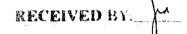


Republic of the Philippines SENATE OF THE PLILIPPINES Pasay City

13 NOV 27 P3 33

SIXTEENTH CONGRESS First Regular Session



S. B. No. 1986

INTRODUCED BY SENATOR SONNY M, ANGARA

EXPLANATORY NOTE

Some 1.5 million seafarers are said to be at sea daily, spread across the 100,000 or so ships that facilitate much of global trade and commerce today. By some estimates, up to 30 percent of this seaborne labor force is Filipino.

In 2012 alone, the country deployed 366,865 Filipino seafarers according to data from the Philippine Overseas Employment Administration (POEA). In the same year, seafarers were reported to have brought in up to US\$ 4.8 billion or 22 percent of the total foreign remittances the country received.

Seafarers deal with circumstances very different from mainstream Overseas Filipino Workers (OFWs) and other sectors within the labor force. However, existing labor laws and social legislation, particularly the Overseas Filipinos and Migrant Workers' Act of 1996 (RA, 8042) do not adequately address the needs of seafarers nor do they adhere to international recognized instruments, such as those of the International Labor Organization (ILO) and the International Maritime Organization (IMO).

As a measure that aims to comprehensively protect the rights of Filipino seafarers, the foregoing bill aims to fill the gaps in legislation. Several references were considered in the crafting of this bill. Foremost of these are about twenty (20) legislative measures on seafaring which were filed during past Congresses. Provisions deemed beneficial to Filipino seafarers were lifted and incorporated into the enclosed proposal.

For emphasis, provisions from existing laws were also included, such as those from the Philippine Labor Code; Overseas Filipinos and Migrant Workers' Act of 1995 (RA 8042); the POEA Standard Employment Contract; International Convention on the STCW '78, as amended; 36 ILO Conventions relevant to the concerns and well-being of seafarers, four (4) of which were ratified by the Philippines; and the different laws creating and re-structuring the different government agencies relevant to the interest and welfare of Filipino seafarers. The Revised Rules of Court were also considered in relation to the jurisdiction and venue of illegal recruitment cases and money claims. Reference were also made to laws creating the government agencies enumerated herein for the purpose of enhancing their mandate and functions to provide better service and protection to seafarers.

Swift approval of this bill is earnestly sought.

SENATØK SONNY M, ANGARA

SIXTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

BY: BILLS & INDEX

S. B. No. **1986**

INTRODUCED BY SENATOR SONNY M. ANGARA

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AN ACT.

INSTITUTING THE MAGNA CARTA OF FILIPINO SEAFARERS

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

| 1 | CHAPTER I | |
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| 2 3 | GENERAL PROVISIONS | |
| 4 | | |
| 5 | SECTION. 1. Short Title. This Act shall be known as the "Magna Carta of Filipino" | |
| 6 7 | Seafarers." | |
| 8 9 | SEC. 2. Declaration of Policies. It is hereby declared the policy of the State: | |
| 10 11 12 13 | a) To recognize the rights, contributions and unique role of Filipino seafarers, as well as their vulnerabilities, and afford them full protection before, during and after their employment; | |
| 13 14 15 16 17 18 | b) To adopt all laws, rules and regulations for the benefit and safety of seafarers that have been agreed upon in international conventions especially, but not limited to, the consolidated Marine Labor Convention which was approved by the International Labor Organization in 2006, as part of the law of the land; | |
| 19 20 21 22 | c) To maintain and progressively develop a pool of competent and world class domestic and international seafarers of all grades and ratings through a system of education and training and of accreditation and licensing; and | |
| 23 24 25 | d) To establish mechanisms for the enhancement of administrative, adjudicative, social as well as welfare services for seafarers and their families. | |
| 23 26 27 28 29 30 | Toward these ends, the State shall endeavor to improve the Filipino seafarer's working conditions, terms of employment, career prospects and provide them opportunities to harness their potential to the fullest. The State shall further work to uplift the socio-economic well-being of their respective families. | |
| 31 32 33 34 35 | SEC. 3 . <i>Applicability</i> . All rights and benefits granted under this Act shall, except as may otherwise be provided herein, apply to the Filipino seafarers as defined herein. All rights, privileges and benefits previously enjoyed by Filipino seafarers before the effectivity of this Act, especially but not limited to those set forth in Republic Act 8042, shall continue to be recognized and shall not be diminished after the effectivity of this Act. | |
| 36 37 | SEC. 4. Definitions. For purposes of this Act, the following terms shall have the | |

- 38 following definitions:

a) *"CDA"* refers to the Cooperative Development Authority;

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- b) *"Commission on Higher Education (CHED)"* refers to the government agency created pursuant to Republic Act No. 7722;
- c) *"Department of Education (Dep-Ed)"* refers to the government agency created pursuant to Executive Order No. 117 (30 January 1987), as amended by Republic Acts 7722, 7796, and 9155 (11 August 2001);
- d) *"Department of Foreign Affairs (DFA)"* refers to the government agency created pursuant to Republic Act No. 7157;
 - e) "Department of Labor and Employment (DOLE)" refers to the government agency created pursuant to Executive Order No. 292;
- f) *"Department of Transportation and Communications (DOTC)"* refers to the government agency created pursuant to Executive Order Nos. 125 and 125-A series of 1987;
- g) "Departure" refers to the actual departure from the point of hire of a Filipino seafarer through air, sea or land travel transport to join his vessel in a Philippine or foreign port;
- h) *"ILO"* refers to the International Labour Organization;
- i) *"IMO"* refers to the International Maritime Organization;
- j) "Informal Blacklisting" refers to the unlawful practice of manning or crewing agencies or recruitment and placement services, or companies to directly or indirectly prevent or deter seafarers, without valid cause from gaining productive employment, whether the job applicant is for employment or reemployment;
 - k) *"License"* refers to the document issued by the DOLE authorizing any person or entity to operate a manning agency;
- "Manning or Crewing Agencies" or "Recruitment and Placement Services" shall refer to any person, company, institution, agency or other organization in the public or private sector, which is engaged in recruiting scafarers on behalf of the employers or placing scafarers with employers;
 - m) *"Maritime Industry"* refers to all enterprises engaged in the business of managing and/or operating shipping lines, management of ports, stevedoring arrastre, customs brokerage and cargo surveys; of ship brokering or chartering, designing, constructing, manufacturing, acquiring, operating, supplying, repairing and/or maintaining vessels, or component parts thereof; of shipyards and dry-docks; of providing maritime services such as ship supplies, ship manning and training, maritime consultancy, ship repairs, machine shops, shipping agencies, freight forwarding and similar enterprises;
 - n) *"Maritime Industry Authority (MARINA)"* refers to the government agency created pursuant to Presidential Decree 474;
- o) *"Maritime Training Council (MTC)"* refers to the government agency created pursuant to Letter of Instruction 1404;
- p) *"Muster"* refers to a seafarer who has the command and is in-charge of the vessel being the representative of the vessel's owner;

- q) *"MLC 2006"* refers to the consolidated Maritime Labor Convention approved by the ILO in 2006;
- r) *"National Maritime Polytechnic"* refers to the only government-owned maritime training center in the country created pursuant to Presidential Decree No. 1369 and mandated to conduct training to Filipino seafarers and maritime research;
- s) "NSO" refers to the National Statistics Office;

- t) *"Officer"* refers to a seafarer other than the Master who is designated by national law or regulation as an officer or is serving in that capacity, such as the 3rd mate, 2nd mate, chief mate, the marine engineer officers in the engine, and other special officers needed in the vessel;
- u) *"Overseas Workers Welfare Administration (OWWA)"* refers to the government agency created pursuant to Executive Order No. 126;
- v) *"Philippine Coast Guard (PCG)"* refers to the government agency created pursuant to Republic Act No. 5173;
- w) *"Philippine Overseas Employment Administration (POEA)"* refers to the government agency created pursuant to Executive Order No. 797, as amended by Executive Order No. 247;
- x) *"Philippine Port"* refers to any point of hire which may either be a Philippine airport or seaport;
- y) *"Philippine Ports Authority (PPA)"* refers to the government corporation created pursuant to Presidential Decree No. 55 as amended by, among others, Executive Order No. 159 series of 1987;
- *z*) *"PRC"* refers to the Professional Regulation Commission;
- aa) *"Philippine Seafarer One-Stop Processing Center (PSOC)"* refers to the facility center which houses all relevant offices or agencies involved in providing services to seafarers in one roof, created under Administrative Order No. 56 on 24 January 2003;
 - bb) *"Philippine Shipping Companies"* refer to entities registered and licensed under the laws of the Philippines to engage in the business of overseas and/or domestic water transportation;
 - cc) *"Point of Hire"* refers to the place indicated in the contract of employment which shall be the basis for determining commencement and termination of contract;
- dd) *"Principal"* or *"Employer"* refers to any person, partnership or corporation registered and duly authorized to employ Filipino seafarers in its overseas shipping activities;
- ee) *"Rating"* refers to any member of the crew other than the Master or the Officer, who is considered as ordinary seaman, able seaman, boatswain or bosun in the deck; the wiper, motorman, fitters and such other special ratings needed on board the vessel;
- ff) *"Recruitment and Placement"* refers to any act of canvassing, enlisting, contracting, transporting, utilizing, hiring or procuring workers, and include referrals, contact services, promising or advertising employment, locally or abroad, whether for profit or not;

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| 1 2 3 4 5 | gg) | <i>"Seafarer or Filipino Seafarer"</i> refers to any Filipino who fulfills the conditions to be employed or engaged or to work on board a ship or vessel as defined herein other than a government ship used for military or non-commercial purposes. The two (2) kinds of Filipino seafarer are: | |
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| 7 8 | | <i>i. "Domestic Seafarer"</i> refers to a Filipino seafarer on board a Philippine- registered ship or vessel not engaged in international voyage; | به ۲۹ |
| 9 10 11 | | "Overseas Seafarer" refers to Filipino seafarer employed or engaged or working in any capacity on board a ship engaged in international voyage; | |
| 12 13 14 15 16 | hh) | "Shipowner" refers to the company or owner of the ship or any other organization or person, such as the manager, agent or bareboat charterer, who has assumed the responsibility for operation and management of the ship from the ship owner, and who, on assuming such responsibilities, has agreed to take | |
| 17 18 | | over all the attendant duties and responsibilities of a ship owner; | |
| 19 20 21 | ii) | <i>"STCW 1978"</i> refers to the International Convention on Standards of Training, Certification and Watch-keeping for Seafarers, 1978 as amended in 1995 and 2010; | |
| 22 23 24 25 | jj) | <i>"Vessel or ship"</i> includes any ship or boat of any nature whatsoever, ordinarily engaged in maritime navigation, including mobile off-shore units capable of navigating under its own power; | |
| 26 27 28 | kk) | <i>"Technical Education and Skills Development Authority (TESDA)"</i> refers to the government agency created pursuant to Republic Act No. 7796; | i V |
| 29 30 | 11) | "TLRC" refers to the Technical and Livelihood Resource Center; and | |
| 31 32 | mm) | "WHO" refers to the World Health Organization. | |
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| 35 | | CHAPTER II | |
| 36 37 | | FILIPINO SEAFARER'S RIGHTS | |
| 38 | | | |
| 39 40 41 | Costs. The St | 5. <i>Right to Educational Advancement and Training at Reasonable and Affordable</i> tate shall ensure Filipino seafarers, whether plying the domestic or international s to educational advancement and training at reasonable and affordable costs. | |
| 42 43 | Towa | rd this end, the State shall: | |
| 44 45 46 | a) | regulate the operation of all educational, training and review institutions offering courses related to seafaring; and | |
| 47 48 49 50 | b) | pursue grant programs such as scholarships, subsidies, loan assistance and other measures that will harness the skills of Filipino seafarers toward greater competitiveness to new demands in the industry. | • |
| 51 52 53 54 55 56 | agencies shall understand t | 5. <i>Right to Relevant Information.</i> The State shall ensure that manning or crewing I provide Filipino seafarers with adequate and relevant information to make them heir rights, benefits, obligations, conditions and realities attending to their ad laws and regulations of countries covered by their sojourn. | |
| 50 57 58 59 | the recruitme | ed this end, manning or crewing agencies, and other organizations responsible for ent and employment of Filipino seafarers, whether plying the domestic or waters, shall be mandated to make every contract of employment, the | |

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computation and manner by which salaries are remitted to their allottees, and the specific
 privileges and benefits available in the contract of employment, accessible to their recruits or
 clienteles.

