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HOUSE OF REPRESENTATIVES

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BY REPRESENTATIVES MANALO, SALVACION, PADILLA, BATAOIL, PAQUIZ, DELA CRUZ, LEONARDIA, UNGAB, NAVA (J.), TEVES, PIAMONTE, SANTIAGO, TAN (A.), OAMINAL, DEL MAR, COSALAN, ALMONTE, GOMEZ, CHIPECO, CALIXTO-RUBIANO AND ABAYA, PER COMMITTEE REPORT NO. 594

AN ACT MODERNIZING THE PRACTICE OF NAVAL ARCHITECTURE IN THE PHILIPPINES AND REPEALING FOR THE PURPOSE REPUBLIC ACT NUMBERED FOUR THOUSAND FIVE HUNDRED SIXTY-FIVE (R.A. No. 4565), OTHERWISE KNOWN AS "THE NAVAL ARCHITECTURE AND MARINE ENGINEERING LAW"

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

- SECTION 1. Short Title. This Act shall be known as the "Naval Architecture Law".
- SEC. 2. Declaration of Policy. The State recognizes the importance of naval architects in nation building and development. Thus, the State shall endeavor to develop and nurture competent, ethical and globally competitive
- 6 naval architects whose standards of professional practice and service shall
- 7 conform to the highest standards of excellence.

SEC. 3. Definition of Terms. - As used in this Act:

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- (a) Naval architecture refers to the hydrodynamic and hull form characteristics of the ship, the structural design of the hull, its maneuverability characteristics and its ability to operate in the marine environment. It necessarily includes marine engineering which is primarily concerned with the engineering systems including the main propulsion plant, the powering and mechanical aspect of ship functions such as steering, anchoring, cargo handling, heating, ventilation, airconditioning, electrical power generation and distribution, and communications;
- (b) Naval architect refers to a professional engineer who possesses a Bachelor of Science degree in Naval Architecture and Marine Engineering and thus has completed the study of the engineering discipline dealing with the design, construction, maintenance, and operation of marine vessels and structures as well as its machinery and engineering systems;
 - (c) Practice of naval architecture refers to the following:
- (1) Design, preparation of plans, specifications, estimates, project/feasibility studies and supervision of the construction, conversion, modification, repair or survey of any floating vessel or structure, self-propelled or otherwise;
- (2) Design, preparation of plans, specifications, estimates, project/feasibility studies and supervision of the installation of the main propulsion plant, the powering and mechanical aspects of ship functions such as steering, anchoring, cargo handling, heating, ventilation, airconditioning, electrical power generation and distribution, and communications;
- (3) Consultation, valuation, investigation, and management services requiring naval architecture and marine engineering knowledge;

(4) Management, operation, and maintenance of any shipyard facility with graving dock, ship lift and marine slipways, capable to drydock, repair or do maintenance works on any floating vessels or structures;

- (5) Teaching of naval architecture professional subjects in government-recognized and accredited engineering schools; and
- (6) Employment in government as a professional naval architect if the work is in line with the profession requiring professional knowledge in naval architecture.

The scope of practice and range of work activities listed and described in this section shall not be construed as excluding any other work requiring naval architecture knowledge and application, including specialized work like ship salvaging and ship recycling.

SEC. 4. Creation of the Professional Regulatory Board of Naval Architecture. — There is hereby created a Professional Regulatory Board of Naval Architecture, hereinafter called the Board, which shall be under the administrative control and supervision of the Professional Regulation Commission (PRC). The Board shall be composed of a Chairperson and two (2) members to be appointed by the President of the Republic of the Philippines from among those recommended by the PRC from the nominees of the duly accredited professional organization (APO) of naval architects.

SEC. 5. Term of Office of the Members of the Board. - The Chairperson and the members of the Board shall hold office for a term of three (3) years from the date of the appointment. A member may be reappointed for another term not exceeding three (3) years.

No member of the Board shall serve for more than two (2) regular terms. Any vacancy occurring within the term of a member due to resignation, conviction of any kind, disability or death, or removal from office, shall be filled only for the unexpired portion of the term. Each member of the Board shall take an oath of office prior to the official performance of duties.

