



TANGGAPAN NG KOMANDANTE
(OFFICE OF THE COMMANDANT)
PUNONGHIMPILAN TANOD BAYBAYIN NG PILIPINAS
(HEADQUARTERS PHILIPPINE COAST GUARD)
139 25th Street, Port Area
Manila

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MEMORANDUM CIRCULAR)

N U M B E R 01-2005)

REVISED RULES ON PREVENTION, CONTAINMENT,
ABATEMENT AND CONTROL OF
OIL MARINE POLLUTION

1. AUTHORITY:

- a. Executive Order No. 292
- b. Presidential Decree No. 5173, and amendments thereto
- c. Presidential Decree No. 600
- d. Presidential Decree No. 979
- e. Republic Act No. 8550
- f. Annex I of the International Convention for the Prevention of Pollution from Ship, MARPOL 73/78

2. PURPOSE:

The purpose of this Memorandum Circular is to provide implementing guidelines pursuant to the above-mentioned authorities as rationalized in accordance with the International Convention for the Prevention of Pollution from Ships, MARPOL 73/78.

3. SCOPE:

This Memorandum Circular shall apply to oil marine pollution in all bodies of water within the territorial jurisdiction of the Philippines including ports, coastlines, lakes, rivers and their tributaries.

4. DEFINITION OF TERMS:

a. Marine Pollution - the alteration of the physical, chemical and biological properties of any body of water as a result of discharges of substances in any form, liquid, gaseous, that will likely create or render such waters harmful, detrimental or injurious to public health, marine life, sea birds, safety and welfare as well as to domestic, commercial, industrial, agricultural, recreational or other legitimate uses.

- b. Oil** - petroleum in any form, including crude oil, fuel oil, sludge, oil refuses and refined products except petrochemicals and oil mixed in dredge spoils. (Annex I)
- c. Discharge** - the spilling, leaking, pumping, pouring out, emitting or dumping of substances as provided/authorized by law, except effluents from mills or industrial and manufacturing plants of any kind.
- d. Dumping** - *means:*
- (1) Any deliberate disposal at sea of oil from vessels, aircraft, platforms or other man-made structures at sea.
 - (2) The disposal of wastes or other matters directly arising from or related to exploitation and associated offshore processing of seabed mineral resources.
- e. Vessel** - any watercraft or other artificial contrivance used, or capable of being used as means of transportation on water.
- f. Tanker** - any self-propelled vessel specially constructed or converted to carry bulk cargo in tanks either for oil or other liquid substances.
- g. Waste Water Treatment Plant** - a physical plant for the purpose of treating, neutralizing, stabilizing and disinfecting wastewater resulting from industrial operations.
- h. Reception Facilities** - a physical system ashore or afloat used for receiving discharges of oil.
- i. Boom** - a barrier system designed to contain spillages of oil or other substances.
- j. Oil skimmer** - a device to collect or recover oil spillages from water.
- k. Sorbents** - materials that are used to absorb oil or other liquid substances.
- l. Dispersants** - non-toxic chemical substances that break oil into particles such that they facilitate the dispersion, evaporation and biodegradation of the oil.
- m. Special Permit** - permission granted by competent PCG authority for the authorized discharge or dumping of wastes into the sea or any body of water subject to specified condition.
- n. Special Area** - a water area that due to recognized technical reasons in relation to its oceanographic and ecological condition and strategic importance, is deemed subject to special control.
- o. Minor Discharge** - a discharge to inland/coastal waters of less than 1,000 liters of oil.

p. Medium Discharge - a discharge of 1,000 to 10,000 liters of oil to the inland/coastal waters.

q. Major Discharge - a discharge of more than 10,000 liters of oil to the inland/ coastal waters.

5. POLICIES:

a. Prohibition:

It shall be unlawful for any vessel or person to:

- (1) Discharge of oil or oily mixture from machinery space bilges of oil tankers when mixed with cargo oil residue or when transferred to slop tanks;
- (2) Discharge from cargo pump room bilges of oil tankers;
- (3) Discharge into the sea of oil or oily mixture from a ship or tanker while in a special area;

b. Exceptions: The provisions in the preceding paragraph shall not apply when:

- (1) The discharge or dumping of oil, oily mixture, noxious liquid, harmful substances into the sea and/or navigable water and its tributaries is done for the purpose of securing the safety of a ship or saving life and property at sea.
- (2) The discharge of oil, oily mixture results from damage to ship arising in accidents like collision at sea, sinking and/or grounding as a result of *force majeure* or if discharging appears to be the only way of averting the danger to human life or property and real threat to vessel and if there is probability that the damage consequent upon such dumping will be less than would otherwise occur.
- (3) The dumping into the sea of oily wastes is allowed by a permit issued by the Commandant, PCG in accordance with specified procedures and manners to be included in such permits.
- (4) Any discharge into the sea of oil or oily mixture from ships shall be prohibited except when all of the following conditions are satisfied:

(a) For an oil tanker:

- (i) The tanker is not within a special area.
- (ii) The tanker is more than 50 nautical miles from the nearest land.
- (iii) The tanker is proceeding in route.
- (iv) The instantaneous rate of discharge of oil content does not exceed (60) liters per nautical mile.

