipbuilding and Ship Repair Entities.

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Minimum Number of Workers

Technical	SB / SR		
	Class A	Class B	Class C
Registered Naval Architect ³	2	1	1 ⁴
Licensed Mechanical Engineer	1	1*	1*
Licensed Electrical Engineer	1	1*	1*
Safety Officer	2	1	1
Draftsman	2	1*	1*

¹Floating Docks used by shipyards must be registered with the MARINA but will not be covered by Annual Tonnage Fees (ATF).

²Air Bags used for dry-docking must be equipped with special mechanism or facility for safe operation.

³Refer to the IRR of RA 10698, The Naval Architecture Law

⁴For **SR Class-C** the requirement for **RENA** may be on a per project-based or consultancy basis.

Skilled Workers	SB / SR		
	Class A	Class B	Class C
Supervisor/QC	3	2	1
Welder/ Cutter	10	6	2
Pipe Fitter	5	3	1*
Ship Fitter	5	3	1*
Carpenter	3	1	1*
Licensed Master Electrician	3	2	1
Heavy Equipment Operator	2	1	1*
Mechanic	2	1	1*
Painter	3	2	1*
Sandblaster	3	2	1*
Diver	3	2	1*
Rigger	3	2	1*
*May be on a per-project basis			

VI. DOCUMENTARY REQUIREMENTS

Documentary requirements shall be complied for the issuance, upgrading, renewal and annual endorsement of SBSR and or SR license under MC 2018-02. Electronic copy of documents may be submitted through the official Shipyards Regulation Service e-mail address or on-line application portal, subject to pre-evaluation for issuance of Authority to Accept Payment (ATAP).

Pending applications of the following documentary requirements due to process period of issuance, an Oath of Undertaking may be submitted enclosed with certification from issuing Agency that the company has already have an ongoing application and/or official receipt of the application subject to post approval evaluation:

- Valid Environmental Compliance Certificate Clearance (ECC) from DENR.
- Copy of Occupational Safety and Health (OSH) accreditation/DOLE Certification
- Alien Employment Permit issued by DOLE or BID (for Foreign Nationals)

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VII. VALIDITY OF LICENSE

The license shall be valid for a period of five (5) years subject to annual endorsement unless revoked/cancelled.

VIII. CONDITIONS AND OBLIGATIONS ATTENDANT TO THE LICENSE ISSUED:

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- Licensed shipbuilder or ship owner/operator shall secure a **Shipbuilding Permit** prior to construction, conversion, alteration, modification, rebuilding of ships. Licensed shipyard or ship owner/operator shall be

required to submit and secure approval from the Administration of all plans for construction, conversion, alteration, modification, rebuilding of ships⁵.

8. Only licensed shipbuilder shall issue Builder's Certificate of ships constructed, converted, altered, modified or rebuilt by them corresponding to their License **including the inventory of hazardous materials used in the construction of ship.**

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9. Only licensed ship repairer shall issue a Certificate of Dry-docking to ships dry-docked in their facility after completion of the required repairs/work orders.

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14. All licensed shipyard in case of location transfer of a registered Floating Dock shall secure Special Permit to Navigate issued by this Authority prior to the transfer of the facility.
15. All licensed shipyards in cases of incident related to their operation, happened within their yard premises shall submit report this Authority within fifteen (15) days indicating the nature of the incident and shall be held liable upon investigation.

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IX. FEES AND CHARGES

The following fees shall be charged for the issuance, upgrading, renewal and annual endorsement of SB / SR license:

Registration

Category	Processing Fee (PHP)
SB / SR Class A	10,000.00
SB / SR Class B	5,000.00
SB / SR Class C	1,000.00

Licensing

Category	Pre-Qualification/ Annual Inspection Fee (PHP)	Processing Fee (PHP)	License Certificate
SB / SR Class A	12,400.00	34,400.00	500.00
SB / SR Class B	9,300.00	25,800.00	500.00
SB / SR Class C	6,300.00	17,200.00	500.00

⁵Refer to MC2015-07

XI. TRANSITORY PROVISION

1. All existing SB / SR Class - C licensed shipyards shall be required to comply with Section IV.15 of MARINA Circular No. 2018 - 02 within **two (2) years** to be reckoned on the next annual inspection upon effectivity of this Circular.
2. All existing SR Class - C licensed shipyards shall be allowed for the meantime to hire Registered Naval Architects on retainer or on a per project-based or on consultancy basis within **two (2) years** after which will comply with the RENA permanent requirement as per Section V.2.

XII. REPEALING CLAUSE

Rules and regulations under MARINA Circulars No. 178, 2007-02, 2009-06, and 2018-02 inconsistent herewith are hereby repealed, amended or modified accordingly.

All other provisions of MARINA Circular 2018-02, not otherwise inconsistent herewith, shall remain in full force and intact.

XIII. EFFECTIVITY

This Circular shall take effect fifteen (15) days after publication in one (1) newspaper of national circulation or in the Official Gazette.

Done in the city of Manila, Philippines, this 25th day of October 2019.

BY THE AUTHORITY OF THE BOARD:

VADM NARCISO A VINGSON JR
Officer-In-Charge

SECRETARY'S CERTIFICATE

This is to certify that MEMORANDUM CIRCULAR NO. SR-2019-01 has been approved by the MARINA Board in its 272nd Regular Board Meeting held on 25 October 2019.

Atty. EUSEBIA CADLUM-BOCO
Corporate Board Secretary

Date of Publication: 20 December 2019
Business Mirror

Date of Submission to ONAR: