

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

24 FEB -7 P3:34

s. No. <u>2540</u>

RECEIVED BY:

Introduced by Senator Manuel "Lito" M. Lapid

SENATE

AN ACT

PROVIDING FOR THE ADMINISTRATIVE REFORM AND REORGANIZATION OF THE PHILIPPINE COAST GUARD, REVISING FOR THE PURPOSE REPUBLIC ACT NO. 9993, OTHERWISE KNOWN AS THE "PHILIPPINE COAST GUARD LAW OF 2009"

EXPLANATORY NOTE

This bill aims to revise the Philippine Coast Guard Act, recognizing the critical need to strengthen the Philippine Coast Guard (PCG) as an institution on par with different services of the Armed Forces of the Philippines. The proposed revisions are essential to effectively address the escalating challenges posed by climate change and territorial disputes, safeguarding our maritime territories and ensuring the safety and security of our coastal communities.

In recent years, the Philippines has faced increasingly complex maritime challenges, including the impacts of climate change such as rising sea levels, extreme weather events, and marine pollution. Moreover, the nation continues to assert its sovereignty over disputed territorial waters amidst geopolitical tensions. These evolving threats necessitate a modernized and well-equipped Philippine Coast Guard capable of efficiently responding to emergencies, enforcing maritime laws, and protecting our national interests.

The proposed Senate Bill contains provisions aimed at enhancing the organizational structure of the Philippine Coast Guard, ensuring its alignment with

contemporary security needs and best practices in maritime governance. It likewise provides for the modernization of the PCG, including the acquisition of state-of-theart vessels, equipment, and technology to enhance its operational capabilities and response efficiency.

Furthermore, the proposed revisions address the issue of personnel welfare by providing for competitive salaries and benefits commensurate with the risks and responsibilities associated with Coast Guard service. Attracting and retaining qualified personnel is vital for maintaining the PCG's operational readiness and effectiveness in fulfilling its mandate.

Additionally, the proposed bill includes detailed guidelines for the effective administration of the PCG, promoting transparency, accountability, and professionalism within the organization. Clear protocols for command structure, resource management, and interagency cooperation are essential for ensuring seamless coordination in maritime operations and emergency response efforts.

In conclusion, the proposed revisions to the Philippine Coast Guard Act are crucial steps towards strengthening our maritime security and resilience in the face of emerging threats. By equipping the PCG with the necessary resources, support, and legal framework, we reaffirm our commitment to protecting Philippine waters, preserving marine ecosystems, and upholding our national sovereignty.

In view of the foregoing, the passage of this bill is earnestly sought.

MANUEL "LITO" M. LAPID
Senator



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

- Section 1. Short Title. This Act shall be known as the "Revised Philippine 1 Coast Guard Law." 2
- 3 Section 2. Philippine Coast Guard. - The Philippine Coast Guard (PCG), established under Republic Act No. 9993 as an armed and uniformed service attached 4 to the Department of Transportation (DOTr) shall continue as such upon the effectivity 5 of this Act. In times of war, as declared by Congress, the PCG or parts thereof, shall 6 be attached to the Department of National Defense. 7

POWERS AND FUNCTIONS

- 9 Section 3. Powers and Functions of the PCG. - The PCG shall have the following powers and functions: 10
 - a) Enforce regulations in accordance with all relevant maritime international conventions, treaties or instruments and national laws for the promotion of safety of life and property at sea within the maritime jurisdiction of the Philippines and conduct port state control implementation;
 - b) Conduct random inspections on all merchant ships and vessels, prior to

- departure, to ensure and enforce compliance with safety standards, rules and regulations;
- c) Detain, stop or prevent a ship or vessel which does not comply with safety standards, rules and regulations from sailing or leaving port;
 - d) Conduct emergency readiness evaluation on merchant marine vessels;

- e) Issue and enforce rules and regulations for the promotion of safety of life and property at sea on all maritime-related activities, subject to the approval of the Secretary of the DOTr:
- 9 f) Determine, fix or prescribe charges, rates, and penalties, as may be
 10 necessary, to implement its provisions, as well as the provisions of laws, issuances,
 11 decrees and orders related to the implementation of PCG functions, subject to the
 12 approval of the Secretary of the DOTr.
 - g) Coordinate, develop, establish, maintain and operate aids to navigation, vessel traffic system, maritime communications and search and rescue facilities within the maritime jurisdiction of the Philippines;
 - h) Remove, destroy, or tow to port sunken or floating hazards to navigation, including illegal fish traps and vessels, at or close to sea lanes which may cause hazards to the marine environment;
 - i) Issue permits for the salvage of vessels and to supervise all marine salvage operations and wreck removal, and to auction the abandoned vessels or wrecks to defray the expenses of such removal, as well as prescribe and enforce rules and regulations governing the same;
 - j) Render aid to persons and vessels in distress and conduct search and rescue during maritime accidents within the maritime jurisdiction of the Philippines, including the high seas, in accordance with applicable international conventions. In the performance of this function, the PCG may enlist the services of other government agencies and the merchant marine fleet;

k) Investigate and inquire into the causes of all maritime accidents involving death, casualties and damage to properties;

- I) Enforce and maintain maritime security, prevent or suppress terrorism at sea, and perform law enforcement functions in accordance with pertinent laws, rules and regulations. in coordination with other relevant government agencies.
- m) Assist in the enforcement of laws on fisheries, immigration, tariff and customs, forestry, firearms and explosives, human trafficking, dangerous drugs and controlled chemicals, transnational crimes and other applicable laws within the maritime jurisdiction of the Philippines;
- n) Board and inspect all types of merchant ships and watercrafts in the performance of these functions;
 - o) Promulgate, administer and enforce laws, rules and regulations for the protection of marine environment and resources from offshore sources of pollution within the maritime jurisdiction of the Philippines;
- p) Develop oil spill response, containment and recovery capabilities against shipbased pollution;
 - q) Grant, within the capabilities and consistent with its mandate, requests for assistance of other government agencies in the performance of their functions;
 - r) Organize, train and supervise the PCG Auxiliary (PCGA) for the purpose of assisting the PCG in carrying out its mandated functions;
 - s) Recommend to the President the issuance of rules and regulations pertaining to the assistance and support that the Armed Forces of the Philippines (AFP) should extend to the PCG to enhance the latter's capability during emergencies;
 - t) Conclude international agreements, specifically, for the purpose of procuring its own materials and equipment through competitive bidding or alternative modes of procurement; and

u) Perform such other functions that may be necessary in the attainment of the objectives of this Act.

ORGANIZATION

Section 4. *Organization.* – The PCG organizational structure shall be headed by a Commandant with the rank of Admiral assisted by the Deputy Commandant for Operations and Deputy Commandant for Administration both with the rank of Vice Admiral. It shall be organized into three (3) core functional commands, namely: the Maritime Safety Command, the Marine Environmental Protection Command and the Maritime Security Command. To enhance the core functions of the PCG, it shall be reinforced by support commands and service units categorized as follows:

- a) Administrative support commands consist of the Education and Training, Internal Affairs Service, Human Resource Management Service and Logistics;
- b) The operational support commands consist of the Fleet, Weapons, Communications, Electronics and Information System Service, Special Operations Force, Aviation Force, Civil Relations Service Command and Canine Enforcement Force;
- c) The technical services consist of the Coast Guard Legal Service, Medical Service, Ecumenical Service, Dental Service, Veterinary Service, Medical Administrative Corps, Nurse Corps, and other technical services that may or hereinafter be created as needed;
- d) Operating commands consist of the fifteen (15) districts located nationwide covering specific areas of responsibilities composed of stations which in turn have field offices called sub-stations down to detachments or posts. These coast guard districts are: National Capital Region-Central Luzon (CGD NCR-CL), Central Visayas (CGD CV), Southwestern Mindanao (CGD SWM), Southeastern Mindanao (CGD SEM), Palawan (CGD PAL), Western Visayas (CGD WV), Southern Tagalog (CGD STL), Northern Mindanao (CGD NM), Bicol (CGD BCL), Northwestern Luzon (CGD NWL), Eastern Visayas (CGD EV), Northeastern Luzon (CGD NEL), Southern Mindanao (CGD SM), Northeastern Mindanao (CGD NEM) and Coast Guard district BARMM (CGD BARMM).

- 1 The PCG shall continue to study and recommend the creation of other new districts in
- 2 the expediency of service.

e) The Special Services consist of the Legislative Liaison Affairs, Finance Service,
 Internal Audit, Center for Strategic Studies, and Accounting Service.

In addition to the basic structure of the PCG mentioned above, the Commandant may, in the interest of public service and expediency of service, recommend to reorganize districts, commands, services or units under the PCG which shall be forwarded to the Secretary of Transportation for adoption and submission to the Secretary of Budget and Management for approval. The minimum manning level of the PCG shall be computed based on the total coastline of the Philippines with three (3) uniformed personnel per (1) kilometer of coastline, which shall be filled in accordance with the enlistment schedule approved by the DBM. The functional commands, administrative support units, operational support units, operating units, technical services and special services shall be authorized and designated to perform all duties and functions of the PCG within their individual area of responsibility, including finance and procurement.

To enhance the capability and field expertise of uniformed personnel, the PCG shall implement functional service specialization on its three (3) core functional areas.

Section 5. The PCG Commandant. — The PCG shall be headed by a Commandant who shall have the rank of Admiral which shall be equivalent to the rank and pay of the Chief of the Philippine National Police. The Commandant shall be appointed by the President from among the Flag Officers in the Coast Guard service. He shall have earned the command-at-sea badge and must have served as District Commander. The Commandant shall have a maximum term of (3) three years or upon reaching the age of 56 years old whichever comes earlier. If the maximum term is served before reaching the age of 56, the Commandant shall be compulsorily retired with all the benefits appertaining thereto.

Section 6. *Powers and Functions of the Commandant.* - The Commandant shall exercise the following powers and functions:

- a) Under the authority and direction of the President, shall be responsible for the elaboration and execution of national maritime laws relating to the functions of the PCG;
 - b) Direct and control tactical as well as strategic movements, deployment, placement, utilization of the PCG or any of its units and personnel, including its equipment, facilities and other resources. The Commandant may delegate this power to subordinate officials with respect to the units under the latter's command, subject to the guidelines as the Commandant may prescribe in accordance with existing laws, rules and regulations.
- c) Prescribe, in accordance to existing laws the organization or re-organization, powers, functions and duties of the various staff, services, installation and other units of the PCG;
 - d) Issue policies and instructions regarding personnel, funds, properties, records, correspondence and such other matters as may be necessary to effectively carry out the functions, powers and duties of the PCG, in accordance with existing laws, rules and regulations.
 - e) Approve the recommendation of the different promotion and/or assignments boards and ensure observance of merit and fitness in the process of promotion and assignment;
- of) Exercise disciplinary authority over all uniformed personnel and nonuniformed personnel of the PCG;
 - g) Perform any task or directive issued by the President;

Further, such command and direction of the Commandant may be delegated to subordinate officials with respect to the units under the latter's respective commands, subject to the guidelines as the Commandant may prescribe in accordance with the rules and regulation prescribed under existing laws.

