

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

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SENATE

S.B. No. 3596

Introduced by Senator Richard J. Gordon and the Members of the Committee on
Accountability of Public Officers and Investigations

EXPLANATORY NOTE

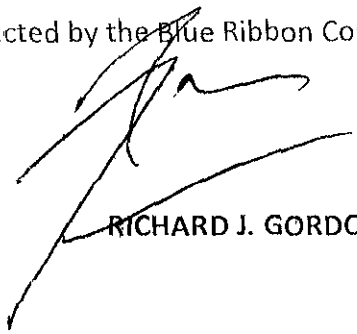
The frequent causes of the sea accidents are overloading of ships and non-compliance by vessels with safety precautions and measures. For the past 25 years, there have been, at least, one hundred seventy eight (178) recorded sea accidents within the Philippine archipelago.

It is sad to note, also, that about 6,000 people have died since 1985 because of sea accidents. Most of their families have not recovered their claims from insurance companies because their policies seem to favor ship owners and insurance companies.

It was also revealed during the hearing that Maritime Industry Authority (MARINA) and the Insurance Commission have failed to protect the victims of sea accidents because their rules are more pro-insurance company than pro-victim.

The bill seeks to implement "no risk, no fault" insurance policy that would compel ship owners to pay the claims of all the victims of recent sea tragedies whether they are listed in the manifest or not.

This bill is an outcome of the public hearings conducted by the Blue Ribbon Committee.



RICHARD J. GORDON

FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
THIRD Second Regular Session *gwr*)

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Accountability of Public Officers and Investigations

AN ACT AMENDING CHAPTER V, SECTION 14 OF REPUBLIC ACT NO. 9295, OTHERWISE
KNOWN AS "THE DOMESTIC SHIPPING DEVELOPMENT ACT OF 2004".

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

SECTION 1. Section 14. Compulsory Insurance Coverage for Passenger and Cargo. – To meet its financial responsibility for any liability which a domestic ship operator may incur for any breach of the contract of carriage, every domestic ship operators shall be required to submit annually the following:

1. Adequate insurance coverage for each passenger in an amount to be computed in accordance with existing laws, rules and regulations, and the total amount of such coverage shall be equivalent to the total number of passenger accommodations being offered by the vessel, **PROVIDED THAT SUCH INSURANCE COVERAGE SHALL INDICATE A "NO RISK, NO FAULT" CLAUSE AND SHALL COVER SHIP PASSENGERS WHETHER OR NOT APPEARING IN THE SHIP'S MANIFEST;**

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SECTION 2. Repealing Clause. – All laws, decrees, orders, rules and regulations or other issuances or parts thereof inconsistent with Section 1 of this Act are hereby repealed or modified accordingly.

SECTION 3. Effectivity Clause. – This Act shall take effect after fifteen (15) days following the completion of its publication either in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,