



Republic of the Philippines  
Department of Transportation  
**MARITIME INDUSTRY AUTHORITY**



**MEMORANDUM CIRCULAR NO. SR-2022-02**  
**Series of 2022**

**TO : ALL BOAT BUILDING COMPANIES AND ALL OTHER CONCERNED ENTITIES**

**SUBJECT : IMPLEMENTING RULES AND REGULATIONS ON THE  
ISSUANCE OF BOATBUILDER'S PERMIT TO ENTITIES  
INTENDING TO ENGAGE IN SMALL-SCALE BOATBUILDING/  
REPAIRING ACTIVITIES**

Pursuant to the provisions of Presidential Decree 474, Executive Order 125/125-A, Republic Act No. 9295 and its Implementing Rules and Regulations, the following rules and regulations are hereby adopted to amend MARINA Memorandum Circular No. 2015-09.

**I. OBJECTIVES**

1. To regulate the small-scale boatbuilders/repairers located in the remote areas in the Philippines by providing flexibility in their operation;
2. To provide clear requirements and guidelines for the grant of Boatbuilder's Permit to enable small-scale entities to engage in boat building/repairing activities and to legalize the operation and provide necessary related services; and,
3. To foster a more favourable atmosphere that will encourage and qualify small-scale boatbuilders/repairers to register with the Administration

**II. COVERAGE**

These rules and regulation shall apply to all persons, natural or juridical, Filipino citizen or foreign national engaged or intending to engage in boatbuilding/ repairing activities in the Philippines. This area may be usually along coastline use for boatbuilding/ boat repairing activities undertaken within the premises/ property owned/ rented by the boat owners or designated by the coastal barangay.

**III. DEFINITION OF TERMS**

For the purpose of this Circular, the following terms shall be defined as follows:

1. **"Administration"** refers to the Maritime Industry Authority (MARINA).



2. **"Authority to Acquire Vessel through Local Construction"** refers to the authority or permit granted by the Administration to boatbuilders/ boat owners/ operators who intend to acquire boat which will be constructed by local boatyards in accordance with the Administration's approved vessel plans.
3. **"Banca"** refers to a type of boat, traditionally built watercraft, predominantly wood-hulled may be motorized or non-motorized with outrigger.
4. **"Boat"** refers to a watercraft propelled on water by oars, sails or by an inboard and/or outboard engine.
5. **"Boat Repair"** refers to the overhaul, alteration, modification or repair watercrafts with sizes up to 20 meters in length.
6. **"Boatbuilder's Permit"** refers to the authorization issued by the Administration which grants an entity to engage in boatbuilding/ repairing activity, upon compliance with the requirements provided by the Administration under these Rules and Regulations.
7. **"Builder's Certificate"** refers to a certificate issued by the builder of the boat covered by this Circular upon satisfactory compliance with the design and construction requirements under relevant MARINA rules and regulations.
8. **"Length"** refers to the length overall which is the maximum length of a vessel's hull measured parallel to the waterline.
9. **"MARINA Licensed Boatbuilders/ Repairers"** refers to the licensed boatbuilders/ repairers.
10. **"Qualification Inspection"** refers to an inspection conducted prior to the issuance of Boatbuilder Permit.
11. **"RENA"** refers to a Registered Naval Architect.
12. **"Small-Scale Boatbuilding"** refers to the design, construction, outfitting and launching of watercrafts with **sizes up to 20 meters** in length.

#### IV. GENERAL PROVISIONS

1. A Boatbuilder's Permit from the Administration shall be secured in accordance with the rules set under this Circular.
2. All small-scale boatbuilding entities covered by this Circular shall be inspected prior to its issuance of Boatbuilder's Permit and must be highly capable to undertake the activities accorded to its issued Boatbuilder's Permit.
3. Entities under this Circular shall only undertake boat building/ repairing activities outside a boatyard facility within the territorial jurisdiction of the regional office issued its permit.



4. The name of the small-scale boatbuilding entity shall reflect the nature of operation of the business as boat builder/repairer covered by this Circular and as one of the primary purpose stated in their Barangay Permit or Business Permit or Department of Trade and Industry (DTI) Business Name Registration.
5. Entities under this Circular shall also be governed by relevant existing MARINA Circulars and shall conform to relevant environmental standards particularly taking measures to prevent, reduce or control pollution of the marine environment in accordance with the relevant national laws, rules and regulations.
6. All those covered by this Circular shall indicate in their application for issuance of Boatbuilder's Permit the service(s) they propose to offer and the location or area of operation;
7. The Boatbuilder's Permit under this Circular shall be valid for a maximum period of one (1) year and renewable for another year subject to re-qualification inspection, re-evaluation and submission of a Record Book indicating the previous boatbuilding/ repairing activities.
8. All MARINA-licensed Boat Builder/ Repairer shall comply with MC 2016-02, as amended particularly on the prohibition of the construction of passenger liner wooden-hulled boats/ships.