ADMINISTRATION AND PERSONNEL

1	ADMINISTRATION AND PERSONNEL
2	Section 7. – Personnel. – The PCG shall consist of the following categories of
3	personnel:
4	a) Officer – refers to uniformed members of the PCG who is commissioned as
5	officer by the President and beiongs to the officers' corps;
6	b) Non-officers – general term for uniformed member of the PCG with ranks
7	below commissioned officers and performs jobs specific to their occupational specialty.
8	There are three classification of non-officers, namely, strikers for those in grades E-1
9	to E-3, junior non-commissioned officers for those in grades E-4 to E6 and senior non-
LO	commissioned officers for ranks with equivalent grades of E-7 to E-10.
l1	c) Non-uniformed personnel – refers to the non-uniformed members of the PCG
L2	who are appointed and employed under the Civil Service laws, rules and regulations;
L3	d) Probationary Ensign - refers to a person who is called to active duty but
L4	awaiting commissionship into the PCG or awaiting training;
. 5	e) Draftee – refers to a person who has completed basic training and is awaiting
16	enlistment into the PCG active service;
L7	f) Cadet- refers to a person who is enrolled in service academies under the
. 8	sponsorship of the PCG;
١9	g) Candidate – refers to a person who is undergoing training for commissionship;
20	h) Trainee – refers to a person who is undergoing training to qualify as member
21	of non-officers' corps of the PCG;
22	The ranks and grades of all uniformed personnel in the PCG, whether officers or non-
23	officers, shall be the same and equal as that used and observed in the AFP and PNP.

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Section 8. Ranks and Grades of PCG Officers. — The ranks and grades of

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PCG Officers shall be as follows:

RANK	ACRONYM	PAY GRADE
Admiral	ADM	O-10
Vice Admiral	VADM	O-9
Rear Admiral	RADM	O-8
Commodore	СОММО	O-7
Captain	CAPT	O-6
Commander	CDR	O-5
Lieutenant Commander	LCDR	0-4
Lieutenant Senior Grade	LTSG	O-3
Lieutenant Junior Grade	LTJG	O-2
Ensign	ENS	O-1

- Section 9. *Technical Officers.* Following are the professionals that may join
- 2 the PCG service as technical officers:
- a) Lawyers
- 4 b) Doctors
- 5 c) Priests, Pastors, Imam, and other certified clerics
- 6 d) Dentists
- 7 e) Veterinarians
- 8 f) Engineers and naval architects
- 9 g) Nurses
- 10 h) Certified Public Accountants

- i) Clinical Psychologists
- 2 j) Physical Therapists
- 3 k) Chemists
- 4 l) Medical Technologists
- 5 m) Midwives

Any applicant holding the degree of any of the abovementioned professions shall have qualified and passed the licensure examination, as applicable, of the respective professions to be qualified for entry into the Coast Guard service. Other board professions not listed may still be recruited as part of the technical stream upon verification of the PCG of its need thereof.

Section 10. Officer Rank Distribution. - The officer rank distribution of the PCG shall be as follows: two per centum (2%) in the Flag Officer rank; six per centum (6%) in the rank of Coast Guard Captain; twelve per centum (12%) in the rank of Coast Guard Commander; eighteen per centum (18%) in the rank of Coast Guard Lieutenant Commander; Twenty per centum (20%) in the rank of Coast Guard Lieutenant Senior Grade; and forty-two per centum (42%) in the ranks of Coast Guard Lieutenant Junior Grade and Coast Guard Ensign. Such distribution is based on the ratio between officers and non-officers which is one (1) officer for every seven (7) non-officers. If the actual number in a rank is less than the number prescribed in a lower rank, the difference may be applied as an increase to the number prescribed in the lower rank.

Section 11. *Maximum Tenure in Rank*. – The maximum tenure of officers in the ranks of Captain and Flag Officer in the PCG are hereby prescribed as follows:

24	Rank	Maximum Tenure in Rank
25	Admiral	three (3) years
26	Vice Admiral	three (3) years

1	Rear Admiral	three (3) years
2	Commodore	five (5) years
3	Captain .	ten (10) years

Unless earlier separated, retired or promoted to the next higher rank or occupying a position calling for the higher rank in the PCG Table of Organization, Captains and Flag Officers shall be retired upon the attainment of the maximum tenure in rank herein prescribed, or upon reaching the age of compulsory retirement whichever comes earlier. Captains or flag officers who have not reached age of retirement shall be retired due to attrition if they have at least twenty (20) years in service otherwise it shall be separation from service.

- **Section 12.** *Maximum Tenure in Position.* Officers holding the following key positions are hereby limited to a maximum tenure of three (3) years, unless otherwise earlier relieved by competent authority or compulsory retired under existing laws:
- 15 a) Commandant

- b) Deputy Commandant
- 17 c) Functional Service Commander
 - Except for the Commandant, no other officer shall be assigned/designated to the aforementioned key positions or promoted to the rank of Commodore or higher if he has less than (1) year of active service remaining prior to compulsory retirement.
- Section 13. *Ranks and Grades of Non-officers.* The ranks and pay grades of PCG non-officers shall be as follows:

RANK	ACRONYM	PAY GRADE
First Master Chief Petty Officer	FMCPO	E-10

Master Chief Petty Officer	MCPO	E-9
Senior Chief Petty Officer	SCPO	E-8
Chief Petty Officer	СРО	E-7
Petty Officer First Class	PO1	E-6
Petty Officer Second Class	PO2	E-5
Petty Officer Third Class	PO3	E-4
Seaman/Seawoman First Class	SN1/SW1	E-3
Seaman/Seawoman Second Class	SN2/SW2	E-2
Apprentice Seaman/Seawoman	ASN/ASW	E-1

