

THIRTEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES }  
*First Regular Session*

'04 JUN 30 P10:24

SENATE

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INTRODUCED BY HON. MANUEL B. VILLAR, JR.

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### EXPLANATORY NOTE

The country's foreign policy and maritime security is determined by its geography. The Philippines, being an Archipelagic State, is cradled, surrounded, and challenged by the sea.

Though recognized as an Archipelagic State by the 1982 United Nations Law of the Sea Convention (LOSC), the Philippines has yet to settle and negotiate overlapping maritime jurisdictions under the LOSC.

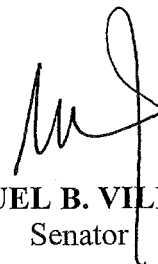
As a result, the Cabinet Committee on Maritime and Ocean Affairs (CABCOM-MOA) was created under Executive Order No. 738 in July 1984 as the Secretariat that worked on the necessary requirements and policies established in the Convention. In 1999, the Secretariat was renamed and reconstituted as the Maritime and Ocean Affairs Center (MOAC) by Executive Order No. 132. To cope with increased responsibilities and tasks, the functions of the CABCOM-MOA were transferred to the Department of Foreign Affairs (DFA) by Executive Order No. 37 signed by Pres. Arroyo in September 2001. The same Executive Order expanded and upgraded MOAC's functions.

The Department of Budget and Management (DBM) however regards MOAC only as an "activity" of the DFA, and not as a regular attached agency with its own budget and staff. This has affected MOAC's current operations, especially in terms of funding its projects and hiring needed staff.

MOAC needs to be given specific policy directives and needs to be equipped with adequate human resources and organizational capabilities, as well as to be provided with sufficient financial resources and to be given fiscal flexibility to finance projects to meet the urgent requirements of the ocean and maritime interests of the country.

Empowering MOAC through a legislative charter will be a step towards harnessing the benefits of our national wealth and at the same time, work for its protection.

The establishment of the Maritime and Ocean Affairs Center as an attached agency of the DFA is sought, for the promotion, protection, maintenance of national unity, sovereignty, territorial integrity, maritime security, and sustainable and environmentally sound development of our country's ocean and maritime resources.



MANUEL B. VILLAR, JR.  
Senator

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**AN ACT**  
**ESTABLISHING THE MARITIME AND OCEAN AFFAIRS CENTER AS AN**  
**ATTACHED AGENCY OF THE DEPARTMENT OF FOREIGN AFFAIRS,**  
**PROVIDING FOR ITS FUNCTIONS AND RESPONSIBILITIES, APPROPRIATING**  
**FUNDS THEREFOR, AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:*

**SECTION 1. Short title.** This Act shall be known as the Maritime and Ocean Affairs Center Act of 2004.

**SECTION 2. Declaration of Policy.** It is the policy of the Philippines, as an archipelagic State, to promote, protect and maintain national unity, sovereignty, territorial integrity, maritime security, and a sustainable and environmentally sound development of ocean and marine resources within the framework of a National Marine policy.

The National Marine Policy shall reflect the national marine interests within the context of international law and regime of the oceans, including the 1982 Law of the Sea Convention and other non-binding declarations to which the Philippines is a signatory.

The State recognizes that marine resources and environment, including those of the oceans, all seas, archipelagic waters, and adjacent coastal areas form an integrated whole that are essential components of the national ocean economy and life-support system constituting vital assets for sustainable development.

The State shall promote an integrated management and sustainable development of all coastal and marine areas within all its maritime jurisdictions, including the Exclusive Economic Zone and the extended continental shelf benefiting all stakeholders equitably.

The State shall provide for an integrated policy and decision-making process, including comprehensive consultation mechanisms with public and private sectors, in order to achieve a rational, compatible and equitable use of the oceans.

**SECTION 3. Responsibilities and Functions of the Department of Foreign Affairs on maritime and ocean affairs**

The Department of Foreign Affairs shall have the primary responsibility in the conduct of ocean diplomacy and in providing information and advice in the formulation, updating and implementation of the National Marine policy.