## V. QUALIFICATION REQUIREMENTS

### 1. Classification and Capitalization:

The applicant must comply with all the minimum requirements prescribed hereunder accordingly.

Size Limitation	Hull Material	Capitalization
20 meters and below	Wooden (Motor Boat With outrigger)	No Capitalization

### 2. Staffing Requirements:

The applicant must have sufficient actual experience in boat building and repair

<b>Technical</b>	
RENA	1*
<b>Skilled Workers</b>	
Carpenter	1
Caulker	1
Painter	1



*\* May be on contractual or consultancy basis only.*

**3. Minimum Yard Equipment**

- Carpentry Tools

**VI. DOCUMENTARY REQUIREMENTS**

1. Letter of application (stating the service(s) they propose to offer and the location or area of operation)
2. Valid SEC Registration, DTI-Business Name Registration (BNR) or CDA registration
3. Mayor's Permit or Barangay Clearance
4. Duly accomplished Data Sheet prescribed by the Administration

**VII. VALIDITY OF BOATBUILDER PERMIT:**

The Boatbuilder's Permit shall be valid for a **maximum period of one (1) year** only subject for renewal.

**VIII. CONDITIONS AND OBLIGATIONS ATTENDANT TO THE BOATBUILDER PERMIT ISSUED:**

1. The Boatbuilder's Permit is non-transferable.
2. The Boatbuilder's Permit shall be displayed in a conspicuous place in the area where the boatbuilding/ repairing activities are undertaken.
3. Withdrawal from business or suspension from operations will require prior written notice to the Administration within fifteen (15) calendar days before termination of operation and Boatbuilder's Permit shall be surrendered to the Administration.
4. The following shall require approval of the Administration prior to construction, conversion, modification or alteration of boats:
  - 4.1. Boatbuilding Permit
  - 4.2. Authority to Acquire Vessel through Local Construction (duly attested from Barangay)
  - 4.3. Sketch Plan or Skeleton Plan of the boat
5. Entities under this Circular shall issue the Builder's Certificate (Annex C) on boats constructed by them **with sizes up to 20 meters in length.**
6. Entities under this Circular shall inform/ submit to the Administration the following:
  - 6.1. New business address and telephone numbers within ten (10) days after the actual change;



- 6.2. Names of new Director or other principal officer within thirty (30) calendar days after the appointment; and
  - 6.3. Certified true copy of Amended Articles of Incorporation/ Partnership or By-laws duly approved by SEC, within thirty (30) calendar days after approval (if any);
  - 6.4. Any changes in the name of the company; ownership; lease contract.
  - 6.5. Hiring of sub-contractors.
7. Entities under this Circular shall maintain a record book, indicating the activities (job orders, availment of incentives, etc.) and shall be made available for inspection anytime.
  8. Entities under this Circular shall maintain a record book of newly constructed boats, inclusive of details as to the type, particulars, and ownership of such boats, and all boats being repaired to be inspected by the Administration.
  9. All boats to be constructed shall conform to the rules and regulations prescribed by the Administration.
  10. Entities under this Circular shall only issue a Certificate of Dry-docking to boats dry-docked in their facility and after completion of the required repairs/ work orders.
  11. The required reports under items 7 and 8 of this Section shall serve as a requirement in the application for the renewal of Boatbuilder's Permit.

## IX. FEES AND CHARGES

1. The following fees shall be charged for the issuance and renewal of permit:

Processing Fee (PHP)	Boatbuilder's Permit (PHP)	TOTAL Fee (PHP)
200.00	200.00	400.00

2. For boatbuilders, boat owners/operators who contracted the boatbuilder to build a new boat through local construction, a fee of **Php 500.00** shall be charged for the Authority to Acquire Vessel through Local Construction covered under this Circular.

## X. FINES AND PENALTIES

1. For engaging in boatbuilding/ repairing without a MARINA issued Boatbuilder's Permit shall be subject to closure, to be effected by the MARINA in coordination with appropriate law enforcement authorities, after due process.
2. For engaging in boatbuilding/ repairing with expired MARINA-Boatbuilder's Permit, a person or enterprise shall be penalized with administrative fine of **Php 10,000.00**, after due process.



3. For motor boat owner/operator hiring or commissioning the services of a non-MARINA Licensed Boatbuilder, a person or enterprise shall be penalized with administrative fine of **Php 50,000.00**, after due process.
4. Non-submission of required reports shall be penalized with administrative fine of **Php 1,000.00 per document**, after due process.
5. Violations of conditions and obligations attached to the license:

	Violation
5.1. Conditions No. 4 (plans approval/ authority to acquire), of Section 8 of this Circular	<b>P 1,000.00 plus six (6) months suspension of license</b>
5.2. Other conditions of Section 8 of this Circular	<b>P 1,000.00</b>

6. The MARINA after due notice and hearing may suspend/ cancel/ revoke the MARINA issued Boatbuilder's Permit for any of the following grounds:
  - 6.1. Failure to maintain the qualifications for registration as required in this Circular; and/or,
  - 6.2. Violation of environment protection laws, rules and regulations.