Section 14. *Maximum Tenure in Rank for Non-officers.* – The maximum tenure of senior non-officers in the ranks of Chief Petty Officer to First Master Chief Petty Officer in the PCG are as follows:

4	Rank	Maximum Tenure in Rank
5	First Master Chief Petty Officer	Three (3) years
6	Master Chief Petty Officer	Three (3) years
7	Senior Chief Petty Officer	Five (5) years
8	Chief Petty Officer	Eight (8) years

 Any non-officer holding lower ranks than the above who stays in a rank for 10 years without being promoted to the next higher rank shall be evaluated by the Reenlistment Fitness Board who shall verify suitability to continue in service and submit a recommendation for the approval of the Commandant. The original enlistment term in the PCG shall be three (3) years and subsequent re-enlistment shall be for the term of six (6) years, with the application for re-enlistment to be reviewed by the Reenlistment Fitness Board for recommendation to the Commandant for approval. The

- uniform allowance shall be payable every three (3) years after complying with the physical fitness test.
- Section 15. *Non-uniformed Personnel.* There shall be non-uniformed personnel positions in the PCG. The head of the non-uniformed personnel shall occupy a rank of Director III and shall be appointed by the President upon recommendation of the Commandant. The non-uniformed personnel shall establish their own plantilla positions to complement the strength of the PCG uniformed personnel.
- Section 16. *Appointments.* The appointment of the PCG Commandant and Flag Officers shall be approved by the President upon the recommendation of the Secretary of the DOTr. Appointments of all PCG non-officers shall be made by the PCG Commandant. Appointments of PCG officers, which shall be in the initial rank of Coast Guard Ensign shall be through a commissionship into service by the DOTr Secretary upon the recommendation of the Commandant.

The initial entry ranks for technical officers like lawyers, medical doctors and ecumenical clerics shall be in the rank of Lieutenant Senior Grade, dentists and veterinarians shall be Lieutenant Junior Grade, while nurses and chemists shall be commissioned in the rank of Ensign. Appointment of other technical professions that may be required later shall be based on the academic attainment or ranking of licensure examinations results issued by competent authority.

- Appointments as well as the promotion of all non-uniformed personnel shall be in accordance with the CSC laws, rules and regulations.
- Section 17. *Basic Qualification for Uniformed Personnel.* To qualify as officer or non-officer of the PCG, the applicant shall possess the following at the time of application:
 - a) Natural born citizen of the Philippines;
- b) A person of good moral conduct;

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c) Must have passed the psychiatric/ psychological, drug and physical tests to be administered by the PCG Medical Service or by any PCG accredited government hospital for the purpose of determining physical and mental health;

- d) Must possess a formal baccalaureate degree, with appropriate license when applicable or professional civil service eligibility for appointment as officer, and must have finished at least 72 non-repetitive units of college education or senior high school graduate with six (6) months TESDA skills course related to the functions of PCG for appointment as non-officers upon effectivity of this Act; and
- e) Must not have been dishonorably discharged from military employment or dismissed for cause from any non-uniformed personnel position in the government.
- **Section 18.** *Promotions of Officers and Non-officers.* The promotion of PCG officers and non-officers shall be based on merit and fitness in accordance with the following procedures:
- a) Officers shall only be promoted after undergoing deliberation before the promotion boards. Promotion boards shall submit the results of their deliberation to the Commandant for approval and corresponding endorsement to the Secretary of Transportation for transmittal to the President for approval;
- b) There shall also be appropriate promotion boards for non-officers whose recommendation shall be submitted to the Commandant for approval.
- At the time of promotion, the officer or non-officers concerned shall possess all the qualifications and none of the disqualifications provided under pertinent laws, rules and regulations, specifically on the completion of required career course, training, examination and minimum time-in-grade as applicable for specific ranks.
- **Section 19.** *Gender Sensitivity Program.* Gender concerns should be addressed in all planning activities, setting of priorities, allocating of resources and identifying actions and activities of the PCG. It should also incorporate a gender sensitive perspective in the implementation of such plans and programs.

Gender sensitivity shall also be mainstreamed in all its internal policies, strategies, budget, projects, structures and mechanisms, including hiring, promotions, assignment, training opportunities, pay and benefits. A gender perspective should likewise be integrated in all its training programs, especially for maritime search and rescue.

Section 20. *PCG Insignia, Decorations and Awards.* – The PCG shall have its own insignia and badges to denote rank, specialty and assignment including uniforms, decorations and awards, all of which shall be submitted to the National Historical Institute for registration in the flags and heraldic list. There shall be an established awards system which shall be administered by the PCG under such rules and regulations as may be promuigated with the approval of the Secretary of Transportation.

Section 21. *Legal Assistance.* – The Secretary of Transportation or the Commandant of the PCG may authorize lawyers of their respective agencies to provide legal assistance to any member of the PCG charged with an offense or crime resulting from the performance or on occasion of official duty. The government lawyers so authorized shall have the power to administer oaths.

Section 22. *Power to Administer Oath.* – Officers of the PCG in the active service with the grade of O-5 or when designated with appropriate orders as administrative officer of a unit, shall have the power to administer oaths on matters which are connected with the performance of their official duties. Senior noncommissioned officers (grades E-7 to E10) who are designated through appropriate orders, as Chief-Master-At-Arms (CMAA) or unit master chief are also empowered to administer oaths.