- SEC. 6. Removal of the Board Members. The President of the Republic of the Philippines, upon recommendation of the PRC, may suspend or remove any member of the Board for neglect of duty, incompetence, manipulation or rigging of the licensure examination results, disclosure of confidential information like the examination questions prior to the conduct of the examination, or tampering of the grades therein; for unprofessional or unethical conduct; or for any final judgment or conviction of any criminal offense by the courts and after having given the member concerned an opportunity to be heard and defend oneself in a proper administrative investigation.
- SEC. 7. Powers and Duties of the Board. The Board shall exercise the following specific powers, functions, duties and responsibilities:
 - (a) Promulgate and adopt the rules and regulations necessary for implementing and carrying out the provisions of this Act;
- (b) Supervise the registration, licensure, and practice of naval architects in the Philippines;
- (c) Administer oaths in connection with the successful examinees entering the practice of naval architecture;
 - (d) Issue the certificate of registration to successful examinees;
- (e) Issue, suspend or revoke, after due process, certificates of registration and issue, cancel or suspend professional license or cancel special permits for the practice of naval architecture for cause as provided by law;
 - (f) Adopt an official seal of the Board;
- (g) Evaluate and look into the conditions affecting the practice of the profession and, whenever necessary, adopt such measures as may be deemed

appropriate for the continuous enhancement and maintenance of high professional and ethical standards in the profession for the protection of public welfare, life, health and property;

- (h) Prescribe or adopt, or both, a Code of Ethics and Professional Standards for the practice of the profession;
- (i) Investigate, hear and try administrative cases involving violations of this Act, its implementing rules and regulations, the Code of Ethics and Professional Standards;
- (j) Issue subpoena ad testificandum and subpoena duces tecum to secure the appearance of witnesses and the production of documents in connection with the exercise of its quasi-judicial powers;
- (k) Prescribe guidelines for the Continuing Professional Development (CPD) program in coordination with the APO for naval architects;
- (l) Prepare, adopt, issue or amend the syllabi of the subjects for board examinations:
 - (m) Study, examine and recommend, in coordination with the Commission on Higher Education (CHED) and the Technical Education and Skills Development Authority (TESDA) and in consultation with other concerned government entities and the APO for naval architecture, the essential requirements as to the curricula and facilities of schools, colleges or universities seeking permission to open courses or programs or already offering courses or programs in naval architecture and related courses or programs and to see to it that these requirements, including employment of qualified faculty members, are properly complied with; and
 - (n) Perform such other functions as may be necessary in order to implement the provisions of this Act.

- SEC. 8. Qualifications of Members of the Board. At the time of their respective appointments, the members of the Board, including the Chairperson, must:
 - (a) Be a natural born citizen and a resident of the Philippines for at least five (5) consecutive years prior to appointment;
 - (b) Be at least thirty-five (35) years of age;

- (c) Hold a degree of Bachelor of Science in Naval Architecture and Marine Engineering conferred by a school, college or university in the Philippines recognized by the CHED;
- (d) Be a naval architect duly registered by the PRC and who has been in active practice for at least ten (10) years prior to appointment, either in self-practice, employment in the private sector or government service;
 - (e) Be a member in good standing with the APO for naval architecture;
- (f) Be a person who, for a period of three (3) consecutive years prior to appointment, was not a member of the faculty of any school, college or university conferring an academic degree and/or certification/accreditation necessary for admission to the practice of naval architecture nor has any pecuniary interest in or administrative supervision over any such institutions of learning;
- (g) Be a person who, for a period of three (3) consecutive years prior to appointment, was not connected with a review center nor with any group where review classes in preparation for the licensure examination are being conducted; and
- (h) Be a person who has not been convicted of an offense involving moral turpitude.
- SEC. 9. Supervision of the Board, Custodian of its Records, Secretariat and Support Services. The Board shall be under the general supervision of the PRC. All records of the Board, including applications for examination,

1	examination papers and results, minutes of deliberation, administrative cases
2	and other investigative cases involving the profession shall be kept by the
3	PRC.

The PRC shall designate the Secretary of the Board and shall provide secretariat and other support services to implement the provisions of this Act.