5 All seafarers shall have access to an efficient, adequate and accountable system for 6 finding employment on board ship without charge to the seafarer.

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SEC. 7. Right to Humane Conditions of Work and Right to Just Compensation. The 8 State shall guarantee Filipino seafarers the right to humane conditions of work, the right to a 9 safe and secure workplace that complies with safety standards, the right to decent working and 10 living conditions on board ship, the right to health protection, medical care, welfare measures 11 and other forms of social protection, the right to fair terms of employment and the right to 12 standard salary commensurate to their rank, hours of work and other relevant basis for wage 13 computation, minimum number of working hours, rest day, vacation pay, and end-of-contract 14 pay in accordance with the agreement of the parties concerned and with existing domestic and 15 16 international law.

18 SEC. 8. *Rights to Self-organization, to Engage in Collective Bargaining and to* 19 *Participate in Democratic Exercises.* The State shall ensure Filipino seafarers of their right to 20 self-organization, to collective bargaining and to participate in the deliberation of issues and in 21 the formulation of policies that affect them, including the guarantee of representation in 22 governing boards or appointment in government instrumentalities, to include, but not limited 23 to, the CHED, TESDA, PRC, POEA, OWWA, MARINA.

SEC. 9. *Right to Legal Representation.* Filipino seafarers who are victims of illegal recruitment, illegal dismissal or suspension and other forms of violation of contracts shall have the right to free legal assistance and protection at government expense. Courts, administrative agencies, and other tribunals should ensure a speedy and impartial disposition of their cases.

Every seafarer accused of committing any offense in violation of any provision of his or her contract has the right to due process, an impartial tribunal and administrative body, and an expeditious payment of damages and liability in cases where the judgment is favorable to the Filipino seafarer.

33 SEC. 10. *Right to Repatriation*, Seafarers have a right to be repatriated at no cost to
 34 themselves in the circumstances and under the conditions specified in the implementing rules
 35 and regulations of this Act.

SEC. 11. *Right Against Discrimination and Other Rights and Privileges.* Equal remuneration for work of equal value shall apply to all seafarers employed on the same ship without discrimination based upon race, color, sex, religion, political opinion, national extraction or social origin. All other rights and privileges of seafarers recognized or granted under the MLC 2006, and other subsequent conventions with even better rights and privileges for seafarers which may be approved by the ILO, the United Nations or other international bodies in the future, shall be enjoyed by Filipino seafarers.

45 SEC. 12. *Right to Speedy Processing of All Documents and Claims.* The processing of
 46 all documents needed by, and claims of, Filipino seafarers shall be speedy and not subject to
 47 any unreasonable delay.
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49 SEC. 13. *Right to Consultation on All Matters Affecting Seafarers.* Seafarers and 50 seafarer organizations shall be consulted by the government before adopting any policy, law, 51 executive issuance, rule or regulation that may directly or indirectly affect them and/or their 52 families and beneficiaries. 53

54 SEC. 14. Right Against Being Charged or Treated as a Criminal Suspect in Accident and 55 Pollution Cases. No criminal case shall be filed against a seafarer and no seafarer shall be 56 treated as a criminal suspect in accident and pollution cases unless there is a prima facie 57

1 evidence that the said accident and the cause of the pollution is directly the result of the 2 deliberate criminal deed of the seafarer concerned.

4 SEC. 15. *Right to Communication*. The right of the seafarer to communicate shall not be violated in any way subject to reasonable restrictions that shall be stated in his employment 6 contract, which shall be clearly explained to him before signing.

8 SEC. 16. Right of Seafarers, Seafarer-applicants, Seafarer-trainees, Cadets, Interns and 9 Similar Persons Against Exploitation, Any Kind of Physical Harm, Hazing, Sexual 10 Harassment, Virtual Peonage, Slavery, Drudgery, Involuntary, Unpaid or Underpaid Servitude Shall Be Guaranteed by the State. Towards this end, the practice of subjecting the said persons 11 to involuntary, unpaid or underpaid work or servitude, virtual peonage, slavery and drudgery 12 shall henceforth be stopped and any work or servitude of the said persons shall henceforth be 13 14 with fair and reasonable pay or remuneration and with proper observation or implementation of existing labor laws, rules and regulations. Any kind of exploitation, physical harm, hazing or 15 16 sexual harassment against the said persons shall likewise be strictly prohibited.

18 SEC. 17. Other Rights. All other rights enjoyed by OFWs and Filipino workers 19 employed in the Philippines and other rights enjoyed by all workers as recognized by the ILO, 20 United Nations and other international bodies that are applicable to Filipino seafarers shall 21 likewise be enjoyed by all Filipino seafarers. 22

CHAPTER III

PHILIPPINE SEAFARER ONE-STOP PROCESSING CENTER

28 SEC. 18. Philippine Seafarer One-Stop Processing Center (PSOC). The PSOC, as established under Administrative Order No. 56, has been tasked to operationalize and make 29 30 available to the public, an integrated document processing center for the seafarers and the 31 general public to conduct official transactions. 32

PSOC shall have the services of the following government offices:

- Overseas Workers Welfare Administration (OWWA); a)
- 36 b) Commission on Higher Education (CHED);
 - Professional Regulation Commission (PRC); c)
 - Technical Education and Skills Development Authority (TESDA); d)
- 39 Maritime Industry Authority (MARINA); e
 - ()National Telecommunications Office (NTC);
- 41 Maritime Training Council (MTC); g)
- 42 Department of Foreign Affairs (DFA); h)
- 43 i) National Bureau of Investigation (NBI);
- 44 j) Social Security System (SSS);
- 45 k) Pag-IBIG Fund;

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- Philippine Coast Guard (PCG); 46 1)
- Philippine Overseas Employment Administration (POEA); 47 m)
- 48 n) National Statistics Office (NSO); and
- 49 Such other government offices that the Secretary of DOLE may deem necessary. 0

51 SEC. 19. Rationalizing Government Systems and Procedures. The government offices 52 enumerated under Section 18 hereof shall, within three (3) months from the effectivity of this 53 Act, and in consultation with seafarer organizations, recruitment agency associations, and non-54 government organizations concerned, rationalize and streamline policies, rules, and procedures 55 governing the documentation, licensing, certification, recruitment, hiring and deployment of 56 seafarers and the OFWs, in general.

58 Said offices, through the PSOC, shall enforce the streamlining of policies and procedures 59 involved in overseas employment with the view of cutting the time required for documentary

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processing, simplifying licensing and certification procedures, and facilitating the extension of
 welfare and support services to their respective clients.

These streamlining efforts shall focus on, among others:

a) simplification of systems and procedures and reduction of documentary requirements;

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- b) implementation of the full disclosure policy;
- c) formulation and implementation of a system of registration of seafarers and other OFWs, the registration, accreditation, and licensing of private manning or crewing agencies, and all other related regulatory function;
- d) elimination of unnecessary and duplicative requirements that go beyond the requirements as defined in the STCW 1978;
- e) formulation of a regulated employment standard setting by prescribing minimum provisions of the employment contract, in conformity with labor standard under Philippine laws and regulations;
- f) regulation of placement fee policy;
- g) formulation of rules that ensure speedy disposition of illegal recruitment cases;
- h) development and implementation of an effective information program, in coordination with manning or crewing agencies for the purpose of informing the seafarers of their rights, obligations, benefits, and option pertaining to specific situations that they may face in the course of their employment; and
 - i) formulation of rules that shall further ensure the implementation of the law on the exemption from any tax of all the remittances into the country of seafarers employed overseas and the protection of said seafarers from vague, unnecessary or exorbitant remittance fees and charges, as well as rules that shall ensure that the rate of currency exchange, unless otherwise provided, shall in accordance with laws or regulations, be at the prevailing market rate or the official published rate and not unfavorable to the seafarer.

CHAPTER IV

MANDATORY REQUIREMENTS FOR FILIPINO SEAFARERS

SEC. 20. *Mandatory Minimum Requirements*. To be eligible for employment, a seafarer must:

- a) be a Filipino citizen;
- b) be at least, eighteen (18) years old, except as may be determined by the DOLE Secretary and subject to the provisions of the last three paragraphs of this section;
- c) be fit for duty as certified by the government-accredited institution authorized to conduct physical and medical examination for overseas employment without violating the basic right of a seafarer or seafarer-applicant to choose the government-accredited clinic that will perform physical, medical, optical and/or dental examination; *Provided, That* seafarers who have been refused a certificate or have had a limitation imposed on their ability to work, in particular with respect to time, field of work or trading area, shall be given the opportunity to have a further examination by another independent medical practitioner or by an

independent medical referee duly certified as such by the DOLE Secretary; *Provided* further, that unless a shorter period is required by reason of the specific duties to be performed by the seafarer concerned or is required under STCW 1978, a medical certificate shall be valid for a maximum period of two (2) years unless the seafarer is under the age of eighteen (18), in which case the maximum period of validity shall be one (1) year and a certification of color vision shall be valid for a maximum period of six (6) years; Provided fin'ally, that a medical certificate issued in accordance with the requirements of STCW 1978 as amended shall be accepted by the manning or crewing agencies, medical practitioners, examiners, shipowners, seafarers' representatives and all other persons concerned with the conduct of medical fitness examinations of seafarer candidates and serving seafarers should follow the ILO or WHO guidelines for conducting pre-sea and periodic medical fitness examinations for seafarers, including any subsequent versions, and any other applicable international guidelines published by the ILO, the IMO or the WHO;

- d) meet the qualification and certification requirements prescribed by the DOLE and the standard requirements under the STCW 1978, and other ILO-prescribed relevant standards;
- be registered with and duly certified by the DOLE as eligible for overseas employment if employed overseas, and as eligible for local employment if serving on board domestic or inter-island vessels; and
 - f) comply with other qualification requirements as may be prescribed by the DOLE in keeping with international demands.

