[MIA MEMORANDUM CIRCULAR NO. 165, S. 2001, March 15, 2001]

RULES ON THE ACCREDITATION OF CLASSIFICATION SOCIETIES AND ENTITIES FOR THE PURPOSE OF CLASSIFICATION OF SHIPS IN THE DOMESTIC TRADE

Pursuant to the pertinent provisions of PD 474 and EO 125, as amended, the following guidelines shall govern the accreditation of ship classification societies and entities intending to establish a classification society to cater to the needs of the Philippine domestic fleet.

I. COVERAGE

This Memorandum Circular shall apply to all companies/entities duly organized and authorized under existing Philippine laws to engage in the classification of ships in the domestic trade.

Members of the International Association of Classification Societies (IACS) shall not be required accreditation under this Circular and the certificates issued by them shall be valid and accepted by this Authority in accordance with the terms of the MEMORANDUM OF AGREEMENT by and between this Authority and each of these Organizations.

II. GENERAL PROVISIONS

- 1. Classification societies already accredited with the Philippine Coast Guard are hereby required to be re-accredited under this circular within a period of ninety (90) days from its effectivity. Failure to do so shall mean the automatic cancellation of the company current accreditation.
- 2. Accreditation and recognition hereunder shall serve as prerequisite to the grant of permits; authorities and incentives appertaining to classification activities, which are presently administered, to be administered by MARINA.

III. SPECIFIC PROVISIONS

- 1. The organization shall define and document its policy and objective for and commitment to, quality and ensure that this policy is understood, implemented and maintained.
- 2. The organization should be governed by principles of ethical behavior which should be contained in a Code of Ethics and as such recognize the inherent responsibility associated with a delegation of authority to include assurance as to the adequate performance of services as well as confidentiality of related information as appropriate.

- 3. The organization shall allow participation in the development of its rules and/or regulations by qualified technical representatives of the Administration and other parties concerned.
- 4. Whenever the society decides to withdraw or suspend its operation:
 - 4.1 prior written notice must be sent to the Administration;
 - 4.2 such withdrawal or suspension shall mean the automatic cancellation of the above-mentioned certificates and said certificate must be surrendered to the Administration.

A previously withdrawn company/entity prior to the resumption of its operation must secure a new accreditation from the Administration.

5. The Administration may conduct random audit of the classification societies to ensure that all rules, guidelines of the administration are complied with.

IV. DEFINITION OF TERMS

- 1. **Administration** refers to the Maritime Industry Authority (MARINA).
- 2. Classification Society a non-stock, non-profit organization composed of committees represented by engine builders, shipowners, shipbuilders and underwriters.
- 3. **Vessel Classification** the process being performed by classification societies to ensure that a ship is properly designed, constructed and maintained in a safe condition through the imposition of rules governing vessel construction, carrying out of surveys during the building and/or alteration and repair of a ship and throughout the vessel's subsequent trading life.
- 4. **Certificate of Authority to Undertake Classification Activities** shall refer to the document issued by the Administration to qualified local classification societies to conduct classification works/services for ships in the domestic trade.

V. QUALIFICATION REQUIREMENTS

- 1. The classification society so established must be a non-stock, non-profit organization composed of committees represented by shipbuilder, ship owner, engine builder and underwriters.
- 2. The classification society's working group must be able to render the following services:
 - a. Classification services to develop and administer the technical standards for the design, construction and periodical survey of ships and other marine structures such as mobile offshore unit;
 - b. Technical Advisory services to render advisory services related to ship design, construction, revision of rules referred to by the Administration.

- 3. The quality system of the organization shall be certified in accordance with the ISO 9000 series or its subsequent amendments, by an independent body of auditors/certifying body recognized by the Administration within a period of three (3) years from its initial accreditation. Certification under ISO 9000 series, issued by a member of an internationally accepted classification society to the organization is acceptable and given preference.
- 4. Classification society must possess in its working group with at least one licensed Naval Architect and Marine Engineer, Mechanical Engineer, Chief Engineer, Master Mariner, and Electrical Engineer and with at least the following minimum qualification:
 - 4.1 Licensed Second (2nd) Marine Engineer who had work experience as 2nd Marine Engineer for at least five (5) years;
 - 4.2 Licensed Engineer (any discipline) with at least minimum ten (10) years working experience as superintendent and/or division manager in a MARINA accredited shipyard; and,
 - 4.3 Unlicensed Naval Architect and Mechanical Engineer with at least fifteen (15) years work experience in a MARINA-accredited shipyard with supervisory position and shipbuilding shiprepair activities and all types of MARINA survey of hull structures and machinery conditions.
- 5. The organization must take into consideration applicable provisions on the attached Annex (Text available upon request at Office of the National Administrative Register (ONAR), U.P. Law Center) entitled "Specification on the Survey and Certification Function of Recognized Organization Acting on Behalf of the Administration" of this Circular.

VI. DOCUMENTARY REQUIREMENTS

- 1. SEC Registration Certificate
- 2. Articles of Incorporation and by-laws
- 3. Name of signatory(ies)
- 4. List of surveyors, technical, managerial and support staff, and Code of Ethics
- 5. Classification Rule Book for the design, construction and certification of steel ships must be evaluated based on latest IMO Standards (SOLAS and its Annexes).
- 6. Documented system of the organization's development, implementation and maintenance of an effective internal quality system based on appropriate recognized quality standards no less effective than ISO series, and which, inter alia, ensures that:
 - 6.1 the organization's rule and/or regulation are established and maintained in a systematic manner, and are reviewed and amended