Section 23. *Maritime and Coast Guard Attaché*. – The PCG shall have maritime and coast guard attaché in the International Maritime Organization, other international institution or as member of diplomatic missions or embassies.

The assignment or deployment of maritime or coast guard attaché shall be with prior approval of the Secretary of Foreign Affairs.

PAYS, ALLOWANCES AND BENEFITS

Section 24. Salaries and Other Benefits. – The uniformed personnel of the PCG shall receive the same base pay, hazard pay and other benefits and allowances as are now or hereafter may be authorized for corresponding salary grades and ranks in the AFP. The salaries and allowances of the non-uniformed personnel of the PCG shall be in accordance with existing Civil Service laws, rules and regulations.

Section 25. Longevity Pay and Allowances. — Uniformed personnel of the PCG shall be entitled to a longevity pay of ten percent (10%) of their basic monthly salaries for every five (5) years of continuous active service, which shall be reckoned from the date of actual service in the PCG. The totality of such longevity pay shall not exceed fifty percent (50%) of the basic pay. They shall also continue to enjoy the subsistence allowance, quarters allowance, clothing allowance, cost of living allowance, hazardous duty pay and other collateral allowances including sea duty pay, flying pay, lawyers/legal incentive pay, occupational specialty pay, health service incentive pay, specialization pay, instructors duty pay, combat pay for officers and non-officers of the PCG performing combat duties/activities or engaged in actual performance of duties as defined in regulations to be issued by the Commandant and all other applicable allowances as provided by existing laws. The PCG shall, subject to approval of the President, issue a specific policy pertaining to collateral allowances for specific duties actually performed. All collateral allowances shall be reflected in the pay slip of qualified personnel.

Section 26. *Uniformed Personnel Missing in Action.* – The survivors of any officer or non-officer who, while in the performance of duty, is officially confirmed missing in action, kidnapped or captured by lawless elements shall be entitled to receive the same pay and allowances to which such officer or non-officer is entitled from the time of the latter's disappearance. The compulsory retirement of an absentee, in applicable cases, shall be processed to allow his/her survivors to enjoy the retirement benefits. Should the Commandant, upon the recommendation of the proper authority or immediate supervisor, subsequently rule that the officer or non-officer concerned has been absent from duty without authority, such member or the

latter's survivors shall reimburse the PCG all such amount and allowances that have been received in accordance with this section and other pertinent sections of this Act.

Section 27. *Emergency and Medical Assistance.* – The PCG shall have an emergency medical assistance fund, sourced from the PCG's Annual Budget Plan as reflected in the General Appropriations Act (GAA) for hospitalization, operation, medication and rehabilitation of personnel arising from injuries suffered on occasion of or in the performance of official functions

ACTIVE SERVICE AND SEPARATION

Section 28. *Active Service.* – For purposes of this Act, active service of the uniformed personnel shall refer to services rendered as an officer and non-officer, cadet, trainee or draftee in the PCG and services rendered as non-uniformed personnel in the Philippine Government prior to the date of separation or retirement from the PCG. For purposes of retirement, the personnel shall have rendered at least ten (10) years of active service as officer or non-officer in the PCG. No period of such non-uniformed personnel government service be longer than the active coast guard service shall be credited for purposes of retirement. Service rendered as cadet in any service academy in the Philippines or abroad under sponsorship of the PCG such as the Philippine Merchant Marine Academy, probationary officer, draftee or trainee shall be included in computing the years in active service for retirement purposes if such personnel join the service right after graduation.

Section 29. *Retirement.* — Upon attaining fifty-six (56) years of age or accumulation of thirty (30) years of continuous satisfactory active service, whichever comes later, a PCG uniformed personnel shall be compulsorily retired. Technical officers may extend their tenure of service up to sixty (60) years or until having accumulated twenty (20) years of satisfactory active service, whichever comes later.

Any officer or non-officer may choose to retire on their own option upon accumulating at least twenty (20) years in active service.

For purposes of this Act, an officer or non-officer who dies after accumulating at least twenty (20) years of satisfactory active service shall be considered as retired.

- The retirement of non-uniformed personnel of the PCG shall be governed by the GSIS law, rules and regulations.
- Section 30. Separation. Separation from the Coast Guard service may be done through compulsory retirement, optional retirement upon reaching 20 years in service, disability discharge, expiration of enlistment term, voluntary resignation, attrition, dismissal for cause, or death.
- The separation of non-uniformed personnel of the PCG shall be governed by the Civil Service law, rules and regulations.
- **Section 31.** *Attrition.* There shall be established a system of attrition within the uniformed members of the PCG within one (1) year from the effectivity of this Act to be submitted by the PCG to the President for approval.
- Section 32. *Retirement Benefits.* An officer or uniformed personnel who is retired under Section 30 of this Act, or his/her qualified survivors, are entitled to receive, and may choose from, any of the following benefits:
 - a. Gratuity Pay. A lump sum payment of gratuity pay equivalent to one (1) month of base and longevity pay computed based on one grade higher than the permanent salary grade last held for every year of service; or

- b. Retirement Pay A monthly retirement pay equivalent to fifty percent (50%) of monthly base and longevity pay computed based on one grade higher than the permanent salary grade last held by the personnel in case of twenty (20) years of active service, increasing by two and one-half percent (2½%) for every year of service rendered beyond twenty (20) years up to a maximum of ninety percent (90%) for thirty-six (36) years of active service and over.
- Non-officers who attain the rank of Chief Petty Officer, Senior Chief Petty Officer and of Master Chief Petty Officer shall, upon retirement, be entitled to the retirement pay and benefits of an Ensign. A Master Chief Petty Officer shall receive a gratuity equivalent to that of an Ensign, plus one-half (1/2) of the difference between the gratuity of an Ensign and a Chief Petty Officer, and a Senior Chief Petty Officer shall

receive a gratuity equivalent to that of an Ensign, plus one-half (1/2) of the difference between the gratuity of a Master Chief Petty Officer and a Chief Petty Officer, while a First Master Chief Petty Officer shall be retired with the rank of Ensign but with the retirement pay and benefits of a Lieutenant Junior Grade (O-2), as provided for in existing laws. Officers and non-officers who availed of optional retirement are entitled to receive monthly retirement pay upon retirement. Upon retirement, an officer or non-officer is entitled to receive a lump sum equal to thirty-six (36) months of the monthly retirement pay.