Persons under the age of eighteen (18) years shall not be employed or work on vessels, other than vessels upon which only members of the same family are employed but this shall not apply to work done by children or school-ship or training-ship; Provided that such work approved and supervised by the DOLE Secretary. In order to facilitate the enforcement of this provision, every shipmaster shall be required to keep a registry of all persons under the age of eighteen (18) years employed on board his vessel, or a list of them in the articles of agreement, and of the dates of their births.

Nightwork of scafarers under the age of eighteen (18) shall be prohibited. For the 34 35 purposes of this standard, night shall be defines in accordance with the national law and practice. It shall cover a period of at least nine hours starting no fater than midnight and ending 36 37 no earlier than 5 a.m. An exception to strict compliance with the nightwork restriction may be 38 made by the DOLE Secretary when: (a) the effective training of the scafarers concerned, in 39 accordance with established programmes and schedules, would be impaired; or (b) the specific 40 nature of the duty or a recognized training programme requires that the seafarers covered by the exception perform duties at night and the DOLE Secretary determines, after consultation 41 42 with the shipowners and seafarer organizations concerned, that the work will not be 43 detrimental to their health or well-being.

The employment, engagement or work of seafarers under the age of eighteen (18) shall be prohibited where the work is likely to jeopardize their health or safety. The types of such work shall be determined by this Act's implementing rules and regulations or by the DOLE Secretary, after consultation with the shipowner and seafarer organizations concerned, in accordance with relevant international standards.

49 Sec. 21. Education. A Filipino seafarer must have at least successfully completed the 50 required basic courses as provided for in the curriculum approved by the CHED or the TESDA. 51 The implementing rules and regulations of this Act shall set the educational and training 52 requirements for each classification of seafarers.

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54 SEC. 22. *Training*. A Filipino seafarer must, at least, undergo and successfully complete 55 the required basic training appropriate to his or her position as set forth under the STCW 1978, and under the ILO Conventions of which the Philippines is a signatory, as prescribed by the
 competent government agency regulating maritime training.

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Where in-service training and assessment of competence for the Filipino seafarer is required for purposes of certification under the STCW 1978, the person conducting the same either on board or ashore must meet the qualifications prescribed under the aforesaid section of the STCW.

A seafarer shall not be permitted to work on a ship unless he has successfully completed
 training for personal safety on board a ship, with appropriate certificate thereof.

12 SEC. 23. The State shall ensure that requirements on training and upgrading, as 13 mandated by manning and crewing agencies for employment, reemployment or promotion 14 purposes shall take into account the seafarers' right to spend quality time with his family. 15 Trainings that are not specifically required by the employer in order for the seafarer to be able 16 to do their jobs properly or that are not required by international conventions to be undergone 17 by all seafarers shall not be made mandatory to all. The State shall first consult seafarer 18 organizations before making any training mandatory to all seafarers.

CHAPTER V

GOVERNMENT AGENCIES

25 **SEC. 24.** *Role of Government Agencies.* The following government agencies shall 26 perform the following to promote the welfare and protect the rights of Filipino seafarers and, 27 whenever practicable, all overseas Filipinos:

- Department of Foreign Affairs. The DFA, through its home offices or foreign a) posts, shall take priority action or make representation with the foreign authority concerned to protect the rights of Filipino seafarers and other overseas Filipinos and extend immediate assistance, including the repatriation of distressed or beleaguered Filipino seafarers and other overseas Filipinos, and to encourage other countries to ratify the MLC 2006 or enact a law that will include most, if not all, the provisions of the said convention. The DFA shall consult the appropriate authorities of countries whose ships employ Filipino seafarers and/or where ports are located wherein ships that have Filipino seafarers on board are docking, with the aim of providing and improving seafarers' welfare facilities and services, both in port and on board ships, and of organizing international sports competitions for seafarers and international seminars on the subject of welfare of seafarers at sea and in port. The DFA, with the assistance of appropriate intergovernmental and other international organizations, shall endeavor, in cooperation with other countries, to achieve the greatest possible uniformity of action for the promotion of occupational safety and health protection and prevention of accidents. Furthermore, the DFA shall make representations in countries employing Filipino seafarers or whose ships have Filipino seafarers on board, with the end view of ensuring that Filipino seafarers are paid with at least the minimum wages that are in conformity with internationally-set or accepted standards. It shall likewise assist any Filipino seafarer who has any monetary claim or who has been paid at a rate lower than the minimum wage, are able to obtain or recover, by an inexpensive and expeditious judicial or other procedure, the said claim or the amount by which he or she has been underpaid. The DFA shall also provide legal assistance to Filipino seafarers wherever and whenever such assistance is needed by them.
 - b) *Commission on Higher Education (CHED)* shall ensure the promotion of quality and efficiency in maritime education through advocacy and accountability.
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(b.1) **Commission on Higher Education and the Technical Education and Skills Development Authority.** The CHED and TESDA shall ensure that the curricula for the seafarers' education and training are in consonance with the demands of global maritime industry as well as with the requirements of STCW 1978.

- (b.2) **Commission on Higher Education and Maritime Training Council.** The CHED, in coordination with MTC, and maritime schools and training institutions, shall be responsible for the continuous and comprehensive research, review and upgrading of the system of education, training, certification and recruitment of all maritime schools and institutions, as well as the manning or crewing agencies and regulatory commissions.
- c) *Department of Labor and Employment*. The DOLE shall ensure that labor and social welfare laws in foreign countries are fairly and faithfully applied to Filipino seafarers and whenever applicable, to other overseas Filipinos, including the grant of legal assistance and the referral to proper medical centers or hospitals:
 - (c.1) **Maritime Training Council.** The MTC shall be responsible for the formulation, adoption and enforcement of regulatory measures for the observance of both the accredited training centers and agencies and the trainees to ensure quality standards and mechanisms of training and competence of overseas Filipino seafarers, adhering to the standards set by the STCW 1978, in regular consultation with the organizations of accredited maritime training centers;
 - (c.2) **Maritime Industry Authority.** The MARINA shall be responsible for the formulation, adoption and enforcement of regulations governing the quality standards and mechanisms of training and competence of domestic seafarers.
 - (c.3) **Philippine Overseas Employment Administration**. In pursuit of promoting the well-being of the Filipino seafarers, the POEA shall:
 - a) look into and improve on the working conditions and terms of employment of the officers and crew of vessels of Philippine registry, and of such officers and crew members who are Filipino citizens and employed by foreign vessels;
 - b) develop an effective system of monitoring and gathering welfare concerns for purposes of determining future welfare programs, monitoring existing welfare activities and addressing current welfare issues prioritize according to urgency;
 - c) observe and conduct a comprehensive and updated system of preemployment and pre-departure orientation seminars or briefings to seafarer job applicants, departing seafarers and other maritime workers scheduled for deployment. It shall also undertake studies and distribute relevant materials for use in pre-employment and pre-departure orientation seminars of maritime workers and other related activities. All these shall be at no cost to the seafarer job applicant, the departing seafarer and other maritime workers;
 - d) accredit, regulate and supervise pre-employment and pre-departure orientation seminars or briefings of authorized manning or crewing agencies;
 - e) formulate and undertake programs and projects for the effective and efficient utilization of the seafarers' welfare fund;

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- f) keep, analyze and publish a record or statistics of all occupational accidents, injuries and diseases wherein information on the numerical data, nature, causes and effects of the said accidents, injuries and diseases, whether at sea or in port, is included and follows the ILO system or model of recording such statistics;
- g) undertake research into the general trends and hazards as revealed by statistics gathered in order to provide a sound basis for measures to promote occupational safety and health protection and prevention of accidents, injuries and diseases which are due to particular hazards of maritime employment;
- h) process and approve seafarers' employment contracts which shall strictly adhere to the pertinent provisions of this act and the MLC 2006;
- i) ensure that no manning or crewing agency commits informal blacklisting;
- j) provide services to assist maritime workers and their immediate dependents and families; and
- k) perform such other duties as may be essential in giving assistance to seafarers and their families.
- The Philippine Coast Guard. PCG shall ensure that provisions on d) seafarers' rights, working and living conditions, documentary requirements, safety, health and sanitary standards and all other provisions of this act and of the MLC 2006 are being followed and implemented by all ships - including foreign-flag vessels, as part of the port state controlled inspection that are within or entering the Philippine territory, giving special attention to ships with at least one Filipino seafarer on board. The PCG shall have the power to prevent ships that are found to be in violation of any provision of this act or the aforementioned convention from leaving Philippine territory and hold the said ships in a Philippine port until corrective measures have been implemented to the satisfaction of the appropriate authority or agency of the Philippine government. Toward these ends, the PCG shall conduct inspections of all ships, including foreign flag vessels, that are within or entering the Philippine territory. The PCG shall take the necessary measures so that duly qualified technical experts and specialists may be called upon, as needed, to assist in the work of inspectors. During inspections, the PCG shall interview as many Filipino seafarers as possible, who are on board the ship being inspected in order to ascertain their working conditions and grievances, if any, observe and detect any sub-standard working condition and violation of the MLC 2006 and/or Philippine laws, rules and regulations and refer them to the nearest appropriate government agency concerned. In turn, said government agency shall immediately implement the necessary measures to address the sub-standard working conditions, seafarers' grievances, and violations of the MLC 2006 and/or Philippine laws, rules and regulations before the said ship leaves the Philippine port or territory. The PCG shall hold an official inquiry into any serious marine casualty, leading to injury or loss of life, that involves ships that are within or entering the Philippine territory. The final report of an inquiry shall be made public.
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e) The MARINA shall establish an effective system for the inspection and certification of maritime labor conditions, ensuring that the working and living

| 1 2 3 | conditions for seafarers on ships that fly the Philippine flag meet, and continue to meet, the standards in MLC 2006. The MARINA shall require these ships to have a copy of this convention available on board. | |
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| 4 5 6 7 8 9 10 11 | SEC 25. <i>Filipino Seafarers' Research and Resource Center.</i> The CHED shall coordinate with the University of the Philippines School of Labor and Industrial Relations (UP SOLAIR) and the National Maritime Polytechnic for the establishment of an interdisciplinary research and resource center on Filipino seafarers and maritime affairs. The center shall primarily conduct studies and researches which shall enhance the well-being and interests of Filipino seafarers and maritime market. |) 1 7 |
| 12 13 | CHAPTER VI | |
| 14 15 | DOCUMENTATION, LICENSURE AND EXAMINATIONS | |
| 16 17 18 | SEC. 26 . <i>Documentation</i> . For purposes of documentation, the Filipino seafarers shall be categorized into domestic and overseas seafarers; | ĵ |
| 19 20 21 22 | a) Domestic seafarers are considered documented when they possess the following documents; | г Э |
| 22 23 24 25 | Seafarers Identification and Record Book (SIRB) and Certificate of Competency issued by the MARINA; | C |
| 26 27 28 | Certificate of Completion of Training of prescribed courses issued by the accredited training centers; and | ž |
| 29 30 31 | 3) Licensure Certificate if the seafarer is a Harbor Pilot or a Major or Minor Patron. | • |
| 32 33 34 | b) Overseas seafarers are considered documented when they possess the following documents: | г Э |
| 35 36 37 38 | Seafarers Identification and Record Book (SIRB) and Certificate of Competency issued by the MARINA and the Seafarer's Registration Certificate (SRC) issued by the POEA; | |
| 39 40 41 42 43 | 2) Certificate of Completion of Training of prescribed courses issued by the accredited training centers and the valid Certificate of Competency issued by the PRC for marine officers and the TESDA for ratings and support level crew or by the assessment center duly accredited by the MTC; | ł |
| 44 45 | 3) Licensure Certificate if the seafarer is a marine officer; | |
| 46 47 48 | 4) Employment contract that have been processed and approved by the POEA; | ŗ |
| 49 50 | 5) Such other documents as may be required. | |
| 51 52 53 54 55 | SEC. 27 . <i>Licensure and Examination</i> . The Professional Regulatory Commission (PRC) shall be the lead agency in administering licensure examinations and the issuance of such licensure certificates to seafarers in the officer level, except those categorized as Harbor Pilots and Major and Minor Patrons for local shipping which authority shall devolve to the MARINA. | L |
| 55 56 57 | The TESDA shall be the lead agency in administering examinations and the issuance of the necessary certifications to scafarers in the ratings level. The aforementioned government | |

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agencies shall formulate and undertake a systematic program of implementing government
 policies pertinent to the licensing of specific categories of seafarers.