SEC. 10. Compensation and Allowances of the Board Members. — The Chairperson and members of the Board shall receive compensation and allowances comparable with the compensation and allowances being received by the Chairpersons and members of existing regulatory boards in the Commission and as may be provided for in the General Appropriations Act.

SEC. 11. Annual Report. – The Board shall, within thirty (30) days after the close of each calendar year, submit an annual report to the President of the Republic of the Philippines through the PRC, giving a detailed account of its proceedings and accomplishments during the year and making recommendations for the adoption of measures that will upgrade and improve the conditions affecting the practice of the profession in the Philippines.

SEC. 12. Licensure Examination, Fees and Schedule. – All applicants for registration for the practice of naval architecture shall be required to pass a written technical examination as provided for in this Act.

Each applicant admitted to take the examination shall pay fees as may be prescribed before being allowed to take the examination.

Examination of applicants shall be conducted by the Board once a year, on the date and venue prescribed by the PRC.

SEC. 13. Qualification for Examination. — To be admitted to take the naval architecture examination, an applicant must be a citizen of the Philippines, must not have been convicted by a court of law of a crime involving moral turpitude, and must have been conferred a Bachelor of

Science degree in Naval Architecture and Marine Engineering by a school, college or university duly recognized by the CHED.

SEC. 14. Scope of Examination. – The examination for naval architects shall consist of written tests which shall cover subjects prescribed by the Board and include at least the following: general engineering, naval architecture, marine engineering, ship design and construction, compliance to maritime rules and regulations and such other pertinent subjects as the Board may deem necessary.

SEC. 15. Ratings. – To pass the naval architecture examination, the applicant-examinee must obtain an average of seventy percent (70%) of the ratings received in all subjects, with no rating below sixty percent (60%) in any of the subjects.

SEC. 16. Report of Ratings. - The Board shall submit to the PRC the ratings obtained by each candidate within fifteen (15) days after the examinations unless extended for just cause.

SEC. 17. Re-examination. — An applicant who fails to pass the examination for the third time shall be allowed to take another examination only after the lapse of one (1) year.

SEC. 18. Issuance of the Certificate of Registration and Professional License. — Upon payment of the registration fees as established by the PRC, the Board shall issue a certificate of registration to any applicant who has met all the requirements specified in this Act. The certificate of registration shall indicate the full name of the registrant and corresponding registration number, and shall be signed by all the members of the Board and the PRC. The official seal of the PRC shall be affixed on the certificate of registration.

A professional license bearing the registration number, date of issuance, and expiry date, duly signed by the Chairperson of the PRC, shall likewise be issued to every registrant upon payment of the applicable fees and

presentation of a valid/current membership identification card from the APO.

No person shall practice naval architecture in the Philippines unless such person shall have secured a license to practice naval architecture in the manner herein provided. A licensee is entitled to practice the profession with all the privileges appurtenant thereto, subject to compliance with all applicable requirements. The said license shall remain in full force and effect until withdrawn, suspended or revoked in accordance with this Act.

SEC. 19. Oath. - All successful naval architecture examinees shall be required to take an oath of profession before the Board or any government official authorized to administer oaths prior to entering the practice of naval architecture.

SEC. 20. Integrated and Accredited Professional Organization. — There shall be one (1) integrated and APO for naval architects in the country, which shall be registered with the Securities and Exchange Commission (SEC) as a nonstock, nonprofit corporation and recognized by the PRC and other government agencies as the one and only integrated and APO for naval architects.

Every naval architect, upon registration with the PRC, shall *ipso facto* become a member of this APO. Those who have been previously registered by the Board and the PRC but are not members of this APO at the time of effectivity of this Act shall be allowed to register as members of this organization within one (1) year after its effectivity. Membership in this APO shall not be a bar to membership in other professional associations, whether or not they are maritime related.

A member of good standing of this APO shall be issued a membership card indicating the membership number and validity period

which shall be affixed to all plans, specifications and any document, that such member shall sign in the course of the practice of the profession.

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Failure to maintain membership in good standing with the APO shall be a cause for delisting from the roster of professionals.