The retirement pay of officers and non-officers who are killed in action or wounded in action resulting in total permanent disability shall be computed at the rate of ninety percent (90%) of the monthly base and longevity pay based on one grade higher than the permanent salary grade last held by the personnel regardless of years in active service.

The retirement pay of all PCG retirees shall be subject to adjustment on the prevailing scale of base pay of uniformed personnel in the active service.

The retirement benefits of non-uniformed personnel shall be governed by applicable Civil Service laws and regulations and the Government Service Insurance System Law.

Section 33. Separation Pay. — Officers and non-officers separated from the PCG without having accumulated at least twenty (20) years of satisfactory active service, or their qualified survivors, shall receive a separation pay equivalent to one-month base plus longevity pay based on the permanent salary grade the officer and non-officer holds at the time of separation for every year of active service. In the case of an officer in the grade of Captain or higher, who incurs physical disability in the line of duty, the basis of separation pay shall be one grade higher than the salary grade held by such officer at the time of separation. Cadets, candidates, trainees and draftees who voluntarily resign from service shall not be entitled to any separation pay.

The separation benefits of non-uniformed personnel shall be governed by applicable Civil Service laws and regulations and the Government Service Insurance System Law.

Section 34. Benefits for Death and Total Permanent Disability in the Line of Duty or During Training. — Qualified survivors of officers and non-officers, including cadets, candidates, trainees and draftees, who died in the line of duty without having accumulated at least twenty (20) years of satisfactory active service are entitled to a monthly life annuity, equivalent to fifty percent (50%) of the base and longevity pay computed based on one grade higher than the permanent salary grade last held by the deceased officer and non-officer at the time of death. Survivors of cadets, candidates, trainees and draftees who died during training through their own fault or negligence shall not be entitled to this benefit.

Officers or non-officers, including cadets, candidates, trainees and draftees, who suffer total permanent physical disability in the line of duty or during training without having accumulated at least twenty (20) years of satisfactory active service shall be entitled to a monthly life annuity, equivalent to fifty percent (50%) of the base and longevity pay computed based on one grade higher than the permanent salary grade last held by the officer or non-officer when the disability occurred. The extent of the disability or sickness which renders such member unfit or unable to further perform the duties of the position held shall be certified by the appropriate Government hospital like the Philippine General Hospital. Cadets, candidates, trainees and draftees who suffer total permanent physical disability during training through their own fault or negligence shall not be entitled to this benefit.

The death and disability benefits of non-uniformed personnel shall be governed by applicable Civil Service laws and regulations and the Government Service Insurance System Law.

Section 35. *Survivors.* – The family of deceased officers or non-officers who are alive and may claim benefits after such uniformed personnel dies in line of duty or the pensioner dies. The following criteria shall apply:

a) Surviving spouse if married to the deceased prior to the latter's retirement/separation and not legally separated by judicial decree from the deceased issued on grounds not attributable to said spouse. The spouse's entitlement of benefits shall terminate when the spouse dies, remarries, cohabits or engages in a common-law relationship;

- b) Surviving children of officers or non-officers born of marriage contracted prior to his retirement/separation from the service, surviving children adopted legally prior to his retirement/separation, illegitimate children born while the deceased parent was still on active service. Entitlement to benefits shall terminate when such children attain twenty-one (21) years of age or upon marriage. Those who have reached the age of twenty-one (21) years but are incapacitated and incapable of self-support due to a mental or physical defect acquired prior to age of majority shall remain entitled to the benefits.
- c) In default of those mentioned in paragraph (a) and (b), the surviving parent or parents.
- As regards question of filiation involving survivor-claimants, the same shall be submitted first by the claimants to competent court for determination before benefits can be given.
- **Section 36.** *Survivorship Benefits.* The qualified survivors are entitled to a monthly annuity equivalent to seventy-five percent (75%) of the officer or non-officer's retirement or separation benefits, to be divided among them in equal shares and with the right of accretion.
- Survivorship benefits for non-uniformed personnel shall be governed by the GSIS Law.
- Section 37. *Disability Pension.* —In addition to the other benefits under this
 Act, an officer or non-officer who is retired or separated by reason of disability, which
 is the proximate result of wounds or injuries sustained or sickness or disease acquired
 in the line of duty shall receive a monthly disability pension as follows:

- a) If and while the disability is rated twenty-five percent (25%) Three thousand three hundred pesos (P5,000.00);
- b) If and while the disability is rated fifty percent (50%) Ten thousand pesos
 4 (P10,000.00);
- c) If and while the disability is rated seventy-five percent (75%) Fifteen thousand pesos (P15,000.00);
- d) If and while the disability is rated one hundred percent (100%) Twenty thousand pesos (P20,000.00).
 - The officer or non-officer receiving the benefits under this Section may be required to undergo periodic physical and medical examination to determine the extent of disability for purposes of adjusting the disability pension.

