



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS
MARITIME INDUSTRY AUTHORITY



06 October 1998

FLAG STATE ADMINISTRATION ADVISORY NO. 08

Series of

TO : ALL CONCERNED DOMESTIC SHIPPING COMPANIES / OPERATORS ALL OTHER CONCERNED

SUBJECT : IMPLEMENTATION OF THE ISM CODE IN DOMESTIC SHIPPING

Notice is hereby given that the maritime Industry Authority (**MARINA**), acting as the Administration for maritime safety regulation pursuant to Sec.12 (e) of E.O. 125 as amended, ***shall require domestic shipping companies/operators operating vessel as hereunder specified, to comply with the*** International Management Code for the Safe Operation of Ships and for Pollution Prevention (**ISM Code**), to which the Philippine Government is bound to implement by virtue of IMO Resolution A. 741 (18), and made mandatory under the new Chapter IX of the 1974 SOLAS Convention, as amended.

I. VESSEL COVERAGE:

Taking into account the scheduled coverage under the ISM Code and the attendant required compliances with other Conventions, as harmonized with the existing policy of the Administration on vessel required to be classed, with such being *essentially mandated by the paramount concern of insuring the safety of lives of passenger and fostering oil pollution prevention*, the following vessels as defined under the SOLAS Convention, are hereby to be covered:

- 1.1. **Passenger High Speed Crafts;** (In conjunction with M.C. No. 121)
- 1.2. **Passenger-carrying vessels required to be classed and those currently classed;** (In conjunction with M.C. No. 25 as amended, M.C. No. 104 and M.C. No. 124)
- 1.3. **Oil tankers, Chemical Tankers and Gas Carriers 500 gross tons and upward;** (In conjunction with M.C. No. 56 as amended, M.C. No. 104 and M.C. No. 128)
- 1.4. **Bulk Carriers 500 gross tons and upward and required to be classed** (In conjunction with M.C. No. 124)

II. SCHEDULES & GUIDELINES:

1. By **28 February 1998**, the affected domestic shipping companies/operators operating the aforementioned vessels to be covered, must be able to submit to the *MARINA*, *proof of having started the preparation of a Safety Management System (SMS)*, otherwise, the affected vessel's licenses and/or authority to operate, and company's/operator's accreditation with *MARINA* shall be temporarily suspended, after due process, as well as deferment of action on pending applications involving the company/operator, until compliance thereof.
 - 1.1. For companies/operators availing of consultancy services for purposes of compliance, the required proofs shall be in the form of;
 - 1.1.1. Duly notarized contract/agreement as to the engagement of the service;
 - 1.1.2. Letter from the contracted firm/consultant that the company's/operator's compliance with the ISM Code has been initiated, indicating therein the scope of consultancy services contracted and starting date, as well as providing the corresponding Program of Compliance and Implementation Schedule.
 - 1.1.3. Letter from the company's/operator's top management, confirming its commitment to pursue ISM Code certification, and listing therein the vessels to be covered.
 - 1.2. For companies/operators developing their SMS in-house, the required proof shall be in form of the following documents;
 - 1.2.1. Formulated Safety and Environmental Protection Policy of the Company, in conformity with clause 2 of the ISM Code.
 - 1.2.2. Definition and documentation of responsibility, authority and interrelation of all personnel who manage, perform and verify work relating to and affecting safety and pollution prevention, in conformity with Clause 3 of the ISM Code.
 - 1.2.3. Company's Certification as to its Designated Person, in conformity with Clause 4 of the ISM Code.

- 1.2.4. Definition and Documentation of the Master's responsibility on matters affecting the safety of the passengers and/or crew, the environment, the ship and its cargo, for each affected vessel,, in conformity with Clause 5 of the ISM Code.
 - 1.2.5. Manual of procedures (**whether complete or incomplete**) for both shore-based and shipboard operations addressing the various requirements of the ISM Code, in conformity with Clause 6 of the ISM Code.
 - 1.2.6. Manual of procedures (**whether complete or incomplete**) for dealing with/responding to various potential emergency shipboard situations, in conformity with Clause 6 of the ISM Code.
 - 1.3. In cases where another company/ entity other than the registered/ disponent owner has assumed operational control and responsibility over a vessel covered (as contemplated under Clause 1.1.2 of ISM Code), the latter is hereby required to communicate to MARINA the company/entity who will assume responsibility for compliance with the ISM Code, and submission of the foregoing initial proofs.
2. Upon adoption and implementation for three (3) months of the company's/operator's formulated SMS, request for initial audit/ verification of compliance shall first be coordinate with the MARINA. MARINA in turn shall have the option of either undertaking the requested initial audit/ verification of compliance, or advising the concerned company/ operator to engage the services of any of the organizations recognized by the Administration at that time, with the corresponding list and pertinent information to be so provided.
 - 2.1. Pending issuance and implementation of the attendant Memorandum Circular (M.C.) on the recognition and authorization of organizations to act in behalf of the Administration as to Ism Code implementation, and the subsequent signing of the needed formal written agreement, the currently recognized organizations, (Ros) as listed under Flag State Administration Advisory No. 1, Series of 1997, may be engaged upon to undertake the needed initial audit/ verification of compliance, subject to the applicable provisions of Resolution A. 788 (19), inclusive of its Annex and Appendix 1.
 - 2.1.1. Where a recognized organization shall perform the audit/ verification, it shall advise the MARINA in

advance on the specific schedules for such, and undertake the necessary arrangements for the presence of a MARINA auditor in such undertakings.

- 2.2. Recognition and authorization of organizations to act in behalf of the Administration for ISM Code implementation shall be in accordance with the provisions, requirements and standards under Resolution A. 739 (18) and Resolution A. 788 (19), inclusive and their Annexures and Appendices, and subject to further stipulations/ interpretation to be embodied in the pertinent MARINA M.C. to be issued.
3. For companies/ operators and their covered vessels which are audited/ verified to be in compliance with the ISM Code the MARINA shall accordingly issue their Document of compliance (DOC) and Safety management Certificate (SMC) respectively.
 - 3.1. In cases where the initial audit/ verification was undertaken by a recognized organization, MARINA's decision on whether to issue the pertinent DOC and SMC (s) shall be based on the Report and Recommendation of the RO to MARINA. The MARINA however, reserves the option of seeking clarifications from the RO based on the report of the usual MARINA auditor who joined the audit, and an evaluation of the attendant SMS/ Manuals, copies of which shall be accordingly furnished by the RO to MARINA.
 - 3.2. For companies/ operators and their covered vessels which have been deemed in compliance with the ISM Code by a RO prior to this Advisory, with the corresponding DOC and SMS already issued, the concerned RO shall officially advise the MARINA of such, providing therein the corresponding Report and Recommendations, as well as other pertinent documents. A MARINA - issued DOC and SMS shall subsequently be given to the company/ operator, copy furnished the concerned RO.
4. By **01 July 1999**, all concerned domestic shipping companies/ operators ***should have been issued their DOCs***, and no **later than December 1999**, ***all covered vessels should have been issued their SMCs***, for purposes of the herein required compliance.

Any company/operator and/or vessel falling under the aforecited coverage and entering the system after the official issuance of this Advisory shall be given a period of twelve (12) months to comply with the ISM Code, reckoned from the MARINA accreditation of the company/operator and registration of the vessel under Philippine flag.

5. The MARINA shall subsequently issue the pertinent M.C. on the ISM Code in so far as its implementation in domestic shipping.

Please be guided accordingly

(Sgd.) AGUSTIN R. BENGZON
Administrator