



Republic of the Philippines  
**DEPARTMENT OF LABOR AND EMPLOYMENT**  
Intramuros, Manila



JULIUS  
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**DEPARTMENT ORDER NO. 181 B**  
Series of 2018

**PROCEDURAL GUIDELINES  
ON THE PROVISION OF FINANCIAL SECURITY IN COMPLIANCE WITH THE  
AMENDMENTS IMPLEMENTING REGULATIONS 2.5 AND 4.2 AND APPENDICES OF  
THE MARITIME LABOUR CONVENTION, 2006 (MLC, 2006)**

Pursuant to Department Order No. 181, Series of 2017 or "Guidelines on the Provision of Financial Security in Compliance with the Amendments Implementing Regulations 2.5 and 4.2 and appendices of the Maritime Labour Convention, 2006 (MLC, 2006)" and Department Order No. 181-A, Series of 2018 or "Extension on the Grant of Dispensation relative to the Provision of Financial Security in Compliance with the Amendments Implementing Regulations 2.5 And 4.2 and Appendices of the Maritime Labour Convention, 2006 (MLC, 2006)", the following procedural guidelines are hereby issued for the guidance of all Philippine Overseas Employment Administration (POEA) licensed manning agencies, shipowners, principals/employers, and accredited Philippine overseas shipping enterprises engaged in international voyage:

1. The Financial Security shall be in the form of insurance arrangements.
2. Philippine registered ships (PRS) in overseas trade are required to carry onboard the valid financial security certificate(s) by a financial security provider recognized and accepted by the Flag State as represented by the Department of Labor and Employment (DOLE) that is compliant to the national laws and regulations of the Philippines.
3. Financial Security Certificate(s) covering abandonment and/or compensation for contractual claims, should be posted in a conspicuous place on board where it is readily available to the seafarer.
4. The Certificate of Financial Security covering abandonment and compensation for contractual claims issued to the shipowners of the ship shall contain the information required in Appendices A2-1 and A4-1 of MLC, 2006 to show proof of compliance by the shipowner to the above-mentioned amendments, as follows:
  - Name of the ship
  - Name of MLC shipowner on whose behalf financial security has been provided
  - IMO Number of the ship
  - Call Sign
  - Port of Registry
  - Name, full address and website of the provider of insurance
  - Contact details of the person/s or entity responsible for handling seafarers' request for relief
  - Period of validity of the Financial Security

5. The submission of a copy of financial security document shall be a requirement for enrollment of the Philippine registered ships engaged in international voyage with the POEA. The shipowner (Philippine owned tonnage) or bareboat charterer shall also execute an Affidavit of Undertaking (see Annex A) ensuring continuing financial security coverage of the crew. In case of tie-up between shipowner (owned tonnage) or bareboat charterer with a licensed manning agency, the Affidavit of Undertaking (see Annex B) shall be jointly executed.
6. The financial security shall not cease before the end of the period of validity of the financial security unless the financial security provider has given prior notification of at least 30 days to the POEA copy furnished the Bureau of Working Conditions and the concerned DOLE Regional Office where the ship is registered.
7. Any claim filed by the seafarer or the seafarers' nominated representative and supported by the necessary justification of entitlement in accordance with Paragraph 2 of Standard A2.5.2 and meet the requirements on compensation for contractual claims under A4.2.1 shall be granted promptly by the financial security provider.
8. For currently enrolled ships, a copy of the financial security document should be submitted within thirty (30) days from the effectivity of this Department Order. Otherwise, the processing of document for crewing of the ship will be suspended pending the submission of the requirements.

This Department Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

Manila, Philippines, 15 FEB 2018.

  
SILVESTRE H. BELLO III  
Secretary



Dept. of Labor & Employment  
Office of the Secretary

REPUBLIC OF THE PHILIPPINES )  
CITY OF \_\_\_\_\_) S.S.

**AFFIDAVIT OF UNDERTAKING ON FINANCIAL SECURITY  
BY THE SHIPOWNER (OWNED TONNAGE) OR BAREBOAT CHARTERER**

I, \_\_\_\_\_, Filipino, of legal age, with postal address at \_\_\_\_\_, after having been duly sworn to in accordance with law, do hereby depose and say:

1. That, I am the (official designation) of \_\_\_\_\_, a company granted a special license by the Philippine Overseas Employment Administration as a Philippine Overseas Shipping Enterprise (POSE) authorized to deploy seafarers to Philippine Registered Ships for international voyage, with office address at \_\_\_\_\_;
2. That, our company is requesting POEA for enrollment of (name of ship) in which our company is the (owner/bareboat charterer);
3. That, our company adheres to the amendments of the Code implementing Regulations 2.5 and 4.2 and appendices of the Maritime Labour Convention, 2006 (MLC, 2006) on Financial Security for Philippine flagship;
4. That, our company had secured an insurance coverage for financial security of our crew in accordance with the above-mentioned amendments, provided by (name of insurance provider); and
5. That, our company ensures the continuing financial security coverage of the crew.

Further, I sayeth not.

IN WITNESS WHEREOF, I have hereunto affixed my signature this \_\_\_ day of \_\_\_\_\_, 2018 at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
**Affiant**

Subscribed and sworn to before me this \_\_\_ day of \_\_\_\_\_, 2018 at \_\_\_\_\_, Philippines.

WITNESS MY HAND AND SEAL, on the date and place just above-mentioned.

\_\_\_\_\_  
Notary Public

Doc. No. \_\_\_\_  
Page No. \_\_\_\_  
Book No. \_\_\_\_  
Series of \_\_\_\_

REPUBLIC OF THE PHILIPPINES )  
CITY OF \_\_\_\_\_ ) S.S.

**JOINT AFFIDAVIT OF UNDERTAKING ON FINANCIAL SECURITY BY LICENSED  
MANNING AGENCY AND SHIPOWNER/BAREBOAT CHARTERER**

We, (agency representative), of legal age, in my capacity as (official designation) of (name of manning agency) with business address at \_\_\_\_\_, and

(name of representative of shipowner/bareboat charterer) of legal age, in my capacity as (official designation) of (name of shipowner/ bareboat charterer) with business address at \_\_\_\_\_, after having been sworn in accordance with law, hereby declare:

1. That, we are requesting for enrollment of (name of ship) with POEA;
2. That, we adhere to the amendments of the Code implementing Regulations 2.5 and 4.2 and appendices of the Maritime Labour Convention, 2006 (MLC, 2006) on Financial Security for Philippine flagships;
3. That, we had secured an insurance coverage for the financial security of our crew provided by (name of insurance provider); and
4. That, we ensure the continuing financial security coverage of our crew in accordance with Department Order No. \_\_\_\_, Series of \_\_\_\_\_.

We execute this Joint Affidavit of Undertaking to attest to the truth of the foregoing declarations.

IN WITNESS WHEREOF, we hereunto affixed our signatures this \_\_\_\_ day of \_\_\_\_\_, 2018 at \_\_\_\_\_.

\_\_\_\_\_  
Affiant

\_\_\_\_\_  
Affiant

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2018 at \_\_\_\_\_.

WITNESS MY HAND AND SEAL, on the date and place just above-mentioned.

\_\_\_\_\_  
Notary Public

Doc. No. \_\_\_\_  
Page No. \_\_\_\_  
Book No. \_\_\_\_  
Series of \_\_\_\_