Pursuant to the foregoing responsibilities, the Department of Foreign Affairs shall have the following functions:

- a. Oversee and coordinate the implementation of the National Maritime Policy and periodically evaluate and update it as necessary;
- b. Formulate and recommend programs and special projects to enhance the integrated and coordinated management of maritime and ocean interests of the Philippines, particularly in:
  - (1) The protection of the archipelago, including promotion of maritime security in relation to the national territory and maritime jurisdictions and the development of national capabilities to preserve and manage its maritime resources;
  - (2) The prevention of the degradation of the marine environment and ocean resources through the proper management of human activities within its maritime jurisdiction;
  - (3) The development and promotion of Philippine interests in shipping, seafaring, fisheries exploitation and extraction of mineral and energy resources, and other ocean-based industries;
  - (4) Identify and develop policy options in implementing international agreements on the oceans, as well as non-binding instruments, to which the Philippines is a party or signatory;
  - (5) Recommend policies, programs and special projects necessary to advance the national interest and fulfill international commitments relative to the sustainable use of ocean resources and marine scientific research;
  - (6) Source foreign technical and other assistance for projects, in coordination with relevant agencies of the government on the small-scale use of marine resources by subsistence fishermen and their association to further improve methods of fishing, fish-farming, aqua-culture and marine-related studies which directly help them augment incomes while conserving resources and protecting the environment;
  - (7) Formulated programs, coordinate and/or undertake activities to promote the archipelagic consciousness in the country.

#### **SECTION 4. Creation and functions of the Maritime and Ocean Affairs Center**

The Maritime and Ocean Affairs Center is created as an attached agency of the Department of Foreign Affairs, hereafter known as the Center.

The Center shall have the following functions and responsibilities:

- a. Serve as the Secretariat to the Department of Foreign Affairs on maritime and ocean affairs and provide assistance and administrative support to the Secretary of Foreign Affairs with regard to maritime and ocean matters;
- b. Promote the development of national capabilities and institutions including human resources, for maritime and ocean affairs;

c. Undertake the following:

- (1) Consultations with any government agency, concerned maritime and ocean sectors, non-government organization, academe, and/or the general public, on any maritime related matters as may be deemed necessary;
  - (2) Research programs and policy studies on any and/or all maritime sectors as may be needed including those for regulatory, governmental, strategic, or maritime security purposes;
  - (3) Initiate steps to harmonize and/or update domestic legislation and rules and regulations with international agreements or non-binding instruments to which the Philippines is a party;
  - (4) Research, data gathering, information acquisition, and preparation for any negotiation or other modes of dispute settlement with other countries in matters concerning the delineation/delimitation of territorial and maritime boundaries, fisheries, energy and mineral exploration and exploitation in the ocean, or other agreements relating to the conservation, exploration, exploitation, protection, development, and/or management of marine resources within the archipelagic waters, territorial seas and exclusive economic zone as well as areas adjacent to the latter.
- d. Create and maintain a central data-base on maritime and ocean affairs, as well as an ocean-charting and information-gathering system in the form of the MOAC-GIS, in support of maritime and ocean policy and decision-making and implementation;
- e. Identify, network with, and mobilize national and/or international expertise and institutions in support of or to assist the Government in maritime and ocean policy and decision-making and implementation;
- f. Undertake, or cause to be undertaken, activities necessary to raise the national archipelagic consciousness and communicate and publicize in a coordinated manner, national maritime and ocean interests and issues;
- g. Coordinate the participation of the appropriate agencies of government in international fora, meetings and conferences that are relevant to the maritime and ocean interest of the Philippines;
- h. Render a regular report to the Secretary of Foreign Affairs, on all activities undertaken by the Center;
- i. Source out an avail of grants, endowments or donations from foreign to local entities in accordance with existing laws to be applied to projects or programs and studies to implement the policies or directives of the Department of Foreign Affairs in connection with maritime and ocean affairs.

## **SECTION 5. Organization of the Maritime and Ocean Affairs Center**

- a. **Secretary General** –to be appointed by the Secretary of Foreign Affairs from among the career Chiefs of Mission from the Department of Foreign Affairs will head the Center. For purposes of appropriate representation in the conduct of high-level international negotiations and conferences, the Secretary General shall be accorded the rank of Undersecretary or its equivalent as Vice-Minister.

The Secretary General is hereby authorized to hire and determine remuneration of consultants and experts, as needed;

The Secretary General is authorized to request and accept the detail and secondment of personnel from other government agencies, the academe, and other institutions in accordance with the Civil Service Law and rules and regulations;

The Secretary General is authorized to draw up the staffing pattern and staff rules of the Center, together with a system of allowances and honoraria, for approval by the Secretary of Foreign Affairs.