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- Section 38. Old-Age Pension. A retired PCG uniformed personnel who is at 12 13 least sixty-five (65) years of age shall be entitled to old-age pension amounting to Five Thousand Pesos (P5,000.00) monthly and an additional amount of One Thousand 14 Seven Hundred Pesos (P1,700.00) monthly upon reaching the age of seventy (70). 15 16 Only retired PCG uniformed personnel who shall have been honorably discharged or 17 retired after at least twenty (20) years total PCG active service or sooner separated while in the active service in the PCG due to disability arising or incurred in actual 18 operations or performance of duties are entitled to receive this monthly benefit. 19
 - **Section 39.** Application of Related Laws on Retirement and Separation of Uniformed Personnel. The retirement system under Presidential Decree No. 1638, as amended, and the provisions of Republic Act No. 8220, Republic Act No. 9365, and other similar applicable laws, insofar as not inconsistent with applicable provisions of this Act, shall be given suppletory effect.
 - **Section 40.** *Incentives and Awards.* There shall be established an incentives and awards system which shall be administered by a board under such rules, regulations and standards as may be promulgated by the PCG. Equivalent awards shall be given by the PCG for every award duly given by respectable civic

- 1 organizations in a nationwide selection for outstanding achievement and/or
- 2 performance of any member. In the case of non-uniformed personnel, the system of
- 3 incentives and awards shall be approved and in accordance with the CSC laws, rules
- 4 and regulations.

DISCIPLINARY SYSTEM

Section 41. *Disciplinary System.* – The PCG shall adopt the PCG Code of Conduct which shall be applicable to all its uniformed personnel. non-uniformed personnel shall be covered under the disciplinary rules of the Civil Service. The Commandant shall be assisted by the Coast Guard Internal Affairs in enforcing discipline and order within its ranks though for disciplinary issues depending on gravity, unit commanders shall exercise disciplinary powers over personnel under their command. The PCG shall within six (6) months from the effectivity of this Act, issue policies, rules and procedures applying the PCG Code of Conduct based on the provisions of Commonwealth Act No. 408, as amended by RA No. 516, RA No. 242, PD No. 1968 and PD No.1166. For non-uniformed personnel, the PCG shall issue rules and procedures implementing Book VII of EO No. 292 and the Civil Service laws, and applicable CSC administrative rules and issuances. In times of war, during which the PCG or any of its offices is attached to the DND, the military justice system of the AFP shall apply.

Section 42. *Disciplinary Authority*. – The Commandant exercises disciplinary authority at any time over all personnel of the PCG. The authority to discipline shall also be exercised by unit commanders and Commanding Officers including Station Commanders, Sub-Station Commanders, head of Morning Report Carrying Units.

Section 43. *Jurisdiction.* – A complaint or a charge filed against a PCG member shall be heard and decided exclusively by the disciplining authority who has acquired original jurisdiction over the case notwithstanding the existence of concurrent jurisdiction as regards the offense.

Section 44. *Dismissal of PCG Personnel.* – The Commandant, after due notice and summary hearing, may immediately remove or dismiss any respondent PCG

- 1 personnel and major unit commanders may recommend such in any of the following
- 2 cases:

- a) In cases of drug abuse where subsequent confirmation test confirms the useof prohibited drugs;
- b) When the charge is serious and the evidence of guilt is strong;
- c) When the respondent is a recidivist or has been repeatedly charged and there are reasonable grounds to believe that he is guilty of the charges; and
- d) When the respondent is guilty of a serious offense involving conduct unbecoming a PCG personnel.

An officer or non-officer who is continuously absent without approved leave for at least thirty (30) calendar days shall be considered on absence without official leave (AWOL) and shall be presumed voluntarily resigned. The shall be informed, by registered mail, at his address appearing on his 201 file of his separation from the service not later than five (5) calendar days from the effectivity thereof.

The dismissal of PCG non-uniformed personnel shall be governed by Civil Service laws, rules and regulations.

Section 45. *Coast Guard Internal Affairs Service.* – To maintain accountability in government service through discipline and efficiency, there shall be an Internal Affairs Service (IAS) in the PCG. The CGIAS shall foster and promote accountability in government service within the PCG and follow the basic principles of integrity, objectivity, independence, confidentiality, professionalism, competence, courage, trust, honesty, fairness, forthrightness, public accountability and respect for others and themselves. It shall have the power to investigate and inquire into any and all activities of the PCG units and personnel, review processes, procedures and operations to determine if such were conducted effectively and efficiently.

The personnel of the CGIAS whether officer or non-officer, who are performing actual investigative duties, shall be granted occupational specialty pay which shall not exceed fifty percent (50%) of their basic pay and shall be reflected in their pay slip

for the work performed. Such personnel shall not be entitled to the occupational specialty pay under Section 26 hereof.

MISCELLANEOUS PROVISIONS

Section 46. *Organization of a PCG Auxiliary (PCGA).* – The PCG shall continue to maintain, supervise, develop and train the PCGA as a non-uniformed personnel volunteer organization under the direct control and supervision of the PCG Commandant. The PCGA shall assist the PCG in the promotion of safety of life and property at sea, the preservation of the marine environment and its resources, the conduct of maritime search and rescue, the maintenance of aids to navigation and such other activities that enhance maritime community relations which include civic action, participation under the National Service Training Program, youth development, recreational safety and other related activities.