**XI. REPEALING CLAUSE:**

MARINA Circular No. 2015-09 and other issuances which are inconsistent herewith are hereby repealed, modified or amended accordingly.

**XII. SEPARABILITY CLAUSE**

Should any provision or part of this Circular be declared by competent authorities 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.

**XIII. EFFECTIVITY**

This MARINA Circular shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the Philippines.

Manila, Philippines, MAY 11 2022 2022.

**BY THE AUTHORITY OF THE BOARD:**

  
**VADM ROBERT A EMPEDRAD AFP (Ret)**  
Administrator

**SECRETARY'S CERTIFICATE**

This is to Certify that the Memorandum Circular No. SR-2022-02 has been approved by the MARINA Board on its 291<sup>st</sup> Regular Board Meeting on 10 March 2022.

  
**ATTY. MAXIMO I. BANARES, JR.**  
Board Secretary

Date of Publication: 13 May 2022  
Business Mirror

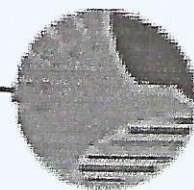
Date of Submission to ONAR:





REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF TRANSPORTATION  
**MARITIME INDUSTRY AUTHORITY**

SHIPYARDS REGULATION SERVICE (SRS)  
MARINA Bldg., Bonifacio Drive, corner 20<sup>th</sup> Street, Port Area, Manila



### **SMALL BOATBUILDERS/REPAIRERS INSPECTION CHECKLIST**

ANNEX B

Name of Company/Enterprise		Document Control □□□□ □□□□	
Principal Office Address		Type of Application <input type="checkbox"/> New <input type="checkbox"/> Renewal	
Location of Area of Operation		Date Filed □□ □□ □□□□	
Phone Number/Fax number	e-Mail Address	Date Inspected □□ □□ □□□□	
Contact Person	Designation	Type of Organization <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation	
Mode of Acquisition <input type="checkbox"/> Owned <input type="checkbox"/> Leased (Lease Contract: _____)			
Relevant Permits/Certificates (Check at least ONE) <input type="checkbox"/> DTI Certificate of Registration <input type="checkbox"/> Mayor's/Business Permit <input type="checkbox"/> Barangay Permit		Number	Validity
			Remarks
<b>MINIMUM STAFFING REQUIRED</b>			
<b>Technical:</b>		<b>Number per Inspection</b>	<b>Proof of Employment</b>
RENA	1*		
<b>Skilled Workers:</b>			
Carpenter	1		
Caulker	1		
Painter	1		
<b>MINIMUM YARD EQUIPMENT</b>			
• Carpentry Tools	Remarks:		
I/We hereby certify that to the best of my knowledge and information, that the data given above are true and correct			
Printed Name and Signature of Inspector		Printed Name and Signature of Inspector	
Designation:		Designation:	
Place and Date of Inspection:		Place and Date of Inspection:	
CONFORME:			
Printed Name & Signature of Official		Position	Date



## **BOATBUILDING/REPAIRING RECORD BOOK FORMAT**

JOB ORDER	Date Started	Name of BOAT	Owner	Type	Particulars			GRT	DWT	Date Completed	Actual Work Done	REMARKS
					L (m)	B (m)	D (m)					
1.												
2.												
3.												
4.												
5.												
6.												
7.												
8.												
9.												
10.												
11.												
12.												
13.												
14.												
15.												
16.												
17.												
18.												
19.												
20.												

*\*Note: The entity may add other activities and information in the BBR Record Book and shall be made available for inspection anytime.*



**BUILDER'S CERTIFICATE**

<b>I. BOAT DETAILS</b>	
Name of Boat :	No. of Engine:
Type of Boat :	Engine Make:
Material of Hull:	Horsepower:
Length Overall (L.O.A.) :	Engine Serial No:
Breadth :	
Depth :	

<b>II. CONSTRUCTION DETAILS</b>	
Builders Name:	
Full Address:	
Date of Build:	
Place of Build:	

<b>III. CERTIFICATION</b>	
I /we hereby certify that I/we built out the boat described above to the order of:	
Full Name(s) / Company Name of Owner(s)	
Full Address:	

IN WITNESS WHEREOF, I have unto set my hand on this \_\_\_\_\_ day of  
\_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Signature of Builder

\_\_\_\_\_  
Position

SUBSCRIBED AND SWORN TO before me this \_\_\_\_ day of \_\_\_\_\_ at  
\_\_\_\_\_.

**NOTARY PUBLIC**

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Series of \_\_\_\_\_