



**REPUBLIC OF
THE MARSHALL ISLANDS**
MARITIME ADMINISTRATOR

Marine Notice

No. 2-023-1

Mar/2024

**TO: ALL SHIPOWNERS, OPERATORS, MASTERS AND OFFICERS OF
MERCHANT SHIPS, AND RECOGNIZED ORGANIZATIONS**

SUBJECT: Proof of Liability Insurance

Reference: (a) RMI [Maritime Regulations](#) (MI-108)

PURPOSE

This Marine Notice (MN) provides the requirements for proof of liability insurance under the Republic of the Marshall Islands (RMI) [Maritime Regulations](#).

This revision supersedes that of Jul/2019. The MN has been modified to:

- a. reflect amendments to the RMI Maritime Regulations that establish minimum criteria for protection and indemnity (P&I) clubs that are not members of the International Group of P&I Clubs (§1.0, below); and
- b. specifically allow for insurers rated by Moody's and Fitch (§2.0, below).

APPLICABILITY

This Notice applies to all RMI-registered vessels required to show proof of third-party liability insurance, including as a condition under the following conventions:

- a. International Convention on Civil Liability for Oil Pollution Damage (CLC);
- b. International Convention on Civil Liability for Bunker Oil Pollution Damage (Bunkers);
- c. Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea (PAL);
- d. Nairobi International Convention on the Removal of Wrecks (WRC); and
- e. Maritime Labour Convention, 2006 (MLC, 2006).

REQUIREMENTS

1.0 Proof of Liability Insurance

RMI [Maritime Regulations](#) §2.23.2 requires proof of satisfactory third-party liability insurance and reads in part:

.2 *Proof of Liability Insurance*

- a. *In no case shall a vessel be issued a Certificate of Registry unless there is on file proof of satisfactory third-party liability insurance. Such proof must show:*
 - (1) *protection and indemnity cover in force with respect to the vessel issued by either:*
 - (A) *a member of the International Group of Protection & Indemnity (P & I) Clubs; or*
 - (B) *a non-member of the International Group of P & I Clubs that:*
 - i. *has a contractual agreement for re-insurance with a member(s) of the International Group of P & I Clubs that covers 100 percent of its liabilities associated with the respective convention; or*
 - ii. *for all vessels, except tank vessels, a P&I Club that is a member of the Association of Commercial P&I Insurers.*
 - (2) *in the case of a pleasure yacht, a combined third-party liability and hull and machinery insurance issued by an underwriter in policy form acceptable to the Maritime Administrator;*
- b. *insurance companies shall satisfy the requirements set by the Administrator.*
- c. *Self-insurance may be used in limited circumstances, at the discretion of the Administrator, to meet liabilities under the relevant conventions. In such cases, the self-insurance shall satisfy the requirements set by the Administrator and, at a minimum, show the nature, amount, and security of the liability reserve.*

2.0 Insurance Ratings

2.1 Unless specifically excluded by the Administrator in writing, a third-party insurer, bonding company, or other such entity providing protection and indemnity cover must have at least the ratings in Table 1 or their equivalent.

Table 1

Rating agency or company	Rating
A.M. Best, Best's Key Rating Guide	A-
Standard and Poor's insurance company rating	A
Moody's	A
Fitch	AA

- 2.2 These ratings must be maintained for the duration that coverage is provided to an RMI-flagged vessel. If the rating is not maintained, the shipowner will be required to make alternative arrangements with an entity that meets the Administrator’s requirements.
- 2.3 The burden for showing that a provider of third-party liability insurance meets the Administrator’s criteria rests with the insurer and shipowner.

3.0 Coverage

- 3.1 Third-party liability insurance must be maintained in full force and effect for a vessel to maintain its registration under the RMI flag. Such coverage must not be cancelled, altered, or amended without prior written notice as required by the governing convention (summarized in Table 2).

Table 2

Written Notice Timeframes before Coverage can be Cancelled, Altered, or Amended <u>or</u> for Notice of Non-payment			
Convention	At least three months	30 days	10 days for non-payment of premium
Bunkers	X		X
CLC	X		X
MLC, 2006		X	X
PAL	X		X
WRC	X		X

- 3.2 The shipowner must furnish a certificate(s) or other documentary evidence that shows proof of third-party liability insurance for each obligation in accordance with the relevant convention and RMI law and regulation. Such proof¹ must be emailed to the Administrator at registrations@register-iri.com.

¹ Proof of coverage will generally be in the form of a “cover note” or similar confirmation sometimes referred to as a “Blue Card,” which verifies that insurance coverage is currently in full force and effect.