

**PROVISIONAL GUIDELINES ON
LOCAL VESSEL AVAILABILITY
VERIFICATION BY MMD FOR
DOMESTIC SHIPPING LICENSE**

Last updated on 30 June 2023

GUIDELINES ON LOCAL VESSEL AVAILABILITY VERIFICATION PROCEDURE

1. LOCAL VESSEL AVAILABILITY VERIFICATION BY MMD

The use of Foreign Registered Vessels may be considered if the Malaysian Registered Vessel is unavailable or unable to meet the specifications required subject to the verification and conditions as set forth by the Ministry of Transport. Effective 1 July 2023, **Malaysia Marine Department (MMD) will be assuming MASA's role** in verifying availability of Malaysia Registered Vessel. A major part of this procedure, including Advertisement, Counter Offer by Malaysian Shipowner, Negotiation and Mediation will be incorporated in eDSL system to streamline the process and ensure greater transparency.

Note: Previously 'Advertisement' is known as 'circulation of DSL application to Malaysian Shipowner' and 'Counter Offer' is known as 'Block issuance by Malaysian Shipowner'.

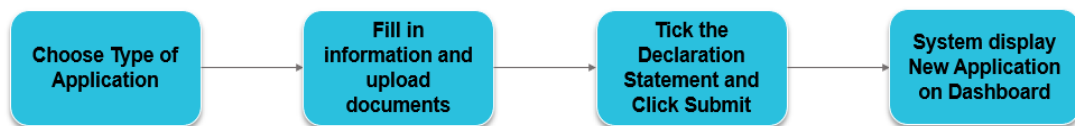
2. APPLICATION SUBMISSION

- (a) Application can be made as usual through **Domestic Shipping License System (eDSL System)** via www.edsl.mot.gov.my by choosing the type of application according to the vessel type.
- (b) For specific type of vessel, choose application type A (Bunkering), B (Product Tanker), C (Cargo Vessel), D (Offshore Support Vessel), or E (Tug and Barge). For other general type of vessels, choose application type F (Others). (**Refer to appendix A for full list of vessel under each application type**).
- (c) If application is submitted using the incorrect type of applications, it will be rejected. If incorrect/incomplete information or documentation is submitted, the application will be returned to applicant for amendment. The resubmitted application shall be treated as new application.

- (d) All application **must be submitted by 12.00 pm** to ensure that it is **advertised on eDSL portal on the same day at 3.00 pm**. Any application that is submitted after 12.00 pm will be processed and advertised at 3.00 pm the following working day.
- (e) If Applicant has existing, active DSL, application will not be submitted successfully. Applicant has to email cancellation request to MOT via eDSL (edsl@mot.gov.my) to shorten the validity period of existing DSL through the Licence Changes function (✍).
- (f) If application is submitted successfully, it will be displayed as “New Application” on Applicant’s Dashboard. Refer to the flow chart as follows:

Process

1. Log in to eDSL
2. Click on New Application



3. FIRST LINE OF VERIFICATION BY MMD OPERATOR & ADVERTISEMENT

- (a) MMD Operator reserves the right to either Return Application to Applicant **(RTA-M)** in case of incorrect/incomplete information or documentation OR **Cancel the Application** if wrong type of application is submitted.
- (b) Once MMD Operator has reviewed the relevant documentation (COR, SSM and Work Order) and the information required is deemed sufficient, the application will be advertised on eDSL portal for **48 hours** to allow Malaysian Shipowners to review them and offer their own vessel if it is available and fits the required specification.

4. COUNTER OFFER BY MALAYSIAN SHIPOWNER

- (a) Only a Malaysian Shipowner will be able to log in to eDSL using their unique ID to view the foreign vessel details. If a wrong ID is inserted, user will be barred from viewing the vessel details or to perform a counter offer.
- (b) Counter offer is processed at a **first come first served basis**. A single foreign vessel application will not be subjected to multiple counter offers by Malaysia Shipowners. Hence, only a Malaysian Shipowner will be allowed to offer a Malaysian flagged vessel through the counter offer function.
- (c) Vessel must fit the technical specification, capacity and be available during the project starting date (laycan date). The vessel offered must also already have active DSL to prevent delays in operation.
- (d) Once counter offer is submitted successfully, the Malaysian Shipowner and foreign vessel agent (applicant) will receive eDSL email notifying the counter offer.
- (e) The **Malaysian Shipowner must begin negotiation** by emailing the Applicant and copying MOT (edsl@mot.gov.my) and MMD (edsljm@marine.gov.my) in all communication. Refer to the flow chart as follows:

Process

1. eDSL application by foreign vessel advertised on portal
2. Malaysian Shipowner click on vessel eDSL number for more details
3. Malaysian Shipowner log in using unique ID and password



5. SECOND LINE OF VERIFICATION BY MMD SUPERVISOR

- (a) All documents submitted during the counter offer will be checked by MMD Supervisor to ensure the local vessel offered fits the mandatory requirements.