The issuance of licenses and endorsement certificates to seafarers shall not require preconditions other than what are required under the STCW 1978 and other specific laws enacted for the purpose of regulating the profession.

SEC. 28. Integrated Documentation System. The DOLE, in coordination with 8 9 government agencies concerned, shall develop an Integrated Documentation System (IDS) for the purpose of integrating and systemizing the documentation of education, training licensing, 10 and certification among Filipino seafarers. Said IDS shall contain all relevant information on the 11 seafarer, including, but not limited to, education, training, licensure examinations and 12 certifications taken, data on the status of seafarers; licensed and unlicensed seafarers and those 13 with pending labor and administrative cases. The IDS shall be used by the seafarer in all his 14 15 transactions with the government, manning or crewing agencies, and other pertinent bodies.

As such, the government agencies concerned shall develop and implement an information system that shall connect their respective databases for the purposes of data storage, sharing, and generation pursuant to Section 20 of Republic Act No. 8042.

CHAPTER VII

RECRUITMENT AND PLACEMENT

A. The Recruitment and Placement Industry

28 SEC. 29. Private Sector Participation in the Recruitment and Placement of Filipino 29 Seafarers. Pursuant to national development objectives and in order to harness and maximize 30 the use of private sector resources and initiative in the development and implementation of a 31 comprehensive employment program, the private sector shall participate in the recruitment and placement of Filipino seafarers, locally and overseas; Provided, That such recruitment and 32 33 placement procedures are consistent with the provisions stipulated under this Act and such 34 other guidelines, rules and regulations as may be promulgated by the DOLE; Provided further, 35 that nothing in this section shall be deemed to prevent the State from maintaining a free public 36 recruitment and placement service for seafarers within the framework of meeting the needs of 37 seafarers and shipowners, whether the service forms part of or is coordinated with a public 38 employment service for all workers and employers.

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SEC. 30. Capitalization in the Recruitment and Placement Industry. Individuals or
 corporations, partnerships or entities applying for license or authority or renewal thereof shall
 be required a minimum capitalization, and such other requirements as may be prescribed by the
 DOLE.

The same shall be obliged to pay such escrow deposits and surety bonds, in an amount and conditions as may be prescribed by the DOLE to guarantee compliance with all terms and conditions of the contract of employment and applicable laws.

49 Individuals or corporations, partnerships or entities applying for license or authority or 50 renewal thereof shall be required to pay the filing and registration fees, as may be prescribed by 51 the DOLE.

53 **SEC. 31**. *Non-Transferability of License*. No license or authority shall be used directly or 54 indirectly by any person other than the one in whose favor it was issued or at any place other 55 than that stated in the license, nor may such license or authority be transferred, conveyed or 56 assigned to any person or entity except under such guidelines as may be prescribed by the 57 DOLE.

Any transfer of business address, appointment or designation of any agent or representative, including the establishment of additional offices anywhere shall require prior approval from the DOLE Secretary.

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5 SEC. 32. Suspension and/or Cancellation of License or Authority. The DOLE Secretary 6 shall have the power to suspend or cancel and in both instances impose fine any license or 7 authority to recruit Filipino seafarers for overseas employment for any violation of this Act or of 8 other applicable provisions of laws, rules and regulations. In order to effectively exercise this 9 power, the DOLE, through the POEA, shall establish an effective inspection and monitoring 10 system for enforcing this Act and all laws, issuances and Rules and Regulations concerning 11 seafarers or applicants.

SEC. 33. Persons and Entities Prohibited from Engaging in Recruitment and Placement
 Industry. The following are prohibited from engaging, directly or indirectly, in recruitment and
 placement industry:

- a) Any official or employee of the DOLE, DFA and their attached agencies or other government agencies involved in the implementation of this Act, or their relatives within the fourth civil degree of consanguinity or affinity;
- b) Persons and entities engaged in the business of travel agency or engaged in business as sales agent or airline and/or shipping companies, or their offices, directors or partners.

SEC. 34. Supervision and Control by the DOLE. The DOLE, through POEA, shall closely supervise and control all seafarer recruitment and placement services. Any license or certificate or similar authorizations for the operation of private services shall be granted or renewed only after verification that the seafarer recruitment and placement service concerned meets the requirements of national laws and regulations. The POEA shall likewise clearly publish costs, if any, which the seafarer will be expected to bear in the recruitment process. '

32 **SEC. 35.** *Handling of Investigations and Complaints.* The POEA shall ensure that 33 adequate machinery and procedures exists for the investigation, if necessary, of complaints 34 concerning the activities of seafarer recruitment and placement services, involving, as 35 appropriate, representatives of shipowners and seafarers.

SEC. 36. Collection and Analysis of all Relevant information on the Maritime Labour Market. The POEA shall maintain an arrangement for the collection and analysis of all relevant information on the maritime labor market including the current and prospective supply of seafarers that work as crew, classified according to their age, gender, rank and qualifications, and the industry's requirements. The collection of data based on age or gender shall be admissible for statistical purposes or if used in the framework of a programme to prevent discrimination based on age or gender.

45 **SEC. 37.** Competence of Recruitment and Placement Services' Supervisory Staff. The 46 POEA shall ensure that the staff responsible for the supervision of public and private seafarer 47 recruitment and placement services for ship's crew responsibility for the ship's safe navigation 48 and pollution prevention operations have had adequate training, including approved sea-49 service experience, and have relevant knowledge of the maritime industry, including the 50 relevant maritime international instruments on training, certification and labor standards.

52 **SEC. 38.** *Prescribing of Standards for Seafarer Recruitment and Placement Services.* The 53 POEA shall prescribe operational standards and adopt codes of conduct and ethical practices 54 for seafarer recruitment and placement services and exercise supervision of the licensing or 55 certification system on the basis of a system of quality standards.

57 SEC. 39. Adoption of Procedures by POEA to Ensure that Seafarers are Not Vulnerable 58 to Exploitation. The POEA shall prescribe procedures to be strictly followed by manning or 59 crewing agencies that will ensure that seafarers are not subject to exploitation by the seafarer recruitment and placement services or their personnel with regard to the offer of engagement on particular ships or by particular companies and to prevent the opportunities for exploitation of seafarers arising from the issue of joining advances or any other financial transactions between the shipowner and the seafarer which are handled by the seafarer recruitment and placement services.

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| 7 | | B. Recruitment and Placement Policies |
| 8 9 10 | | 40 . <i>Recruitment and Placement Policies</i> . Manning or crewing agencies engaged in itment and placement services shall: |
| 11 12 13 14 15 16 17 18 | a) | ensure that no fees or other charges for seafarer recruitment or placement or for providing employment to seafarers are borne directly or indirectly, in whole or in part, by the seafarer, other than the cost of obtaining a national statutory medical certificate, the national seafarer's book and a passport or other similar personal travel documents. However, the cost of obtaining a visa shall be borne by the shipowner. |
| 19 20 21 22 23 24 | b) | cause the reimbursement of any expenses incurred by the seafarer in connection with his or her documentation and processing for purposes of deployment, in the event where non-deployment is not the seafarer's fault, or in the event of deployment or non-deployment in cases where the manning or crewing agency, in violation of item (a) above, collected any fee or charge from the seafarer, which is not allowed under this Act; |
| 25 26 27 | c) | ensure that the Filipino scafarers' well-being and rights shall be the primary consideration in the recruitment and placement of scafarers; |
| 28 29 30 31 32 | d) | guarantee that recruitment, placement and deployment of Filipino seafarers shall not be made in jobs that are deemed inimical to their interests and to the Republic of the Philippines; |
| 32 33 34 35 36 37 | e) | specify, with due regard to the right to privacy and the need to protect confidentiality, the conditions under which the personal data of Filipino seafarers are processed by manning or crewing agencies including the collection, storage, combination and communication of such data to third parties; |
| 38 39 40 | f) | cease from furnishing or publishing any false notice or information or document in relation to recruitment and employment, |
| 40 41 42 43 44 | g) | cease from influencing or attempting to influence, whether deliberately or unintentionally, any person or entity not to employ any seafarer who has not applied thru the said manning or crewing agency; |
| 45 46 47 | h) | refrain from requiring the submission of a waiver of quitclaims to any seafarer before, during and after employment a condition for recruitment; |
| 48 49 50 51 | i) | cease from substituting or altering to the prejudice of the seafarer the employment contract approved and processed by the DOLE, and withholding or denying travel or employment documents from applicant seafarer; and |
| 51 52 53 54 | j) | refrain from using means or mechanisms intended to prevent or deter seafarers from gaining employment. |
| 55 56 | | 41 . <i>Duties of Manning and Crewing Agencies</i> . It shall be incumbent upon manning gagencies to ensure that: |
| 57 58 59 | a) | Any seafarer recruited or placed by them is qualified and is in possession of the documents necessary for the job concerned; |

 The contract of employment and articles of agreement are in accordance with The MLC 2006 and applicable laws and regulations and any collective bargaining agreement that forms part of the employment agreement;