- SEC. 21. Continuing Professional Development (CPD) Programs. All registered naval architects shall comply with the applicable rules and regulations already prescribed by or as may be prescribed by the PRC, the Board, or the APO pursuant to this Act and other relevant laws, international agreements or covenants to which the Philippines is a signatory and has ratified with respect to CPD programs. Compliance with CPD requirement of the PRC shall be acted in favor of a member's standing in the APO.
- SEC. 22. Exemption from Examination and Registration. Provided that they have first secured the appropriate temporary/special permits from the Board, no examination nor registration shall be required for the following persons:
- (a) Foreign professional naval architects who are temporarily employed by the Philippine government or private firms to work in the Philippines under any of the following applicable cases:
- Where no qualified equivalent Filipino professional naval architect is available for the specific work to be rendered as attested to by the APO;
- (2) Where the conditions of the scope and funding for the work or project are such that it stipulates the temporary employment of a foreign professional naval architects;
- (3) Where employment is covered by the General Agreement on Trade and Services, the Association of Southeast Asian Nations (ASEAN) and the Asia Pacific Economic Community (APEC) Engineer Registry programs and other similar international treaties, agreements and/or

covenants to which the Philippine government is a signatory and has ratified: *Provided, however*, That:

- (i) The foreign professional is legally qualified to practice the profession in the country of origin in which the required standards for examination and registration are not lower than those specified in this Act;
- (ii) The work to be performed by the foreign professional shall be limited only to the particular work or project specifically contracted;
- (iii) Prior to commencing the work, the foreign professional shall have already secured a temporary/special permit from the Board, with the approval of the PRC: and *Provided*, That the temporary/special permit shall precede the issuance of any working visa and/or permit by the Department of Labor and Employment in favor of said foreign professional;
- (iv) The same foreign professional shall not engage in private practice in the Philippines;
- (v) For every foreign professional contracted for the work or project, at least one (1) corresponding Filipino professional who is registered under this Act shall be employed as counterpart by the Philippine government or by the private firm utilizing the services of the foreign professional for at least the same duration of time as the foreigner's tenure of work; and
- (vi) The temporary/special permit herein granted and issued by the Board shall be valid for a period of not more than six (6) months and shall be renewable every six (6) months thereafter subject to the discretion of the Board and the approval of the PRC: *Provided*, That the permit shall cease to be valid if the foreign professional terminates the employment in the work or project for which said permit was originally granted and thereafter engages in an occupation that requires another temporary/special permit under this Act.
- (b) Any Filipino who may make plans or specifications for any boat, dugout or other floating vessels made of wood, fiber-reinforced plastic, steel

and other materials, five (5) gross tons or less, for pleasure or business purposes; and may construct for oneself, either personally or otherwise, any such floating vessel without utilizing the services of a registered naval architect as long as these vessels or constructed materials do not exceed five (5) gross tons; and

- (c) Nothing in this Act shall be construed to prevent draftsmen, apprentices and subordinates of, or other persons undergoing training under the supervision of those lawfully engaged in the practice of naval architecture, from performing any of the acts constituting such practice under the instruction, control and supervision of their management, strictly pursuant to and for the purpose of such training.
- SEC. 23. Non-issuance of Certificate of Registration and/or Professional Identification Card for Certain Grounds. The Board and/or the PRC shall not register and thus shall not issue a certificate of registration and professional identification card to any person convicted by a court of competent jurisdiction of any criminal offense involving moral turpitude, or immoral or dishonorable conduct or to any person of unsound mind, furnishing the person concerned with a written statement containing the reasons for such action, which statement shall be incorporated in the records of the Board.
- SEC. 24. Suspension and Revocation of Certificate of Registration, Professional Identification Card and Temporary/Special Permits. The Board shall have the power, after due consultation or recommendation, or both, by the APO and upon due notice and hearing, to suspend or revoke the certificate of registration, professional identification card and temporary/special permits for any cause including the use of fraud or deceit in obtaining said documents, incompetence, negligence or abetment of the illegal practice of the profession, violations of the provisions of this Act, its

1 implementing rules and regulations and the Code of Ethics for Naval 2 Architects.