- (b) MMD Supervisor reserves the right to cancel the counter offer if any of the following criteria were not met by the vessel offered in a satisfactory manner;
 - i. Technical Specification
 - ii. Capacity
 - iii. Availability

6. NEGOTIATION PROCESS

- (a) The **Malaysian Shipowner has to initiate contact within 2 working days** or the counter offer will be considered invalid and will be cancelled by MMD Supervisor. The Malaysian Shipowner has to provide details on technical specification, capacity, availability and cost in the email to applicant.
- (b) The **Foreign Vessel Applicant is responsible to convey the counter offer to the principal** and come to an agreeable solution with Malaysian Shipowner. The applicant **has to respond to the Malaysian Shipowner’s offer within 2 working days**, otherwise the eDSL application will be considered invalid and cancelled.
- (c) If both parties remain uncooperative, MMD Supervisor may initiate Mediation without having to wait for the allocated 48 hours to end.
- (d) If no resolution is achieved in the period of 48 hours, MMD Supervisor will initiate Mediation through eDSL system. Refer to the flow chart as follows:

Process

1. Both Malaysian Shipowner and Foreign Vessel Applicant receive email through eDSL notification once counter offer is successfully submitted
2. Malaysian Shipowner will begin negotiations by replying to the email and keeping MOT and JLM in the loop



7. MEDIATION PROCESS

- (a) Once MMD Supervisor initiate the Mediation Process through eDSL system, both Malaysian Shipowner and Foreign Vessel Applicant will receive notification email through eDSL system detailing the date, time and location of Mediation Session.
- (b) Mediation session will be held **within 5 working days from the Negotiation deadline**. The result of Mediation will be obtained by the 9th working day from the date that full documentation was received by MMD.
- (c) If either party fail to attend the Mediation, the Mediation will automatically favour the party that are present.
- (d) The **Chair of Mediation is the Director General of Marine**. However, if the Director General is unavailable, Mediation shall be chaired by the Deputy Director General of Marine. **The decision made by the Chair is final.**
- (e) The flow chart detailing the Mediation Porcess is as follows:

Process

1. JLM Supervisor will initiate Mediation Process through eDSL system.
2. Both Malaysian Shipowner and Foreign Vessel Applicant will receive email through eDSL notification once Mediation is initiated.