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- c) The Filipino seafarer is informed of his or her rights and duties under his or her contract of the employment and the articles of agreement prior to and in the process of engagement;
- d) Proper arrangements and opportunities are given for the Filipino seafarer to examine his or her contract of employment and the articles of agreement before and after he or she signs such pertinent documents and for him or her to receive a copy of the duly-signed contract of employment;
- e) Adequate information about the conditions attending to the situations on-board the vessel and overseas, as well as local and international laws and regulations which apply to the Filipino seafarer in the course of his or her employment or sojourn shall be provided to the seafarer, any of his or her relatives or to any individual, non-government organization or government agency that may request for such information;
- f) A registry of all seafarers recruited or placed through them shall be put in place and shall be available for inspection by the competent authority;
- g) As far as practicable, the shipowner has the means to protect seafarers from being stranded in a foreign port;
- h) They shall examine and respond to any complaint concerning their activities and advise the competent authority of any unresolved complaint;
- i) Their operations shall conform with the standardized system of licensing, certification or any other form of regulation prescribed by the implementing rules and regulations of this Act. This system shall be established, modified or changed only after consultation with the shipowner and seafarer organizations concerned. In the event of doubt as to whether the consolidated MLC applies to a private recruitment and placement service, the question shall be determined by the DOLE Secretary after consultation with the shipowner and seafarer organizations concerned;

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- j) Filipino seafarers or applicants are advised on the possible problems of signing on a ship that flies the flag of a state which has not ratified the MLC 2006, until the Manning and Crewing Agency is satisfied that standards equivalent to those. fixed by the said convention are being applied. Measures taken to this effect shall not contradict the principle of free movement of workers stipulated by treaties to which the two (2) states concerned may be parties;
- k) The list of ships, which seafarer recruitment and placement services provide to seafarers, is maintained and periodically updated, and that there are readily available means by which the manning and crewing agencies can be contacted in an emergency at all hours;
- Procedures are in place to ensure that information or advice requested by families of seafarers while the seafarers are at sea, are dealt with promptly, sympathetically and at no cost;
- m) The recruited or placed Filipino seafarers serve only on ships with the required documents and a sufficient number of seafarers on board to ensure that the said ships are operated safely and manned by a crew that is adequate, in size and qualifications;

n) Informal blacklisting is not committed;

o) Procedures are adopted to verify that ventilation, heating, sleeping, food and catering, recreation, medical care, laundry, sanitary facilities and other conditions aboard ships where Filipino seafarers are placed, conform with the MLC 2006 or applicable collective bargaining agreements (CBA) concluded between a shipowner and a representative seafarer organization and, as a matter of policy, supplying seafarers only to shipowners that offer employment terms and conditions which comply with applicable laws, regulations, collective agreements or the MLC 2006; and

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p) Payments due to seafarers are made at no greater than monthly intervals and in accordance with any applicable collective agreement and that seafarers shall be given a monthly account of the payments due and amounts paid, including wages, additional payments and the rate of exchange used where payment has been made in a currency or at a rate different from the one agreed to.

19 SEC. 42. *Violation of any of the Provisions of Sections* 40 *and* 41. An administrative -20 finding by the POEA of any violation of any of the provisions of Sections 40 and 41 shall cause 21 the manning or crewing agency concerned to suffer the penalty of suspension or cancellation of 22 its license to operate.

C. Hiring, Deployment and Employment

26 **SEC. 43**. *Hiring by Certain Employers*. Members of the diplomatic corps, foreign 27 governments and international organizations may hire Filipino seafarers; *Provided*, That the 28 provisions of this Act and other applicable guidelines, rules and regulations are followed.

30 SEC. 44. Selective Deployment of Overseas Filipino Seafarers. Deployment of overseas
 31 Filipino seafarers shall be allowed only in countries where the rights of overseas Filipino
 32 seafarers are observed and protected.

Any of the following legal instruments shall be recognized as guarantee, on the part of the receiving country, on the protection of the rights of overseas Filipino seafarers:

- a) The receiving country has existing labor and social laws protecting the rights of overseas seafarers as certified by the Secretaries of the DFA and DOLE with the said numbers, titles and brief description of laws stated in the said certification;
 - b) The receiving country is a signatory to multilateral conventions, declarations or resolutions relating to the protection of overseas seafarers;
- c) The receiving country has a bilateral agreement or arrangement with the Philippine government protecting the rights of overseas seafarers; or
- d) The receiving country is taking positive concrete measures to protect the rights of overseas seafarers, as certified by the Secretaries of the DFA and DOLE with such measures enumerated in detail in the said certification.

51 SEC. 45. Ban on Restrictions on Deployment. Notwithstanding the provisions of Section 52 44, the DOLE, in pursuit of national interest or when public welfare so requires, may at any 53 time, terminate or impose such restrictions or ban on the deployment of overseas Filipino 54 seafarers, especially when the ship with one or several Filipino seafarers on board will sail on or 55 near the waters of, or dock on ports in, countries where there is war, civil war, insurgency, 56 piracy, rampant kidnapping, seizing by force of ships and/or ongoing lawlessness as reported 57 by reliable international news agencies or television networks.

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SEC. 46. *Prohibition Against Indiscriminate Deployment of Filipino Seafarers*. The indiscriminate deployment of following Filipino seafarers shall be deemed prohibited:

- a) Those below eighteen (18) years old or such minimum age requirement as may be determined by the DOLE consistent with internationally-recognized conventions;
- b) Those medically diagnosed to be unfit to work for the job being applied;
- c) Those technically non-qualified for overseas employment;
- d) Those whose employment contract was not processed and approved by the POEA;
- e) Any other factor which the DOLE may deem prohibited consistent with internationally recognized conventions.

18 SEC. 47. Visitorial Powers of the DOLE. To determine compliance with safety standards 19 and living conditions of seafarers, the DOLE Secretary or a duly designated representative may, 20 at any time, inspect vessels and ships of the accredited principal or shipowner within Philippine 21 jurisdiction for compliance with safety standards and living conditions of seafarers. 22

CHAPTER VIII

ILLEGAL RECRUITMENT

SEC. 48. Illegal Recruitment. For purposes of this Act, illegal recruitment shall refer to 28 29 any act of canvassing, enlisting, contracting, transporting, utilizing, hiring, or procuring seafarers and includes referring, contract servicing, promising, or advertising of employment 30 for abroad, whether for profit or not, when undertaken by a non-licensee or non-holder of 31 authority contemplated under Article 13 (f) of Presidential Decree No 422, as amended, 32 33 otherwise known as the Labor Code of the Philippines: Provided, That any such non-licensee or 34 non-holder who, in any manner, offers or promises for a fee employment abroad to two or more 35 persons shall be deemed engaged in illegal recruitment.

37 Illegal recruitment when committed by a syndicate or in a large scale shall be considered38 an offense involving economic sabotage.

Hegal recruitment is deemed committed by a syndicate if carried out by a group of three (3) or more persons conspiring or confederating with one another. It is deemed committed in large scale if committed against three (3) or more persons individually or as a group. Illegal recruitment is also deemed committed in a large scale if the financial or material consideration involved amounts to more than one hundred thousand pesos (P100,000.00), regardless of the number of persons involved.

The persons criminally liable for the above offenses are the principals, accomplice and accessories. In case of juridical persons, the officers having control, management or direction of their business shall be held liable.

SEC, 49. Penalties.

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- 53a)Any person found guilty of illegal recruitment shall suffer the penalty of54imprisonment of not less than six (6) years and one (1) day but not more than55twelve (12) years, with a fine not less than two hundred thousand pesos56(P200,000.00) but not more than five hundred thousand pesos (P500,000.00).57
- 58 b) The penalty of life imprisonment and a fine of not less than five hundred 59 thousand pesos (P500,000.00) but not more than one million pesos (P1,000,000.00)

shall be imposed if illegal recruitment constitutes economic sabotage as defined in Section 49: Provided, however, That the maximum penalty shall be imposed if the person illegally recruited is less than eighteen (18) years of age or that the act of illegal recruitment is committed by a non-licensee or non-holder of authority.

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Sec 50. Prohibition on Officials and Employees. It shall be unlawful for any official or employee of the DOLE or other government agencies involved in the implementation of this Act, or their relatives within the fourth civil degree of consanguinity or affinity, to engage, directly or indirectly, in the business of recruiting Filipino seafarers, as defined under this Act.

SEC. 51. Venue. A criminal action arising from illegal recruitment as herein defined shall be filed with the Regional Trial Court of the province or city where the offense was committed or where the offended party actually resides at the time of commission of the offense.

SEC. 52. Mandatory Period for Filing of Illegal Recruitment Cases. The preliminary investigation of cases under this Act shall be terminated within a period of thirty (30) calendar days from the date of their filing. Where the preliminary investigation is conducted by a prosecution officer and a prima facic case is established, the corresponding information shall be filed in court within twenty-four (24) hours from the termination of the investigation.

If the preliminary investigation is conducted by a judge and a prima facie case is found to exist, the corresponding information shall be filed by the proper prosecution officer within forty-eight (48) hours from the date of receipt of the record of the case.

SEC. 53. Prescriptive Periods. Illegal recruitment cases under this Act shall prescribe in ten (10) years after the commission of the prohibited act: Provided, however, That illegal recruitment cases involving economic sabotage as defined herein shall prescribe in twenty (20)

SEC. 54. Free Legal Assistance; Preferential Entitlement Under the Witness Protection *Program.* A mechanism for free legal assistance for victims of illegal recruitment shall be made available by the pertinent agencies of the government. Such mechanism shall include coordination and cooperation among the DOLE, DOJ, the IBP, and other non-government

Notwithstanding the provisions of RA 6981 to the contrary, any person who is a victim of illegal recruitment, or who is willing to be a witness on behalf of the government, shall be entitled to the Witness Protection Program provided thereunder.

CHAPTER IX

CONDITIONS OF EMPLOYMENT

SEC. 55. Employment Agreement. The employer shall provide for a written agreement in English, which shall be drawn up with the seafarer concerning ship work. The agreement shall

- The seafarer's full name, date of birth, age and birthplace;
 - The shipowner's name and address;
 - The place where and date when the seafarer's employment agreement is entered
- The wage agreed upon, including overtime pay, their method of computation and manner of payment. In no case shall the parties agree to wages lower than 57 the basic minimum wage prescribed by appropriate government agencies, in 58 conformity with internationally-accepted standards, at the time of engagement; 59

- e) The amount of paid annual leave or, where applicable, the formula used for calculating it;
- f) The termination of the agreement and the conditions thereof, including: (i) if the agreement has been made for an indefinite period, the conditions entitling either party to terminate it, as well as the required notice period, which shall not be less for the shipowner than for the seafarer; (ii) if the agreement has been made for a definite period, the date fixed for its expiry; and (iii) if the agreement has been made for a made for a voyage, the Port of Destination and the time which has to expire after arrival before the seafarer should be discharged;
- g) The health, safety and social security protection benefits to be provided to the seafarer by the shipowner including a provision that ensures that measures, in accordance with the MLC 2006, are in place on the ship to provide seafarers with a right to material assistance and support from the shipowner with respect to the financial consequences of sickness, injury or death occurring while they are serving under a seafarers' employment agreement or arising from their employment under such agreement which shall not affect any other legal remedies that a seafarer may seek;
- h) The seafarer's entitlement to repatriation and a provision that shall prohibit shipowners from requiring that seafarers make an advance payment towards the cost of repatriation at the beginning of their employment, and also from recovering the cost of repatriation from the seafarers' wages or other entitlements except where the seafarer has been found, in accordance with national laws, regulations, applicable CBA or other measures, to be in serious default of the seafarer's employment obligations;
- i) Reference to the collective bargaining agreement, if applicable;
- j) The capacity in which the seafarer is to serve;