SEC. 25. Reinstatement, Re-issuance or Replacement of Certificate of Registration, Professional Identification Card and Temporary/Special Permits. – The Board, upon application and for reasons deemed proper and sufficient, may reinstate the validity of a revoked certificate of registration, professional identification card and temporary/special permit, two (2) years after its revocation, subject to compliance with the requirements and penalties to be imposed by the Board and/or the PRC, if any: Provided, That the holder of such certificate or permit did not commit any illegal practice of the profession or any violation of this Act, its implementing rules and regulations and the Code of Ethics and Code of Technical Standards for Naval Architects during the time that the certificate of registration, professional identification card and temporary/special permit was revoked.

A new certificate of registration, professional identification card or temporary/special permit to replace any lost, destroyed or mutilated certificate of registration, professional identification card or temporary/special permit may be issued, subject to the rules promulgated by the Board and the PRC, and upon payment of the required fees.

SEC. 26. Renewal of License. – The professional license shall serve as evidence that the licensee can lawfully practice the profession until the expiration of its validity. However, renewal of license can only be done upon payment of renewal fee corresponding to three (3) consecutive years and after a valid/current membership identification card from the APO is presented.

SEC. 27. Seal of Registered Naval Architects. - All registered naval architects shall obtain and use a seal of a design prescribed by the Board,

bearing the registrant's name, the registration number and the legend, "Registered Naval Architect".

Designs, plans, specifications, project studies, reports, proposals, and other professional documents prepared by and/or executed under the supervision of and issued by a registered naval architect shall be stamped on every sheet/page with said seal indicating the signature, current Professional Tax Receipt (PTR) number, date/place of payment, and valid/current membership identification number from the APO when filed with government authorities or when submitted or used professionally: *Provided*, That it shall be unlawful for a licensee or the licensee's representative to use and affix the seal on any document if the former's professional license has been revoked or is due to expire within one (1) month.

SEC. 28. Vested Rights. — All naval architects holding a valid certificate of registration and professional identification card at the time of effectivity of this Act shall be automatically registered and recognized as registered naval architects and shall be issued a new certificate of registration and professional identification card with the same license number as their original certificates of registration and professional identification cards, subject to the payment of prescribed fees and other requirements of the Board and/or the PRC.

SEC. 29. Prohibited Acts. - The following acts shall be prohibited:

(a) Causing the construction, conversion or alteration of any floating vessel or equipment for any work or project to be done in the Philippines whether for domestic or overseas trade unless the design, plans or specifications have been prepared under the responsible charge of, and duly signed and sealed by a registered naval architect. Further, said design, plans or specifications must be approved by a registered naval architect in

accordance with the standards prescribed by national and/or international maritime rules, regulations and conventions;

- (b) Admeasuring and calculating gross and net tonnages of vessels of more than five (5) gross tons for the assessment of anchorage, wharfage berthing, pilotage, dry docking, Panama or Suez Canal dues and other passages; and inspecting a vessel's hull, its outfitting and its main and auxiliary machineries unless carried out by or under the responsible charge of a registered naval architect;
- (c) Teaching professional subjects in naval architecture unless one is, at least, a duly registered and licensed naval architect;
- (d) Operating any shipyard for the purpose of building, converting, altering, or repairing of any floating vessel or equipment without contracting the services of a registered naval architect;
- (e) Recycling or salvaging of a ship works or undertaking any project without the services of a registered naval architect;
- (f) On the part of a classification society or third party certification body operating in the country, whether wholly-owned by Filipino or part of a multinational organization, conducting surveys and inspection of floating vessels and equipment without contracting the services of a registered naval architect; and
- (g) On the part of any firm, partnership, corporation, or association, engaging in the practice of naval architecture, as only persons who are properly registered and licensed may practice naval architecture. However, duly registered naval architects may form partnerships, corporations or associations among themselves or with other registered architects and use the title "Naval Architects", "Architects" or "Engineers" in their company's corporate name.