Section 47. *Coast Guard Reserve Force.* — There is hereby created and established a Philippine Coast Guard Reserve Force, the purpose of which is to augment the PCG force in the event of national emergency or catastrophe as declared by appropriate Government entity. The PCG reservist shall undergo regular training and shall be organized, trained, equipped, and administered by a PCG Reserve Command under the direction of the Commandant and whose members may be called to active duty in the exigency of the service on aforementioned circumstances duly declared by appropriate authority. The PCG may also participate in the Reserve Officers' Training Course program as an alternative offering focusing on maritime safety, marine environmental protection and search and rescue. The PCG shall within six (6) months from the effectivity of this Act, draft pertinent policies on the management and particulars of the Coast Guard Reserve Force, subject to the approval of the President.

Section 48. *Lateral Entry.* – Active members of other uniformed services under the Armed Forces of the Philippines (AFP), Philippine National Police (PNP), Bureau of Fire Protection (BFP) and Bureau of Jail Management and Penology (BJMP) may join the PCG through lateral entry. The rank for officers eligible for such entry must not be higher than Lieutenant Commander and Petty Officer Second Class for

non-officers. Notwithstanding the corps they wish to join, all entrants shall only be accepted if, on or before time of entry, they: a) are not under investigation, b) are not on absence without leave (AWOL) status, c) are not serving sentence, whether administrative or criminal, d) have not been issued reprimand in the last two (2) years, or e) have not received an unfavorable rating in the latest performance rating.

However, if an entrant possesses specific skills that may not be readily developed in new recruits, lateral entry may be allowed for ranks higher than those mentioned above. The new entrant can serve at least ten (10) years in PCG active service prior to reaching the mandatory retirement age.

Section 49. Exemption from Attachment, Taxes, Charges and Fees. – Retirement benefits granted by this Act, including benefits received from a duly instituted provident fund and mutual benefit association shall not be subject to attachment, levy, execution or any tax of whatever nature.

In the establishment and operation of radar and radio stations and other communication facilities, the PCG shall not be subject to payment of charges and fees as imposed by the National Telecommunications Commission (NTC). The PCG shall only use frequencies as may be allowed or assigned by the NTC consistent with international regulations and guidelines.

Except as provided in the preceding paragraph, the PCG shall, in the performance of its functions, enjoy such rights and privileges enjoyed by other governmental and law enforcement agencies, instrumentalities, and government-owned and controlled corporations such as exemption from registration application for license, and payment of fees as imposed by other governmental agencies or regulatory bodies. Should the PCG be required to register or to file application, the fees to be charged shall only be in such minimal amount corresponding to the actual administrative cost necessary for the issuance of the permit, license or certificate.

Section 50. *Special Account.* – The PCG shall maintain a special account under the General Fund, in which receivables from local or foreign entities shall be credited including proceeds or excess of grants, fees or charges, dues, fines and

- rentals generated in the regular conduct of service. PCG shall have the authority to use one hundred percent (100%) of this fund for capability enhancement and modernization of the organization.
- Section 51. *Collection of Revenues.* The PCG shall collect fees, dues, charges, and fines relevant to the exercise of its various functions. The thirty percent (30%) shall be credited to the special account.

- Section 52. *PCG Properties and Lighthouse Reservations.* The PCG shall continue to exercise exclusive ownership, possession, management, control and supervision over all properties transferred to it by virtue of Executive Order No. 475 dated 30 March 1998 and Executive Order No. 477 dated 15 April 1998, such as inter alia, vessels, watercrafts, firearms, armaments, munitions, communications and electronic equipment, vehicles, buildings, real state, lighthouse stations and reservations.
- **Section 53.** Establishment and Expansion of Coast Guard Bases, Equipment and Facilities. In coordination with other appropriate government agencies, the PCG shall develop and enhance its capabilities in the performance of its mandated functions and establish its strategic presence. Towards this end, the PCG shall, through the guidance of Congress, draft its development plan that shall reflect its asset, equipment and facility requirement that includes floating assets, laboratories, land-based support facilities, land mobility, arms and ammunition, rescue and hospital ship, maritime monitoring surveillance and communications system, port facilities, air assets and air stations.
- **Section 54.** *Implementing Rules and Regulations.* For submission to the Secretary of Transportation for approval, the Philippine Coast Guard, not later than one hundred twenty (120) days from the effectivity of this Act, shall issue rules and regulations, determine, fix and/or prescribe charges, rates, and penalties, as may be necessary, to implement its provisions, as well as the provisions of laws, issuances, decrees and orders related to the implementation of PCG functions.

Section 55. *Appropriations.* – The amount necessary to carry out the provisions of this Act shall be included in the annual General Appropriations Act.

Section 56. *Transitory Provisions.* – The provisions of this Act, as far as the computation of rate is concerned, shall have retroactive effect on the retirement benefits of non-officers whose retirement were affected by the implementation of Republic Act No. 9993, and the discrepancy as a result of applying this Act and Republic Act No. 9993 shall be returned to the retiree. The same shall also be retroactively applicable to indexation of pension to base pay scale adjustments affected by Republic Act No. 9993. The retirement benefits of the ranks of Admiral and Vice Admiral adversely affected by CJR No. 4 s. 2008 and CJR No. 1 s. 2018 shall be adjusted in the same level as its contemporary ranks of General and Lieutenant General in the AFP and the PNP, respectively. Those affected by the above-mentioned Joint Resolutions shall be paid the difference in pay and allowances by reason thereof.

Section 57. *Separability Ciause.* – If for any reason, any provision of this Act is declared unconstitutional or invalid, such parts not affected thereby shall remain in full force and effect.

Section 58. *Repealing Clause.* – Republic Act No. 9993 is hereby repealed and all laws, decrees, executive orders, rules and regulations and other issuances or parts thereof which are inconsistent with this Act are hereby repealed, amended or modified accordingly.

Section 59. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any two (2) newspapers of general circulation.

Approved,