(v) The total quantity of oil discharge into the sea does not exceed for existing tanker 1/15,000 of the total quantity of the particular cargo of which the residue formed a part, and for new tankers 1/30,000 of the total quantity of the particular cargo of which the residue formed a part; and
(vi) The tanker has in operation an oil discharge monitoring and control system, oil water separator and a slop tank arrangement.

b) From a ship of 400 gross tonnage and above other than oil tanker and from machinery space bilges excluding cargo pump room bilges of an oil tanker unless mixed with oil cargo residue:

- (i) The ship is not within a special area.
- (ii) The ship is more than 12 nautical miles from the nearest land.
- (iii) The ship is proceeding en route.
- (iv) The oil content of the effluent is less than fifteen (15) parts per million.
- (v) The ship has in operation an oil discharge monitoring and control system, oily water separating equipment, oil filtering equipment or other installation.

(c) Discharge of clean or segregated ballast or unprocessed oily mixture which without dilution has an oil content not exceeding 15 parts per million and which does not originate from cargo pump room bilges and is not mixed with oil cargo residue.

The exceptions provided in sub-para b(4) above shall, however, terminate as soon as the port authorities and/or shipping companies shall have provided for adequate reception facilities.

c. Requirements:

(1) Vessels:

- (a) All vessels shall have on board wooden scupper plugs equivalent to the number of scupper lips and various sizes of wooden plugs for use on possible holes that may develop in the hull.
- (b) There shall be a minimum of three(3) kilos of rags and other appropriate sorbent materials and appropriate number of open-ended drums with cover or clean-up of oil spills on decks and pump rooms.
- (c) Vessels of 400 gross tons and above but less than 10,000 GT above shall be fitted with an oil-water separating equipment or filtering system duly approved PCG to ensure that any oil mixture discharged into the open sea after passing through the separator

or filtering system shall have an oil content of not more than 100 parts per million. Effluent discharges in ports and harbors to include other navigable lakes and rivers shall not exceed the water quality standards.

- (d) Vessels of 10,000 gross tons and above shall be fitted, in addition to oily-water separating equipment, with an oil discharge monitoring and control system.
- (e) Every vessel of 400 gross tons and above shall be provided with tank or tanks of adequate capacity, having regard to the type of machinery and length of voyage to receive the oil residues.
- (f) All shipping companies shall provide for a system of collection and disposal of all types of wastes accumulated aboardship notwithstanding public port reception facilities duly approved by the PCG. A Plan for Collection and Disposal of Waste shall likewise be submitted by these shipping companies to the PCH for approval. Cooperative efforts among shipping companies in connection with the acquisition and utilization of such system of collection and disposal is highly encouraged.
- (g) Every new oil tanker of 7,000 GT and above shall be provided with at least two (2) slop tanks.
- (k) Every new crude oil tanker of 20,000 GT and above shall be provided with segregated ballast tanks.
- (h) Oil tankers of 150 GT and above shall be provided with slop tank arrangements or combination of slop tank that have a capacity necessary to retain the slop generated by tank washings, oil residues and dirty ballast residues.
- (i) All oil tanker from 150 gross tons and above and other passenger-cargo vessels above 400 gross tons shall be provided on board with an Oil Record Book in the form specified in Annex II. This oil record book shall be maintained and updated every after any transfer operation of oil on board.
- (j) Vessels shall affect transfer of liquid cargo only when the shore facilities shall have complied with the requirements in para 4c(2).
- (k) All barging operations involving transport of oil or hazardous substances along Pasig River and Laguna Lake shall be suspended during bad weather wherein the possibility of accident is increased beyond safe operational conditions. The operator shall secure clearance from the PCG to operate during stormy weather. In this connection, the PCG shall advise all concerned as necessary.

- (l) All shipments of hazardous substances through barging from ship to shore or vice versa shall be reported beforehand to the PCG by shipping agents to include movements, destination and estimated time of transfer operations.
- (m) All hoses on board vessels/barges for use in transfer operation shall be subject to inspection and testing by the PCG any time.
- (n) All self-propelled/non-self-propelled barges/tankers and vessels towing dumb barges containing oil operating in sea water must have on board a minimum of one (1) 210-liter drum of dispersants and sprayer duly approved or authorized by the PCG.
- (o) All vessels intended to serve as floating storage facility for oil or other substances shall obtain a permit from the Commandant, PCG for such a purpose.

