

[MARINA MEMORANDUM CIRCULAR NO. 110, July 13, 1995]

GUIDELINES FOR THE ISSUANCE/RENEWAL OF COASTWISE LICENSE (CWL), BAY AND RIVER LICENSE (BRL) AND PLEASURE YACHT LICENSE (PYL)

Pursuant to pertinent provisions of Republic Act No. 1937 (otherwise known as the Tariff and Customs Code), as amended, Presidential Decree Nos. 474 and 761 as amended, the following rules shall govern the operation of vessels in the Philippine waters.

**I.
Coverage**

This Memorandum Circular covers all Philippine-registered vessels used in the Philippine waters.

**II.
Issuance of Coastwise License**

A. No vessel shall be allowed to engage in the coastwise trade unless a coastwise license is secured from and issued by the Maritime Industry Authority. The coastwise license shall be valid for a period of one (1) year from its issuance, and shall be separate and distinct from any other certificate issued by the Authority relative to the vessel's operation. Temporary CWL may be issued pending approval of the certificate of Philippine registry; provided, that its validity cannot be longer than thirty (30) days unless the Administrator grants otherwise; provided, that, such temporary license shall be prepared and signed in triplicate, and shall contain the following information;

1. reason for granting the temporary license
2. time for which granted
3. amount deposited to cover the fees

B. Vessels Eligible for Coastwise License - The right to engage in the Philippine coastwise trade is limited to vessels carrying a certificate of Philippine registry.

C. Ports Open to Coastwise Trade - All ports and places in the Philippines shall be opened to vessels lawfully engaged in coastwise trade subject to the provisions of law applicable in particular cases.

D. Philippine Coastwise Emblem - All vessels engaged in the coastwise trade shall fly at the main mast the Philippine coastwise emblem, while entering, leaving and in ports during daytime. The emblem shall consist of a rectangular white flag with one blue and red stars ranged from staff to tip in the horizontal median line.

III.

Issuance of Bay and River License

A. No vessel shall be allowed to engage in the business of towing or carrying of articles or passengers in the bays, harbors, rivers, and inland waters navigable from the sea unless a Bay and River License is issued by the Maritime Industry Authority. The Bay and River License shall be valid for a period of one (1) year from its issuance, and shall specify the particular port or other body of water in which the vessel may engage in business as aforesaid. The limits of a bay or river within which the licensed vessel can navigate shall include the confluent river or lake which are navigable during any season of the year.

B. Vessels Eligible for Bay and River License - To be eligible for the bay and river license, a vessel must be built in the Philippines, and the ownership of such vessel must be vested in:

1. citizens of the Philippines;
2. domestic corporations or companies seventy-five per centum of whose corporate capital belongs to citizens of the Philippines: Provided, That the present owners of vessels with bay and river license under existing law who do not possess any of the requirements herein prescribed may nevertheless continue operating such vessels as eligible for said bay and river license.

C. Exemption of Certain Craft from Requirement of Bay and River License - No bay and river license shall be required of any of the following classes of vessels:

1. Vessels of three tons net or less.
2. Yachts, launches and other crafts used exclusively for pleasure and recreation.
3. Ship's boats and launches bearing the name, and home port of the vessel plainly marked thereon.
4. Vessels owned by the Government of the Philippines.

The exemption of any vessel shall at once cease if it engages in the business of transporting cargo or passengers, for hire.

D. All lighters, cascoes, paraos and bancas provided with bay and river license shall bear the letters "B" and "A" and immediately following the same, the number of the license branded or carved in a conspicuous place forward on each bow and painted in dark color as to render them plainly visible. In case any of said vessels is of steel, the letter and number shall be indelibly chiselled or cut therein.

IV.

Issuance of Pleasure Yacht License

A. License of Yachts Exclusively for Pleasure - The administrator may license yachts used and employed exclusively as pleasure vessels owned by Filipino citizens, on terms which will authorize them to proceed from port to port of the Philippines and to foreign ports without entering or clearing at the customhouse: Provided, however, that any yacht so licensed, upon arriving from a foreign port in the Philippines after having previously advised the Commissioner of Customs by telegraph of its probable arrival, shall enter at a port of entry in the Philippines and shall immediately report its arrival to the Customs authorities. Such license shall be in such form as the Administrator shall prescribe. Subject vessels shall have their name and port of registration placed on some conspicuous portion of their hulls, and in all respects