- A provision stating that equal remuneration for work of equal value shall apply to all seafarers employed on the same ship without discrimination based upon race, colour, sex, religion, political opinion, national extraction or social origin;
- I) A provision stating that the seafarer's employment agreement, specifying the applicable wages or wage rates, shall be carried on board the ship and that information on the amount of wages or wage rates shall be made available to each seafarer by providing at least one signed copy of the relevant information to the seafarer in a fanguage which the seafarer understands;
- m) A provision stating that wages shall be paid in legal tender and, where appropriate, they may be paid by bank transfer, bank cheque, postal cheque or money order;
- n) A provision stating that on termination of engagement, all remuneration due shall be paid without undue delay;
- For seafarers whose wages are fully or partially consolidated, a provision which shall specify clearly the number of hours of work expected of the seafarer in return for this remuneration, and any additional allowances which might be due in addition to the consolidated wage, and in which circumstances;
- p) A provision stating that adequate penalties shall be borne by the employer or other appropriate remedies shall be given the seafarer when a shipowner delays deliberately and/or unduly, or fails to make, payment of all remuneration due;

q) A provision stating that wages shall be paid directly to the seafarer's designated bank account unless the seafarer requests otherwise in writing;

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- r) A provision stating that the shipowner shall impose no limit on the seafarer's freedom to dispose of his or her remuneration except when there is an express provision in national laws, regulations or in an applicable collective agreement and the seafarer has been adequately informed of the conditions for such deductions;
- s) A provision stating that the deductions shall not in total exceed the limit that may have been established by national laws, regulations, applicable collective agreements or court decisions for making such deductions and that no deductions shall be made from a seafarer's remuneration in respect of obtaining or retaining employment;
 - A provision stating that monetary fines against seafarers other than those authorized by national laws or regulations, collective agreements or other measures shall be prohibited;
 - u) A provision stating that, to the extent that seafarer's claims for wages and other sums due from their employment are not secured in accordance with the provisions of the International Convention on Maritime Liens and Mortgages, 1993, such claims should be protected in accordance with the Protection of Worker's Claims (Employer's Insolvency) Convention, 1992 (No. 173).
 - v) A provision that shall ensure that the ship shall carry on board and provide to seafarers on board free of charge, food and drinking water of appropriate quality, nutritional value and quantity that adequately covers the requirements of the ship and takes into account the differing cultural and religious backgrounds of the seafarers on board;
 - w) A provision that shall ensure that all seafarers on ships are covered by adequate measures toward the protection of their health, such that they have access to prompt and adequate medical care while working on board and that the said protection and care shall be provided at no cost;
 - y) Provisions on adequate leave and rest periods in conformity with the standards set by the MLC 2006;
 - z) The duration of the employment contract.

The terms and conditions for employment of a seafarer shall be set out in a clearly written, legally enforceable agreement and shall be consistent with the standards set out in the MLC 2006 providing the seafarer with decent working and living conditions on board the ship, among others. The shipowner and seafarer concerned shall each have a signed original of the seafarer employment agreement.

The minimum notice period to be given by the seafarers and shipowner for the early-termination of a seafarer employment agreement shall not be shorter than seven (7) days. A notice period shorter than the minimum may be given in circumstances which are recognized under the implementing rules and regulations of this Act of the applicable collective bargaining agreement as justifiable termination of the employment agreement at shorter notice or without notice. In determining those circumstances, the implementing rules and regulations of this Act shall include provisions that shall ensure that the need of the seafarer to terminate, without penalty, the employment agreement on shorter notice or without notice for compassionate or other urgent reasons is taken into account.

SEC. 56. *POEA-Prescribed Seafarers' Employment Agreement.* The POEA shall 59 prescribe a sample seafarer employment agreement which shall strictly adhere to the standards

set by this act and the MLC 2006 especially on, but not limited to, salaries and wages and the 1 payments and remittance thereof, which shall also contain all the necessary provisions for the 2 adequate protection and well-being of Filipino seafarers, including, but not limited to, 3 mandatory SSS coverage of all Filipino seafarers with employers' contributions. The manning or 4 crewing agencies shall see to it that any and all seafarer employment agreements that are 5 processed and/or consummated in the course of their recruitment and placement activities shall 6 strictly adhere to the MLC 2006 and to the said sample agreement prescribed by the POEA as a 7 minimum guarantee for the protection of Filipino seafarors. Furthermore, the said employment 8 9 agreement shall contain, among others, a provision that all seafarers shall be paid for their work regularly and in full in accordance with their employment agreements, safeguards against 10 prolonged exposure to vibration on board ship and provisions on seafarer complaints or 11 grievance handling procedures, on-shore and on-board, and masters or captain or employer 12 disciplinary procedures that shall comply with at least the minimum requirements of the MLC 13 2006 in order to ensure maximum possible protection of all Filipino seafarers. Nothing in this 14 section shall be deemed to prevent the negotiation and/or consummation of such agreements 15 that may contain higher than the minimum standards set by the POEA and/or the consolidated 16 17 MLC 2006.

19 SEC. 57. Voluntary and Free Acceptance of Agreement. Seafarers signing a seafarer 20 employment agreement shall be given an opportunity to examine and seek advice on the 21 agreement before signing, as well as such other facilities necessary to ensure that they have 22 freely entered into an agreement with sufficient understanding of their rights and 23 responsibilities.

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25 SEC. 58. Collective Bargaining Agreenients. To the extent compatible with Philippine law and practice, seafarer employment agreements shall be understood to incorporate any 26 27 applicable CBA. In furtherance of this, the POEA shall undertake measures to ensure that where a CBA forms all or part of a seafarer's employment agreement, a copy of that agreement 28 29 shall be available on board and where the language of the seafarer employment agreement and 30 any applicable CBA is not in English, the following shall also be available in English: (a) a copy 31 of a standard form of the agreement; and, (b) the portions of the CBA that are subject to a port 32 state inspection.

SEC. 59. Accessibility of Information and Record of Employment on Board Ship and in Ports to be visited. The POEA shall undertake measures to ensure that clear information as to the conditions of seafarer employment can be easily obtained on board by seafarers, including the ship's master, and that such information, including a copy of the seafarer employment agreement, is also accessible for review by officers of a competent authority, including those in ports to be visited, and that the seafarers shall be a given a document containing a record of their employment on board the ship.

42 SEC. 60. Seafarer Compensation for Ship's Loss or Founding, Hours of Work, Overtime 43 Work and Pay, Leaves and Shipboard Working Arrangements. The manning or crewing 44 agencies shall ensure that the standards set by the MLC 2006 concerning seafarer compensation 45 for the ship's loss or foundering, hours of work, overtime work and pay, entitlement to leave 46 and shipboard working arrangements are met on any and all seafarer employment agreements 47 that are processed and/or consummated in the course of their recruitment and placement 48 activities.

50 SEC. 61. Salaries, Wages, Allotment and Remittances. All seafarers shall be paid for 51 their work regularly and in full in accordance with their employment agreements. It shall be 52 mandatory for all seafarers to remit a portion of their earnings to their families, dependents, 53 and/or beneficiaries in accordance with rules and regulations prescribed by the DOLE 54 Secretary.

55 SEC. 62. *Limitations on Wage Deductions*. A deduction from the seafarer's wages shall 56 not be made without his or her written consent, unless the deduction is provided for in the 57 contract of employment and is authorized by law. 58

1 SEC. 63. *Rest Periods.* A seafarer shall be allowed reasonable rest periods in accordance 2 with international standards and the Labor Code. He or she shall be entitled to adequate time 1 3 for rest and sleep. The period of rest shall, during any 24-hour period, amount to not less than 10 hours.

SEC. 64. *Shore Leave*. The seafarer shall be allowed shore leave when practicable, upon the consent of the master of deputy, taking into consideration the operation and safety of the vessel and the seafarer.

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10 SEC. 65. *Short Manning and Saved Wages.* In the event that the whole or part of the 11 voyage is carried out with a smaller crew than what was previously appointed, or if the number 12 of the active members of the crew is reduced prior to or during the voyage, the wages saved 13 due to this circumstances shall be distributed proportionately among the members of the active 14 crew who assumed additional work resulting therefrom.

16 SEC. 66. *Personal Effects.* A seafarer may bring a reasonable number of articles for 17 personal use: *Provided, however,* That this does not involve inconvenience to the ship or cargo or 18 pose any health risk on board. If the seafarer's personal effects are lost or damaged as a result of 19 shipwreck, loss or stranding, abandonment of the vessel, or as a result of fire, flooding, collision 20 or piracy, the employer shall reimburse him or her for said loss or damage.

SEC. 67. Consideration of Seaworthiness. When more than half of the crew makes a written complaint to the master regarding the seaworthiness of the ship for the forthcoming voyage, and if the chief engineer of first mate makes a similar complaint regarding the part of the ship, appurtenances or equipment under their respective supervision, the ship master shall be bound to have the ship examined. If the shipmaster refuses to let the ship be examined despite valid complaint to do so, the crew may refuse to proceed with the voyage.

CHAPTER X

HEALTH AND SAFETY

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34 Sec 68. *Prevention of Health Hazards*. Work on board the vessel must be organized and 35 executed in such a manner that the seafarer's safety is properly attended to. When a seafarer is 36 assigned to work, due regard shall be paid to his or her qualifications to undertake the work on 37 a safe and sound basis. Provisions shall be made to ensure that the seafarer is well-informed of 38 the hazards inherent to the work, and that he or she is given the proper guidance and adequate 39 practice necessary to avoid such hazards. 40

41 **Sec 69.** *Sanitary Conditions.* Measures should be undertaken to ensure cleanliness and 42 proper hygiene on board. The master shall ensure that the crew is provided a well-balanced 43 diet. He should also guarantee that the crew receives the necessary vaccination or inoculation as 44 required by the circumstances or the laws of the country of which the vessel may enter.

46 **SEC. 70.** *Health and Prevention of Accidents.* Practical measures should be taken by the 47 Maritime Training Council to bring to the attention of young seafarers information concerning 48 the prevention of accidents and the protection of their health on board ships, such measures 49 could include adequate instruction in courses, official accident prevention publicity intended 50 for young persons and professional instruction and supervision of young seafarers.

52 SEC. 71. *Harmful Substances*. Education and training of young seafarers both ashore 53 and on board ships should include guidance on the detrimental effects on their health and well-54 being of the abuse of alcohol and drugs and other potentially harmful substances, and the risks 55 and concerns relating to HIV/AIDS and of other health-risk related activities.

56 SEC. 72. *Medical Examination and Medical Service*. A seafarer engaged to perform 57 services on board shall secure a medical certificate to the effect that he is not suffering from any 58 illness or mental or physical defect rendering, him unfit for work or which may constitute 59 danger to other persons on board.

Any member of the crew is entitled to free medical examination should there be any reason to believe that such is necessary to monitor and maintain his good health and environmental conditions on board the vessel.

SEC. 73. Protection from Sexual Harassment. It shall be the duty of the master and the employer to prevent the commission of acts constituting sexual harassment and to provide measures for the resolution, settlement or prosecution of acts of sexual harassment.