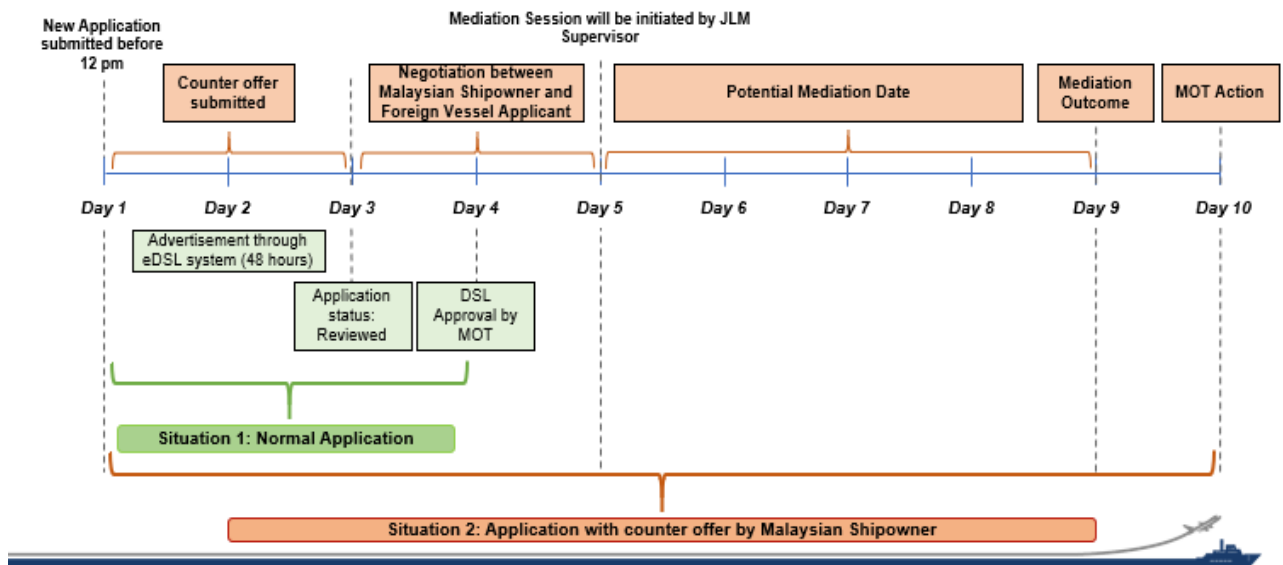


8. APPEAL

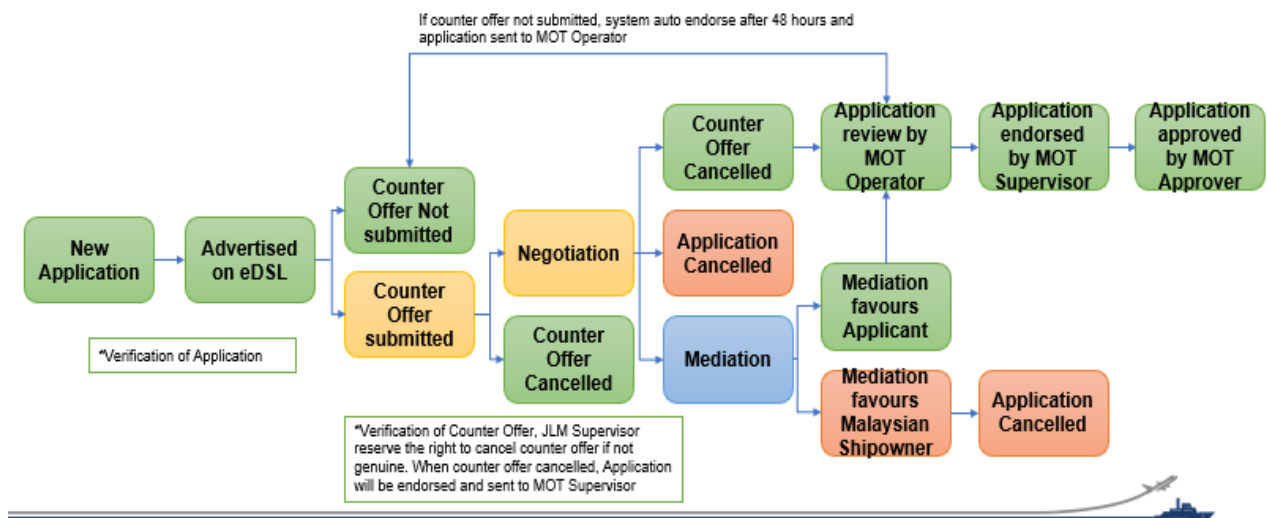
- (a) If either party intend to appeal the decision, LPPDN Secretariat (MOT) has to be informed via email (edsl@mot.gov.my) accompanied by valid reason and supporting documentation **within 2 working days of the Mediation session**.

- (b) The LPPDN Secretariat will compile the information provided and prepare a paper to seek Minister's decision. The decision made by the Minister shall be final and indisputable. A written reply will be provided to the relevant party(ies) **within 30 days from the date appeal was submitted** to LPPDN Secretariat to inform the decision.

9. TIMELINE OF APPLICATION



10. OVERVIEW OF PROCESSES



LIST OF VESSELS UNDER EACH APPLICATION TYPE

NO.	TYPE OF APPLICATION	TYPE OF VESSEL
1.	A (Bunkering)	<ul style="list-style-type: none"> • Oil Tanker (for bunkering purpose only)
2.	B (Product Tanker)	<ul style="list-style-type: none"> • Oil Tanker, • LNG/LPG Carrier, • Chemical Tanker, • Palm Oil Carrier, • FSU/FPU/FPSO, • Liquid Bulk Carrier
3.	C (Cargo Vessel)	<ul style="list-style-type: none"> • Containerized Cargo, • Livestock, • General Cargo, • Dangerous Goods, • Dry Bulk Carrier
4.	D (Offshore Support Vessel)	<ul style="list-style-type: none"> • AHT / AHTS, • Accommodation Work Barge/ Boat, • Accommodation Pipe Lay Barge, • Fast Crew Boat, • SSV/Platform Supply Vessel (PSV), • Landing Craft Tank, • Tug /Utility/ Standby, • Cable Laying Vessel/Cable Repair Vessel • Offshore Tug/Supply Vessel, • Multi-Purpose Support Vessel (MPSV),

NO.	TYPE OF APPLICATION	TYPE OF VESSEL
		<ul style="list-style-type: none"> • Mobile Offshore Drilling Unit (MODU), • Mobile Offshore Production Unit (MOPU), • Diving Support Vessel, • Offshore Survey Vessel, • Seismic Survey Vessel, • Bathymetric Survey Vessel • Geological Survey Vessel • Drilling Rig • Offshore Platform/Structure
5.	E (Tug and Barge)	<ul style="list-style-type: none"> • Tug • Harbour Tug • Barge
6.	F (Others)	<ul style="list-style-type: none"> • Passenger • Dredger • Others