(2) Oil Companies, Natural Gas Explorers, Oil Explorers, Power Plants/Barges and Tanker Owners:

- (a) Oil refineries/terminals/depots/drilling operators, power plants/barges and tanker owners engaged in black products and persistent oil shall be provided with at least complete set of oil containment and recovery equipment, sorbent dispersants and other MARPOL combating accessories duly accredited by the PCG sufficient to prevent, control and mitigate a medium discharge.
- (b) Transfer operations by oil refineries involving heavy oil such as crude, fuel diesel and bunker from vessel to shore or vice versa shall be conducted proceed in accordance with International Safety Guides for Oil Tankers and Terminals (ISGOTT).
- (c) Transfer operations involving highly flammable or light oils such as gasoline and kerosene shall commence only when the depot or refinery shall have installed combustible gas analyzers in the vicinity of the discharge side to monitor and sound alarm in case of any excessive fumes that may result from any spill.
- (d) Oil refineries, terminals, depots, power plants/barges and oil drillers where the discharge of oily and dirty ballast is conducted shall be provided with appropriate receiving facility equipped with an oil-water separator.
- (e) All oil tank farms shall be provided with adequate bund walls to contain accidental massive oil spillages.
- (f) Oil companies, oil explorers, natural gas explorers, power plants/barges and tanker owners shall submit to CPCG their respective contingency plans for approval and execution in case of oil spillages in their areas.

- (g) Oil companies in major ports or terminals/depots shall inform the PCG through its nearest station/detachment of all transfer operations of oil cargoes in their respective areas.
- (h) Oil companies, oil explorations, power plants/barges and tanker owners shall conduct regular team training on managing oil spill operations, handling and operations, handling and operation of MARPOL combating equipment. A dedicated oil spill response team shall be organized to react to land and ship originated oil spills.

(3) Others:

- [a] All ship repair yards shall provide reception facilities and/or services for oily wastes from ships calling in for repairs.
- [b] Owners/Operators of recreational areas such as beach resorts shall not dump oily waste into the shoreline, which is likely to be washed away by tides and currents.
- [c] Dumping of radioactive materials into the sea shall be regulated by pertinent rules and regulations prescribe by appropriate government agencies such as the Philippine Nuclear Research Institute (PNRI), Department of Health (DOH), Environmental Management Bureau (EMB) and the Philippine Coast Guard (PCG) in consultation with each other.
- [d] Discharges/dumping of oil/waste water from industries and manufacturing plants or shipyards in any body of water of the Philippines shall be regulated by the PCG in consultation with other government agencies. However, the Philippine Coast Guard shall implement in addition to this circular, the rules and regulations of the PCG such other agencies involved in water pollution control.
- [e] Chemical dispersant to be utilized by the ship owner, master of the vessel, oil companies, terminals/depots, power plants/barges, oil drillers, oil tankers, shipyards and salvors during oil spill shall be duly accredited by the PCG.

6. RESPONSIBILITY IN CASE OF POLLUTION INCIDENTS:

- a. In case of spill of oil or noxious substances in any navigable seas of the Philippines, master of vessels/persons in-charge of vessels operating within the jurisdiction of the Philippines or owners/operators of land-based sources of marine pollution shall immediately notify the Philippine Coast Guard, giving particulars of the incidents. This information shall include the name of vessel, location, weather condition, type of spill and quantity or any other information necessary for immediate recovery and clean-up operations.

b. All persons who come across pollution incidents either from land-based or water-borne sources shall immediately inform the PCG or other concerned agencies for appropriate action.

c. The first response Team to arrive at the oil spill scene has the discretion to apply chemical dispersant after all other control methods utilized are judged to be inadequate or not feasible. However, application of such dispersant has some limitations and training, experience and the sound judgment and discretion of the On-Scene-Commander or leader may guide him reach a decision on its application depending on the actual situation. Utilization of the dispersant must be consistent with the existing PCG Oil Pollution Control Contingency Plan procedures.

d. The spiller shall have primary responsibility of conducting clean-up operations. The PCG shall, however, be responsible for supervising the clean-up operations and rendering assistance as necessary. The On Scene Commander designated by the Commander, Marine Environmental Protection Command/District Commanders, shall do supervision.