Sexual harassment is herein defined as an act committed by an employer, employee, supervisor, agent of the employer, any other person who, having authority, influence or moral ascendancy over another in a work, training, cadetship, internship environment demands, requests or otherwise requires any sexual favor from another, regardless of whether the demand, request or requirement is accepted by the subject of the said Act.

CHAPTER XI

SOCIAL WELFARE SERVICES AND DISABILITY BENEFITS

SEC. 74. Disability. In case of total or partial disability of the seafarer during the term of 22 his or her employment caused by either injury or illness, the seafarer shall be compensated in accordance with the schedule of the benefits prescribed by the law. Computation of his or her benefits arising from an illness or disease shall be governed by the rates and the rules of compensation applicable at the time the illness or disease was contracted. 26

27 No compensation shall be payable in respect in any injury, incapacity, disability or death 28 of the seafarer resulting from his or her willful or criminal act; Provided, however, That the 29 employer can prove that such injury, incapacity, disability or death is directly attributed to the 30 seafarer.

32 When requested, the employer shall furnish the seafarer a copy of all pertinent medical 33 reports or records at no cost to the seafarer.

35 SEC. 75. Employer's Liability in Case of Death. When the scafarer dies as a result of 36 injury or illness during the term of employment, the employer shall pay the beneficiary of the 37 seafarer all outstanding obligations due to the seafarer under his or her employment contract; 38 The employer is also mandated to notify the next of kin and make arrangement for burial, 39 return or repatriation of the remains. If the death occurs in a foreign territory, the master shall 40 also inform the nearest Philippine Embassy or Foreign Service Office of said death. The remains 41 and personal effects of the seafarer shall be transported to the Philippines at the employer's 42 expense except if the death occurred in the port where local government laws or regulations do 43 not permit the transport of such remains.

45 In case death occurs at sea, the arrangements for the handling of the remains shall be 46 drawn up and proposed by the shipmaster to the next of kin of the deceased. In all cases, the employer and/or shipmaster, through the manning and crewing agency, shall communicate 47 with the next of kin of the deceased and secure the next of kin's concurrence as regards the 48 49 proposed arrangements covering the handling of the seafarer's remains. The employer shall 50 also pay for the seafarer's burial expenses.

52 SEC. 76. Death Benefits. In case of death of the Filipino seafarer during the term of his or 53 her contract, the employer shall pay his or her beneficiaries the corresponding death benefits.

55 The benefits shall be separate and distinct from and shall be in addition to whatever 56 benefits the seafarer is entitled to under Philippine laws and regulations.

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- No benefits shall be payable in case of death resulting from a willful act by the Filipino
 seafarer. In connection thereto, the employer can prove that such death is directly attributed to
 the seafarer.
 - **SEC. 77**. *Payment of Benefits*. The employer shall ensure expeditious arrangement for the payment of death or personal injury benefits provided under this Act.
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The employer shall likewise arrange for adequate insurance coverage.

10 SEC. 78. *Review of Benefits.* The POEA shall, upon consultation, with the seafarer 11 unions and associations of manning agencies and shipping companies, undertake a regular 12 annual review of the death benefits provided under this Act and through its governing board, 13 update or amend the death benefits to keep it at par with prevailing international standards. 14

15 SEC. 79. Seufarer's Loan Guarantee Fund. The OWWA, in coordination with 16 government financial institutions, shall institute financing schemes that will expand the grant of 17 pre-departure loan and family assistance loan to seafarers in accordance with Section 21 of RA 18 8042. All other laws, rules and regulations and OWWA Board Resolutions that may be enacted 19 or adopted in the future, which shall grant OWWA loans to Overseas Filipino Workers and/or 12 their families or beneficiaries, shall be deemed to include Filipino seafarers working abroad 21 and/or their families or beneficiaries.

23 **SEC. 80**. *Housing and Provident Benefits*. Seafarers shall be provided access to the 24 government's housing program through membership in the Pag-IBIG Fund (Home 25 Development Mutual Fund).

27 **SEC. 81**. *Care of the Sick or Injured.* In case of illness or injury during the term of 28 employment, the master shall arrange for the seafarer to receive proper nursing care on board 29 or ashore, including proper medical attention and medicines.

The sick or injured seafarer shall continue to receive his wages during the time he is under contract.

If the work-related injury or illness requires medical and/or dental treatment in a foreign port, the employer shall be liable for the full cost of such medical, serious dental, surgical and hospital treatment as well as board and lodging until the seafarer is declared fit to. work or to be repatriated.

39 SEC. 82. Care for Repatriated Seafarers. If after repatriation, the overseas seafarer still 40 requires medical attention arising from said injury or illness, he or she shall be so provided, at 41 cost to the employer until such time he or she is declared fit and the degree of his or her 42 disability has been established by the employer-designated physician. 43

For this purpose, the seafarer shall submit himself or herself to a post-employment medical examination by a company-designated physician within three (3) working days upon his or her return except when he or she is physically incapacitated to do so, in which case, a written notice to the agency within the same period is deemed as compliance. Failure of the seafarer to comply with the mandatory reporting requirement shall result in his or her forfeiture of his or her right to claim the above benefits.

- 51 **SEC. 83.** *Social Security Benefits.* All seafarers shall be members of the welfare fund of 52 the OWWA, the PAG-IBIG Fund, the SSS, and the Philippine Health Insurance Corporation 53 (Philbealth). 54
- 55 **SEC. 84.** *Welfare Facilities and Services.* The DOLE, in coordination with the DOTC, 56 PPA and other relevant government agencies, shall ensure the provision of such welfare 57 facilities and services as may be required, in appropriate seaports and airports of the country to 58 be known as Seafarer Welfare Center. The DOLE, in coordination with the aforementioned 59 agencies, shall take measures designed to expedite the free circulation among ships, seafarers,

central supply agencies and welfare establishments of welfare materials such as films, books, 1 2 newspaper and sports equipment for use by seafarers on board their ships and in welfare centers ashore. International seminars on the subject of welfare of seafarers at sea and in port 3 4 shall be organized. Where appropriate, facilities for religious observances, legal services and personal counseling shall be provided in the said welfare centers. 5

CHAPTER XII

8 9 DISCIPLINARY AND DISPUTE SETTLEMENT PROCEDURE 10 11 12 SEC, 85. Duties of the Employer Master. 13 To faithfully comply with the stipulated terms and conditions of the employment 14 a) contract, particularly the prompt payment of wages, remittance of allotment and 15 the expeditious settlement of valid claims of the seafarer; 16 17 18 b) To make operational on board the vessel the grievance machinery provided in this contract and ensure its free access at all times by the seafarer; and 19 20 21 To ensure the protection and safety of seafarers at all times. c) 22 23 24 SEC, 86. Duties of the Seafarer. 25 26 To faithfully comply with and observe the terms and conditions of his contract, a) violations of which shall be subject to disciplinary sanctions; 27 28 29 To treat the ship and the cargo with proper care his duties as a whole with due b) 30 responsibility; 31 32 c) To comply with company rules, regulations and policies consistent with the rules 33 and regulations issued by the DOLE; 34 35 To conduct himself or herself in an orderly and respectful manner towards d) passengers and shipper stevedores, port authorities and other persons with 36 official business with the ship. Each shall treat his or her colleagues on board 37 with due consideration; and 38 39 To observe the grievance procedure outlined in this Act. 40 e) 41 42 SEC. 87. Disciplinary Procedures. The employer or master shall serve seafarers with a 43 written notice containing the grounds for the charges as well as the date, time and place for a 44 formal investigation of the charges against the seafarer concerned. 45 46 The employer or master or authorized representative shall conduct the investigation or 47 hearing, giving the seafarer the opportunity to explain or defend himself or herself against the charges. An entry on the investigation shall be made in the ship's logbook. If, after the 48 49 investigation or hearing, the employer or master is convinced that the imposition of a penalty is 50 justified, the employer or master shall issue a written notice of penalty and the reason thereof to

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53 54 The aggrieved seafarer may appeal in writing within a period of five (5) days from the 55 date the master rendered decision to a grievance resolution committee composed of one (1) 56 representative from the ratings to be chosen by the concerned seafarer, one (1) representative 57 from the officer level to be chosen by the master, and one (1) neutral party to be agreed on by 58 the concerned seafarer and shipmaster.

the seafarer, with copies furnished to the manning or crewing agency which deployed the said

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seafarer.

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The Grievance Resolution Committee shall review the appeal within a period of not more than fifteen (15) days from the date of appeal. Execution of judgment is deemed suspended upon filing of the appeal.

SEC. 88. Grievance Machinery.

a) If the seafarer considered himself or herself aggrieved, he or she shall make his or her
 complaint in accordance with the following procedures:

- 1. The seafarer shall approach the head of the department in which he is assigned to explain his grievance;
 - The seafarer shall state his or her grievance in writing and in an orderly manner, and shall choose a proper time when his or her complaint or grievance can be properly heard;
 - 3. The Department Head shall seek to resolve the complaint or grievance and, where solution is not possible at his level refer the complaint or grievance to the master;
- 4. If the seafarer is not satisfied with the decision of the master, he or she may appeal to the Grievance Resolution Committee which shall be composed of the one (1) representative from the ratings to be chosen by the concerned seafarer, one (1) representative from the officer level to be chosen by the Master, and one (1) neutral party to be agreed on by the concerned seafarer and shipmaster;
 - 5. The Grievance Resolution Committee shall seek to address and resolve the grievance within a period of fifteen (15) days upon receipt of written appeal;
 - 6. If no satisfactory result is achieved, the seafarer concerned may appeal to the management of the company or with a Philippine Labor *Attache* or consular officer overseas.
 - 7. The Master shall afford such facilities necessary to enable the seaman to transmit his or her appeal; and
- b) The Grievance Machinery shall be availed of by the parties to the dispute irrespective of whether or not their contractual relationship is covered by a collective bargaining agreement. The procedure shall be a condition precedent prior to the assumption by the voluntary arbiter or panel of voluntary arbitrators or the labor arbiter of their original and exclusive jurisdiction. When availed by the seafarer, the grievance procedure and all actions or decisions agreed upon shall be properly documented for the protection and interest of both parties. Speedy resolution of cases shall be given utmost priority.
 - c) The Grievance Resolution Committee shall include, among others in its resolution, order or decision a certification of whether or not the relationship of the parties to the dispute are covered by a collective bargaining agreement, and the referral of the dispute to the appropriate venue.

SEC. 89. *Dispute Settlement*. The procedure herein stated shall be without prejudice to 54 the other action that maybe brought by the seafarer before the jurisdiction of the concerned 55 regular courts and/or National Labor Relations Commission (NLRC); or to the exclusive and 56 original jurisdiction of the voluntary arbitrator or panel of arbitrators appointed from the 57 accredited voluntary arbitrators of the National Conciliation and Mediation Board (NCMB) of 58 DOLE.

