

Isle of Man Ship Registry Technical Advisory Notice



MLC Amendments – Financial Security

Ref: 011-16

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The 2014 Amendments to the Maritime Labour Convention 2006 ('MLC') will enter into force on the 18th January 2017. From this date, ships that are subject to MLC will be required to display certificates issued from an insurer confirming that insurance is in place for liabilities in respect of:

1. Abandonment of a seafarer (Standard A2.5.2); and
2. A 'contractual claim' which relates to death or long-term disability of seafarers due to an occupational injury, illness or hazard (Standard A.4.2).

The Amendments specify certain requirements and standards for the insurance. IOMSR regulations will require the shipowner to ensure that their insurance policy adheres to these standards.

2. Certificate of Insurance

The insurance cover, and the associated certificates shall be issued by a recognised P&I insurance provider and shipowners should contact their chosen provider to ensure that the insurance certificates are received and displayed on board from 18th January 2017. The initial certificates issued by the P&I insurance provider may only be valid until 20th February 2017, which is the usual renewal date for liability insurance cover, or this date may be 20th February 2018 depending on the insurance provider. We have been advised that the members of the International Group of P&I Clubs are ready to issue the required insurance certificates and they urge shipowners to apply soonest.

The insurance certificates must be in a model format and must include the information specified in the MLC Amendments. It should be noted that on these certificates, the assured party will normally be the registered owner but this will not necessarily be the same as the MLC shipowner named on other MLC documentation. Where the assured party named on the insurance certificates and the MLC shipowner are different there should be evidence on board to show the relationship between them.

Finally, please be aware that IOMSR are applying the requirement to display insurance certificates to all Manx ships to which MLC applies (MLC itself only requires this for MLC ships over 500GRT). Isle of Man Ship Registry Technical Advisory Notice 011-16 2 | Page www.iomshipregistry.com



3. Declaration of Maritime Labour Compliance (DMLC Part I and Part II)

The Amendments allow the current MLC certification to remain valid until the next MLC renewal survey, provided the certificate(s) of insurance is displayed on board. However, shipowners are expected to update their DMLC Part II to reflect the new requirements before 18 January 2017; initially this may be by way of an addendum.

The IOMSR intends to renew the current certification for all MLC compliant vessels as soon as possible after 18th January 2017, when the amendments enter into force, however shipowners can use the above provision to wait until their next MLC renewal survey should they wish.

We will shortly be amending our DMLC Part I to state that shipowners must ensure insurance is in place to cover the abandonment of seafarers and contractual claims, that this insurance meets the standards prescribed in MLC and the certificate(s) of insurance are displayed in a prominent place on board the ship.

On the IOMSR website, [a new fillable DMLC Part II](#) is available on which shipowners should complete the new sections 15 and 16 with details of how they meet the financial liability requirements.

Shipowners must email their amended Part II to MarineMLC.DED@gov.im before 18th January 2017. After receipt of this, IOMSR will issue replacement MLC certificates with an updated DMLC Part I & II from January 2017 onwards. The certificates will retain the existing expiry date, and be issued at no charge to shipowners.

Please note - The Isle of Man Ship Registry cannot give legal advice. Where this document provides guidance on the law it should not be regarded as definitive. The way the law applies to any particular case can vary according to circumstances - for



example, from vessel to vessel. You should consider seeking independent legal advice if you are unsure of your own legal position.