7. PENALTIES:

a. The following administrative fines/penalties shall be imposed upon any vessel/person who violates any of the prohibitions prescribed in para 4(a) hereof as specified:

- (1) For discharging, dumping oily mixture listed in Annex I and II - P10,000.00 and/or reprimand or a recommendation of suspension of not more than one (1) year from exercise of marine profession/license of the person directly responsible for the discharge/spill or the revocation or cancellation of license of the responsible officer and/or crew member.
- (2) Land based sources who shall be found guilty of marine pollution shall suffer the fine of Ten Thousand Pesos (P10,000.00) and/or a recommendation for the suspension/revocation of license of the owner/operator of the land based source, at the discretion of the Commandant, PCG depending upon the amount of spill.
- (3) For failure to notify the PCG of the spill/discharge - P8,000.00 to P10,000.00 and/or a recommendation for the suspension/revocation of license of the Master/Chief Engineer/ or the owner/operator of the land based source, as the case may be, at the discretion of the Commandant, PCG depending upon the amount of spill.
- (4) For non-compliance of the requirements in para 5(c), a fine of P8,000.00 shall be imposed for every offense:

b. Other Liabilities:

- (1) In the event that other agencies/entities assist in the clean-up, the spiller shall pay for the corresponding cost spent in the clean-up

operation. This cost shall be determined by the Philippine Coast Guard and shall be paid to the concerned agencies.

(2) Parties responsible for spills and discharges shall conduct clean-up operations using their personnel and resources as necessary until the completion of the operation. Should they fail to react and take immediate action, the PCG shall conduct clean-up operations. They shall be made to pay all expenses incurred by the PCG in the operations in addition to the other fines herein prescribed.

(3) In addition, the CMEPCOM/Coast Guard Station Commander, as the case may be, may require a CASH BOND to cover the clean-up and containment costs as follows:

(a) Minor discharge - zero to P500,000.00

(b) Medium discharge - P501,000.00 to P1,000,000.00

(c) Major discharge - P1,000,000.00 to P50,000,000.00

The Cash Bond shall also cover estimated amount for the extent of damages to properties and payment deprived to affected areas/populace as a result of an oil spill. The cost shall be as follows:

<u>Estimated Damage Cost</u>	<u>Cash Bond</u>
P10,000.00 - P50,000.00	P1,000,000.00
P51,000.00 - P1,000,000.00	P10,000,000.00
P1,001,001.00 - or more	P20,000,000.00

In cases where the cash bond to cover clean-up and containment or damage to property and compensation in affected areas is insufficient, CMEPCOM/District Commanders shall require additional cash bond.

c. The fines/penalties herein prescribed shall be imposed only after the offender shall have been found liable or responsible for the imputed violation (s) in an administrative investigation.

(1) Administrative - Fines/Penalties shall be imposed upon recommendation of the Investigation and Adjudication Officer (IAO) upon approval of CMEPCOM/District Commander.

(2) Clearance for departure from any port of the Philippines of any vessel subject to fines herein prescribed may be withheld until appropriate fines are paid and other PCG requirements are complied with.

8. **INVESTIGATION AND ADJUDICATION OFFICER FOR MARINE ENVIRONMENTAL PROTECTION AND POLLUTION CASES:**

- a. CMEPCOM/Coast Guard District Commanders shall designate an Investigation and Adjudication Officer for Marine Environmental Protection and Pollution Cases.
- b. The IAO for Headquarters, marine Environmental Protection Command shall investigate oil spills, which are major in nature and shall recommend the actions to be taken thereon, stating liabilities of the spiller, if any, and shall recommend the corresponding penalties/fines, subject to the approval of CMEPCOM. Adjudications involving major oil spills may be appealed by an aggrieved party to the Commandant, Philippine Coast Guard within fifteen (15) days from receipt of the copy of the Decision. Failure to appeal within the 15-day period shall render the Decision of CMEPCOM final and executory. Recommendations of the duly designated IAO in the Districts shall be forwarded to HMEPCOM for approval and shall be final and executory.
- c. Consistent with the requirements of due process, proceedings before the Investigation and Adjudication Officer for Marine Environment Protection and Pollution shall be summary in nature and shall provide for a system of appeal.
- d. The rules of Procedure to govern in the hearing, investigation, adjudication and appeal are hereby promulgated and accordingly appended to this Memorandum Circular as Annex III.

9. **WATER QUALITY AND VESSEL AIR EMISSION STANDARD:**

To determine and control pollution, the standards for the different pollution parameters in the different classes of bodies of water as prescribed by existing regulations.

10. **REPEALING CLAUSE:**

Memorandum Circular No. 01-2001 dated 01 August 2001 is hereby repealed.

11. **EFFECTIVITY:**

This Memorandum Circular shall take effect after fifteen (15) days after publication in the Office Gazette or in the newspaper of national circulation in the Philippines.


ARTHUR N. GOSINGAN
VADM PCG
Commandant, PCG