1 SEC. 90. Voluntary Arbitration. Pursuant to the constitutional mandate on the 2 preferential use of voluntary modes of dispute settlement, the DOLE shall adopt procedural 3 guidelines in the conduct of voluntary arbitration proceedings involving the maritime sector, 4 and promote the use of voluntary arbitration as a mode to achieve speedy resolution of cases. 5

6 SEC. 91. *Money Claims.* Notwithstanding any provision of law to the contrary, the 7 Labor Arbiters of the NLRC shall have the original and exclusive jurisdiction to hear and 8 decide, within ninety (90) calendar days after filing of the complaint, the claims arising out of an 9 employer-employee relationship or by virtue of any law or contract involving a Filipino 10 seafarer, including claims for actual, moral, exemplary and other forms of damages.

The Labor Arbiter, recognizing the significance of the different modes of alternative dispute resolution shall before its assumption of jurisdiction ensure that the dispute has undergone the mandatory grievance procedure and not within the ambit of voluntary arbitration.

The liability of the principal or employer and the manning or crewing agency for any 17 and all claims under this section shall be joint and several. This provision shall be incorporated 18 in the contract for overseas employment and shall be a condition precedent for its approval. The 19 performance bond to be filed by the manning and crewing agency, as provided by law, shall be 20 21 answerable for all money claims or damages that may be awarded to the seafarer concerned. If the manning or crewing agency is a juridical being, the corporate officers and directors and 22 partners as the case may be, shall themselves be jointly and solitarily liable with the corporation 23 or partnership for the aforesaid claims and damages. 24 25

Such liabilities shall continue during the entire duration of the employment agreement and shall not be affected by any substitution, amendment or modification made locally or in a foreign country where the said contract was entered into. Any compromise, amicable settlement or voluntary agreement on money claims inclusive of damages under this section shall be paid within four (4) months from the approval of the settlement by the appropriate authority.

In case of termination of overseas employment without just, valid or authorized cause defined by law or contract, the seafarer shall be entitled to the full reimbursement of his or her placement fee with interest at twelve percent (12%) per annum, plus his or her salaries for the unexpired portion of his or her employment contract or for three (3) months for every year of the unexpired term, whichever is less.

38 **SEC. 92.** *Liability for Claims.* The liability of the principal or employer and the manning 39 agency for any claims made by a Filipino seafarer under this title shall be joint and several.

41 SEC. 93. Mandatory Liability Insurance. The State shall establish a system of 42 protection, by way of insurance or an equivalent appropriate measure, to compensate seafarers for monetary loss that they may incur as a result of the failure of a recruitment and placements 43 44 service or the relevant shipowner under the seafarer employment agreement to meet its 45 obligation to them. Towards this end, a mandatory liability insurance coverage for the benefit 46 of seafarers and to cover seafarer's money claims shall be established by the government whereby all manning or crewing agencies shall be required to join in. The seafarer or applicant 47 48 shall not be made to pay any charge or premium for this insurance. The State shall ensure the 49 payment in full and without delay of seafarer money claims. An administrative finding by the 50 POEA of any violation of this section shall cause the manning or crewing agency concerned to 51 suffer the penalty of suspension or cancellation of its license to operate.

53 SEC. 94. *Prescriptive Period.* Recognizing the particular nature of overseas shipboard 54 employment, all monetary claims arising from the seafarer contract shall prescribe within three 55 (3) years from the date of the seafarer's return to the point of hire. All monetary claims of those 56 employed in domestic shipping shall prescribe within three (3) years from the day the action 57 commenced.

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| | CHAPTER XIII |
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| | POST EMPLOYMENT |
| SEC. cease when f | 95. Termination of Employment. The employment of the overseas seafarer shall be or she: |
| a) from | Completes his or her period of contractual service aboard the vessel, signs of the vessel and arrives at the point of hire; |
| b) | Arrives at the point of hire for any of the following reasons: |
| | i. Voluntarily resigns for just cause and signs off prior to expiration of contract; ii. Signs-off and disembarks for health reasons; |
| | iii. Signs-off due to shipwreck, lay-up of vessel, change of vessel o discontinuance of voyage; and |
| | iv. Is discharged for just cause. |
| SEC. | 96. Termination by the Seafarer. |
| a) following: | A seafarer may terminate the employer-employee relationship based on th |
| | i. The ship is not seaworthy; ii. The principal changes; iii. The vessel is sold; iv. The vessel is shipwrecked; v. The seafarer has been ill-treated on board and the master has failed to protect him when requested to do so; vi. The voyage is discontinued or substantially altered; vii. After the seafarer starts on board, it appears that the ship risk being seized by a belligerent power or exposed to war damage, or that such risk i imminent or has increased considerably; and viii. After the seafarer starts on board, it appears that a violent epidemic diseas has broken out in the port for which the ship is bound; |
| b) | In cases mentioned in paragraph (a), subparagraph (vi)-(viii) hereof, the seafare may take his/her departure with immediate effect if the voyage has no commenced, or otherwise at the ship's first port of call after he has become aware of the situation. |
| transferred a employer wi such transfer shall, in no w was original | 97. Prohibition against Transfer of Station. A Filipino seafarer shall not be at any port to any vessel owned or operated, manned or managed by the same thout the seafarer's consent. In the event that the seafarer concerned consents with the position of the seafarer and the rate of his or her wages and terms of services ray, be lower or inferior and the total period of employment shall not exceed what by agreed upon. Any form of transfer shall be documented and reported by the prowing agones to the POEA. |

53 SEC. 98. Post-Employment Benefits. Whenever applicable, in addition to the benefits a 54 seafarer may be entitled to under the OWWA and the SSS, a retiring seafarer covered by 55 collective bargaining agreement shall be entitled to such post-employment benefits as may be 56 provided in his or her employment agreement.

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manning or crewing agency to the POEA.

A Filipino seafarer who is not covered by a CBA, on the other hand, may, upon notice to 58 59 his or her manning or crewing agency and principal, authorize the deduction of a specified percentage of his or her monthly wages to form part of his or her voluntary contribution to the
 post-employment fund. The amount to be deducted shall be placed in an account in the name of
 the contributing seafarer.

CHAPTER XIV

REPATRIATION

SEC. 99. Repatriation. All costs related to the repatriation and/or transport of the 10 personal effects of a seafarer shall be borne by or charged to the manning or crewing agency 11 concerned and/or its principal. The expenses of repatriation shall include the transportation 12 charges, the accommodation and the food of the seafarer during the journey. However, in cases 13 where the termination of employment is due solely to the fault of the seafarer, the principal or 14 employer or manning or crewing agency shall not in any manner be responsible for the 15 repatriation of the former and/or his or her personal effects. The implementing rules and 16 regulations of this act shall contain of seafarers that shall strictly adhere to the relevant 17 provisions of the MLC 2006. 18

SEC. 100. Mandatory Repatriation of Underage Seafarers. Upon discovery or information of a Filipino seafarer under the age of eighteen (18) in violation of Sec. 20 (b) of this Act, the nearest Philippine consulate office shall, without delay, repatriate the said seafarer and advise the DFA and DOLE as soon as possible of such discovery and other relevant information.

SEC. 101. *Emergency Repatriation.* The DOLE, in coordination with the OWWA and the DFA, shall undertake the repatriation of seafarers in cases of war, epidemics, disasters or calamities, natural or man-made, and other similar events without prejudice to reimbursement by the responsible principal or manning or crewing agency. Seafarers who are detained in a foreign port shall be dealt with promptly under due process of law and shall be provided by the DFA with appropriate consular protection and shall be repatriated promptly, especially when the family of the seafarer or the seafarer himself or herself requests immediate repatriation.

34 SEC. 102. *Legal Assistance Fund*. The Legal Assistance Fund created under RA No. 8042 35 shall extend legal services to an overseas seafarer who is in distress in accordance with the 36 guidelines, criteria and procedures promulgated therein. ł

CHAPTER XV

REINTEGRATION SERVICES

SEC. 103. *Retraining and Reintegration*. Returning or unemployed seafarers may avail of the livelihood development or re-training programs and placements services offered by concerned government agencies, including OWWA and TESDA, TLC, and the CDA.

These agencies shall formulate skills upgrading or retraining curricula to meet the needs of returning or unemployed seafarers. The participation of the maritime industry, in particular, port and shipping industry, and maritime educational institutions shall be likewise solicited by the DOLE in devising the appropriate retraining and local job placement programs for unemployed seafarers.

53 **SEC. 104.** *Establishment of Reintegration Center.* A Re-integration Center within the 54 OWWA shall be established to attend to the needs of returning seafarers. The Center shall 55 provide a mechanism for their reintegration into the Philippine society, serve as a promotion 56 house for their local employment, and tap their skills and potentials for national development.

The Center shall provide the following services:

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- a) Develop livelihood programs and projects for returning seafarers in coordination with the private sector and concerned government agencies;
- b) Coordinate with appropriate private government agencies in the promotion, development, and full utilization of their potentials. For this purpose, the DOLE shall be the implementer. The CDA and the TLRC shall develop among returning Filipino seafarers, technical expertise in the enterprise building and development, while the DSWD shall provide the necessary services for the effective social re-integration of migrant workers;
- c) Develop a matching program that will allow returning Filipino seafarers to establish business partnerships and employment options with public and private sector enterprises in the country; and
 - d) Provide a periodic study of the assessment of job opportunities for returning seafarers.

18 SEC. 105. Scholarship Programs. Qualified seafarers or their immediate descendants, 19 who intend to pursue science and technology related courses may apply for scholarships with -20 the OWWA, which shall benefit deserving overseas seafarers and/or their immediate 21 descendants below twenty-one (21) years of age who intend to pursue courses or training 22 primarily in the field of science and technology.

The DOLE, in coordination with the CHED, shall establish a similar program for domestic seafarers within a period of three (3) years from the enactment of this Act.

CHAPTER XVI

ACCOUNTABILITY OF GOVERNMENT OFFICIAL AND PERSONNEL

32 SEC. 106. Accountability of Government Officials and Personnel. Any government 33 official and personnel who fails or refuses to render service(s) and/or assistance to seafarers 34 without just cause shall, after due notice and hearing, and if found guilty, be punished with 35 suspension from office of not less than thirty. (30) days or dismissal from the service with 36 forfeiture of refirement and other benefits.

CHAPTER XVII

TRANSITORY PROVISIONS

43 **SEC. 107**. *Implementing Rules and Regulations*. The DOLE, in coordination with the 44 DFA and the Senate Committee on Labor and the House Committee on Overseas Workers' 45 Affairs and other agencies concerned, after consultation with the stakeholders and within 46 ninety (90) days after the affectivity of this act, shall formulate its rules and regulations.

SEC. 108. *Separability Clause*. If any provision of this Act is declared unconstitutional, the remaining provisions shall continue in force.

51 SEC. 109. *Repealing Clause*. All laws, presidential decrees, or issuance, executive orders, 52 letters of instruction, rules or regulations inconsistent with the provisions of this Act are hereby 53 repealed or modified accordingly.

55 **SEC. 110.** *Effectivity Clause.* This Act shall take effect fifteen (15) days after its 56 publication in the Official Gazette or in at least two (2) newspapers of general circulation, 57 whichever comes first. 58

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