MARITIME ADMINISTRATOR

To: Owners/Operators, Masters, Nautical Inspectors, Recognized Organizations

Subject: NAMED ENTITY ON MARITIME LABOUR CONVENTION, 2006 FINANCIAL SECURITY CERTIFICATES

Date: 20 February 2017

A number of Republic of Marshall Islands (RMI) vessels have been issued deficiencies by Port State Control (PSC) with respect to the entity named on the Maritime Labour Convention, 2006 (MLC, 2006) certificates of financial security for death and long-term disability. These certificates were required to be posted on board beginning 18 January 2017.

There appears to be a misunderstanding as to what is required and why the named entity on the financial security certificates necessarily may differ from that on the Maritime Labour (ML) Certificate and Declaration of Maritime Labour Compliance (DMLC) Part II. The MLC, 2006 financial security certificates are issued to the ships directly by the entities providing the liability coverage (i.e. Protection and Indemnity (P&I) Clubs or insurers). It is normal practice for the Registered Owner (rather than the International Safety Management (ISM) Document of Compliance (DOC) holder) to be the insured person for the purposes of P&I insurance coverage arrangements. As a result, it is possible that the responsible party named on the ML Certificate and DMLC Part II (the DOC holder) will differ from the party named on the new financial security certificates (Registered Owner).

Shipowners and insurance providers will face a very significant obstacle if they are presented with a demand to produce MLC, 2006 financial security certificates/attestations in the name(s) of persons or entities that are named on the DOC.

We trust that this Marine Safety Advisory (MSA) explains the issue, which is not unique to the RMI. The RMI Maritime Administrator (the “Administrator”) advises RMI vessel owners and operators to share this MSA with PSC should there be any question of the named entity on the certificates of financial security under the MLC, 2006.

Questions or concerns regarding this issue should be directed to the Administrator at: regulatoryaffairs@register-iri.com.

This MSA expires one (1) year after its issuance, unless otherwise noted, extended, superseded, or revoked.