- b. **Executive Director** – with the rank of Director IV, shall be designated by the Secretary General, who shall serve as the Chief of Staff of the Center and provide supervision of the substantive workflow and administrative and day-to-day operations of the Center.
- c. The Center shall have the following initial Directorates, each fully staffed and headed by a Director to be designated by the Secretary General:
  - I. Directorate for Territorial and Other Maritime Jurisdictions, Archipelagic Sealanes, Sea-lines of Communication (SLOC's), Marine Geodesy and Charting
  - II. Directorate for Sea-bed Resources, International Sea-bed Authority, Extended Continental Shelf
  - III. Directorate for Fisheries, Marine Environment Protection, Marine Scientific Research
  - IV. Directorate for Oceans Law and Policy, International Negotiations, International Dispute Settlement Procedures
  - V. Directorate for Maritime Security, Anti-Piracy, Marine Pollution, MCS & VMS
  - VI. Directorate for Maritime and Ocean Information Resource and Conference Services
  - VII. Directorate for Administrative, Financial Management and Ocean Economy Studies

## **SECTION 6. Funding and Sourcing**

- a. Subject to the usual auditing and accounting rules and regulations, the Center shall be provided with an initial appropriation of Twenty Million Pesos (P20,000,000.00) to be drawn from funds to be identified by the Department of Budget and Management.
- b. The Center is hereby authorized to find ways and means of undertaking projects with the associated financing, including, charges and fees for services in terms of subscriptions, the availment of loans from overseas and multilateral financial institutions and recourse to joint ventures on infrastructure projects under the Build-Operate-Transfer (BOT) scheme as authorized by R.A. 7718 for projects related to:
  1. Geodetic, hydrographic, and marine geological surveys for the systematic collection of basic information, including mapping and charting of the exclusive economic zones, and the extended continental shelf, in accordance with international hydrographic and geodetic standards, in order to meet the November 16, 2004 deadline for the submission to the United Nations Commission on the Limits of the Continental Shelf to generate the required geodetic data and other geological information to be shown on official charts in compliance with Article

76 of the Law of the Sea Convention, and Article 4 of Annex II of the same convention;

2. Hydrographic survey, electronic charting and delineation of archipelagic sealanes in compliance with Article 53 of the Law of the Sea Convention, together with the formulation of associated protective measures, including marine safety regulations, emplacement of navigational aids, rationalization of domestic ship routing, enforcement of traffic management, installation of pollution monitoring devices and meteorological warning systems;
3. Remote-sensing and laser-assisted Geomatics methods for rapid charting of coastal areas, Particularly Sensitive Sea Areas (PSSA's), including redefinition and delineation of municipal waters to harmonize these jurisdictions with maritime jurisdictions under the Law of the Sea Convention.
4. Creation of the web-enabled Geographic Information System (GIS) as authorized under R.A. 8792, the Electronic Commerce Act, that would allow access to maps, charts, geologic data, information on fishing areas, protected areas and associated information by concerned agencies and the private sector;
5. Design and implementation of the satellite-based Monitoring, Control and Surveillance (MOAC-MCS) and a Vessel Monitoring System (VMS) for use by all concerned agencies and the private sector for anti-piracy and anti-terrorism measures, prevention of illegal entry, search-and-rescue operations, safety of shipping and life at sea, fisheries management, and monitoring of sea-lanes and marine pollution. The systems shall operate on a subscription basis that ensures that each system pays for itself, including operational costs; security measures shall be undertaken to ensure integrity of data and the protection of encrypted and/or proprietary information.
6. Feasibility studies for the establishment of ocean-related industries as part of the ocean cluster.
7. Marine research studies, preferably in cooperation, with international and regional institutions.

## **SECTION 7. TRANSITORY PROVISIONS**

Upon approval of this Act, the existing Maritime and Ocean Affairs Center at the Department of Foreign Affairs created under Executive Order 37 issued on 24 September 2001, shall become the core of the Center created under this Act. The reorganization, hiring of additional personnel, consultants, and experts and re-location to suitable office premises and associated changes provided for in this Act, shall be undertaken expeditiously, based on a program of conversion, within six months from approval of this Act.

The Department of the Budget and Management is hereby requested to release expeditiously to the Center the funds appropriated and authorized under this Act.

## **SECTION 8. REPEALING CLAUSE**

All laws or parts of any law, executive orders or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

## **SECTION 9. SEPARABILITY CLAUSE**

If any provision of this Act is held invalid, the other provisions not affected thereby shall continue in operation.

**SECTION 10. EFFECTIVITY CLAUSE**

This Act shall take effect after its approval.