SEC. 30. Foreign Reciprocity. — No foreigner shall be registered as a licensed naval architect unless proven in the manner provided by the Board that, the country or state of which the foreigner is a citizen, subject or national of, or by specific provision of law, in accordance with international treaties, agreements and/or covenants to which their country or state is a signatory, admits Filipino citizens to practice as licensed naval architect after an examination or registration process under terms of strict and absolute equality with the citizens of said country or state, including the unconditional recognition of professional licenses issued by the Board and/or the PRC and prerequisite degrees/diplomas issued by institutions of learning duly recognized by the government of the Republic of the Philippines.

SEC. 31. Roster of Naval Architects. – The Board shall prepare and maintain a roster of the names, residence and/or office address of all registered naval architects, which shall be updated annually in cooperation with the APO, indicating therein the status of their certificate of registration or professional identification card and their membership standing in the APO, whether these are valid, inactive due to death or other reasons, in delinquent status, suspended or revoked. The roster of information shall be made available to the public upon inquiry or request.

SEC. 32. Positions in Government Requiring the Services of Registered Naval Architects. — Within one (1) year from the effectivity of this Act, all existing and proposed positions in the local and national governments, whether career, permanent, temporary or contractual and primarily requiring the services of naval architects shall accordingly be filled only by registered naval architects.

The Maritime Industry Authority, the Philippine Coast Guard, and the Board of Marine Inquiry as convened shall provide permanent seats in their respective Boards for the APO of naval architects in order to continuously promote and sustain maritime safety in the country and imbue the service with the benefits and advantages of sound technical advice and guidance on ship design, construction, operations and maintenance.

SEC. 33. Enforcement Assistance to the Board. — The Board shall be assisted by the PRC in carrying out the provisions of this Act and its implementing rules and regulations and other policies. The lawyers of the Commission shall act as prosecutors against illegal practitioners and other violators of this Act and its rules and regulations. The duly constituted authorities of the government shall likewise assist the Board and the Commission in enforcing the provisions of this Act and its rules and regulations.

SEC. 34. *Penal Clause*. — In addition to the administrative sanctions imposed under this Act, any person who violates any of the provisions of this Act and its rules and regulations shall, upon conviction, be penalized with a fine of not less than fifty thousand pesos (P50,000.00) but not more than one million pesos (P1,000,000.00) or imprisonment for a period of not less than six (6) months nor more than three (3) years, or both fine and imprisonment, at the discretion of the court.

SEC. 35. Implementing Rules and Regulations. — Subject to the approval of the PRC, the Board in coordination with the APO, shall adopt and promulgate such rules and regulations including the Code of Ethics and Code of Technical Standards of Practice for Registered Naval Architects to comply with the provisions of this Act within ninety (90) days after approval of this Act and which shall then be published in the Official Gazette or in a newspaper of general circulation and shall be effective fifteen (15) days after publication therein.

- SEC. 36. Funding Provisions. The Chairperson of the PRC include in the Commission's program the implementation of this Act, the funding of which shall be included in the annual General Appropriations Act.
- SEC. 37. Transitory Provisions. -

- (a) Upon approval of this Act, valid certificates of registration and professional identification cards as possessed by registered naval architects shall continue to be valid until its expiry. After which, they shall be renewed in full compliance with all the provisions of this Act;
- (b) Faculty members currently teaching naval architecture courses in higher education institutions shall not be allowed to continue teaching after one (1) year from the approval of this Act, unless they are or have become, at least, a registered naval architect, and have complied with the applicable requirements and qualifications prescribed under this Act; and
- (c) Upon effectivity of this Act, the present Board of Naval Architecture and Marine Engineering shall continue to function in the interim until such time as the new Board shall have been appointed and constituted. This new Board shall formulate and thereafter promulgate the implementing rules and regulations of this Act in consultation with the APO.
- SEC. 38. Separability Clause. If any provision of this Act or any portion hereof is declared unconstitutional by any competent court, the other provisions hereof shall not be affected thereby.
- SEC. 39. Repealing Clause. Republic Act No. 4565 is hereby repealed and all other laws, decrees, orders, rules and regulations, ordinances and other issuances or parts thereof which are inconsistent with this Act are hereby superseded, repealed or amended accordingly.

- 1 SEC. 40. Effectivity. This Act shall take effect fifteen (15) days after
- 2 its publication in the Official Gazette or in a newspaper of general circulation. Approved,