



**REPUBLIC OF  
THE MARSHALL ISLANDS**  
**MARITIME ADMINISTRATOR**

**Marine Notice**

**No. 2-023-1**

**Dec/2016**

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**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](#)), §2.23.2**

**PURPOSE**

This Notice provides the Republic of the Marshall Islands (RMI) Maritime Administrator (the “Administrator”) requirements with respect to proof of liability insurance under §2.23.2 of the RMI Maritime Regulations (MI-108).

It is specifically intended to clarify the provisions that govern publicly traded insurers (§2.23.2.a.3), Protection and Indemnity (P & I) Clubs that are not members of the International Group of P& I Clubs (§2.23.a.4), third party liability and hull and machinery insurance issued by an underwriter (§2.23.2b), and self-insurance (§2.23.2c).

**APPLICABILITY**

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

- International Convention on Civil Liability for Oil Pollution Damage;
- International Convention on Civil Liability for Bunker Oil Pollution Damage;
- Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea;
- Nairobi International Convention on the Removal of Wrecks; and
- Maritime Labour Convention, 2006.

## REQUIREMENTS

- 1.0 §2.23.2 of the MI-108 requires proof of satisfactory third party liability insurance and reads in part that:

*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 either:*

- a. *Protection and indemnity cover in force with respect to the vessel and issued by either:*
    - (1) *a member Club of the International Group of Protection and Indemnity (P & I) Clubs;*
    - (2) *a non-member Club of the International Group of P & I Clubs with a contractual agreement for re-insurance with member/members of the International Group of P & I Clubs;*
    - (3) *a publicly traded Insurer with verifiable reserves that fulfill the obligations required under the various International Conventions to which the RMI is a party; or*
    - (4) *a non-member P & I Club of the International Group of P & I Clubs with verifiable financial reserves that fulfill the obligations required under the various International Conventions to which the RMI is a party.*
  - b. *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; or*
  - c. *in the case of a self-insurer, the nature, amount and security of the liability reserve.*
  - d. *In the case of 2.23.2.a.3, 2.23.2.a.4, 2.23.2.b and 2.23.2.c all insurance companies and self-insurers shall satisfy the requirements set by the Administrator.*
- 2.0 In the case of §2.23.2.a.3, §2.23.2.a.4, §2.23.2.b and §2.23.2c unless specifically excluded by the Administrator in writing, a third party insurer, bonding company, or other such entity providing protection and indemnity cover shall have a rating not lower than “A-” by A.M. Best, Best’s Key Rating Guide, or “A” by Standard and Poor’s insurance company rating or its equivalent.
- 3.0 Coverage shall be maintained in full force and effect for a vessel to maintain its registration under the RMI flag. Such coverage shall not be cancelled, altered, or amended without 30 days’ prior written notice and with 10 days’ notice for no-payment of premium, having been furnished to the Administrator by the provider of the financial security.
- 4.0 The shipowner shall 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 to the Administrator at: [vesdoc@register-iri.com](mailto:vesdoc@register-iri.com).