

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

24 NOV -4 P 3:42

SENATE
S. No. 2864

RECEIVED BY

Introduced by Senator Raffy T. Tulfo

AN ACT
STRENGTHENING THE PHILIPPINE COAST GUARD BY INTRODUCING POLICY
AND ORGANIZATIONAL REFORMS

EXPLANATORY NOTE

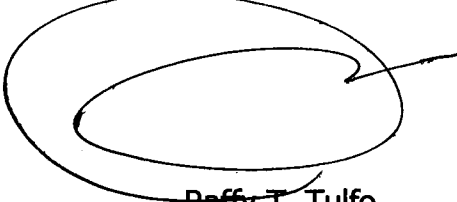
The Philippine Coast Guard (PCG) is the third armed uniformed service of the country attached to the Philippines' Department of Transportation, tasked primarily with enforcing laws within Philippine waters, conducting maritime security operations, safeguarding life and property at sea, and protecting marine environment and resources. The PCG is the oldest and only humanitarian armed service in the Philippines. Its beginnings could be traced back to the early 20th century when coast guarding was related to the protection of the customs services of the country and in patrolling the coastlines and harbor.

The Philippine Coast Guard (PCG) was established under Republic Act No. 5173, and its framework was significantly amended by Republic Act No. 9993 during the 14th Congress. Since the enactment of R.A. No. 9993 in 2009, there have been no new bills filed to address the evolving needs and challenges facing the PCG.

This gap underscores the need for continuous legislative attention to ensure that the PCG is adequately supported and equipped to fulfill its critical role and responsibilities in maritime safety, security, and environmental protection in the Philippines. As the maritime landscape continues to change and the increasing threats from illegal activities and the impacts of climate change, it is essential to revisit and update the legislation

governing the PCG to meet contemporary demands effectively, ensuring that it can serve the nation effectively in safeguarding its vast maritime domain and interests.

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

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a series of loops and a final horizontal stroke.

Raffy T. Tulfo
Senator

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AN ACT
STRENGTHENING THE PHILIPPINE COAST GUARD BY INTRODUCING POLICY
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*Be it enacted by the Senate and the House of Representatives of the Philippines
in Congress assembled:*

Section 1. *Short Title.* - This Act shall be known as the "Revised Philippine Coast Guard Law."

Se. 2. *Philippine Coast Guard*. - The Philippine Coast Guard (PCG), established under Republic Act No. 9993 as an armed and uniformed service attached to the Department of Transportation (DOTr) shall continue as such upon the effectivity of this Act: *Provided*, That in times of war, as declared by Congress, the PCG or parts thereof, shall be attached to the Department of National Defense (DND).

ORGANIZATION

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

1 a) Administrative support commands consist of the Education and Training, Internal
2 Affairs Service, Surface Support Force, Financial Management, Human Resource
3 Management Service and Logistics;

4 b) The operational support commands consist of the Fleet, Weapons,
5 Communications, Electronics and Information System Service, Special Operations Force,
6 Aviation Force, Community Relations Command, Canine Enforcement Force and Coast
7 Guard Intelligence Force and other operational command as may thereafter be created
8 as needed;

9 c) The technical services consist of the Coast Guard Legal Service, Medical Service,
10 Ecumenical Service, Dental Service, Veterinary Service, Medical Administrative Corps,
11 Nurse Corps, and other technical services that may or hereinafter be created as needed;

12 d) Operating commands consist of the fifteen (15) districts located nationwide
13 covering specific areas of responsibilities composed of stations that shall have field offices
14 called sub-stations down to detachments or posts. These coast guard districts will also
15 function as implementing units whose annual budget shall be strictly released to them
16 and these units are: National Capital Region-Central Luzon (CGD NCR-CL), Central Visayas
17 (CGD CV), Southwestern Mindanao (CGD SWM), Southeastern Mindanao (CGD SEM),
18 Palawan (CGD PAL), Western Visayas (CGD WV), Southern Tagalog (CGD STL), Northern
19 Mindanao (CGD NM), Bicol (CGD BCL), Northwestern Luzon (CGD NWL), Eastern Visayas
20 (CGD EV), Northeastern Luzon (CGD NEL), Southern Mindanao (CGD SM), Northeastern
21 Mindanao (CGD NEM) and Coast Guard districts in BARMM (CGDs BARMM): *Provided,*
22 That the PCG may create other new districts subject to existing laws; and

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

25 In addition to the basic structure of the PCG mentioned above, the Commandant
26 may, in the interest of public service and expediency of service, recommend to reorganize
27 districts, commands, services or units under the PCG which shall be forwarded to the
28 Secretary of Transportation for adoption and submission to the Secretary of Budget and
29 Management for approval: *Provided,* That the minimum manning level of the PCG shall
30 be computed based on the total coastline of the Philippines with three (3) uniformed

1 personnel per (1) kilometer of coastline, which shall be filled in accordance with the
2 enlistment schedule approved by the Department of Budget and Management: *Provided*
3 *further*, That the functional commands, administrative support units, operational support
4 units, operating units, technical services and special services shall be authorized and
5 designated to perform all duties and functions of the PCG within their individual areas of
6 responsibility, including finance and procurement.

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

9 POWERS AND FUNCTIONS

10 Sec. 4. *Powers and Functions of the PCG.* - The PCG shall have the following powers
11 and functions:

12 a) Enforce regulations in accordance with all relevant maritime international
13 conventions, treaties or instruments and national laws for the promotion of safety of life
14 and property at sea within the maritime jurisdiction of the Philippines and conduct port
15 state control implementation;

16 b) Conduct random inspections on all merchant ships and vessels, including
17 inspections prior to departure, to ensure and enforce compliance with safety standards,
18 rules and regulations;

19 c) Detain, stop or prevent a ship or vessel which does not comply with safety
20 standards, rules and regulations from sailing or leaving port;

21 d) Conduct emergency readiness evaluation on merchant marine vessels;

22 e) Issue and enforce rules and regulations for the promotion of safety of life and
23 property at sea on all maritime-related activities, subject to the approval of the Secretary
24 of the DOTr;

25 f) Determine, fix or prescribe charges, rates, and penalties, as may be necessary,
26 to implement its provisions, as well as the provisions of laws, issuances, decrees and
27 orders related to the implementation of PCG functions, subject to the approval of the
28 Secretary of the DOTr;

29 g) Coordinate, develop, establish, maintain and operate aids to navigation, vessel
30 traffic system, maritime communications and search and rescue facilities within the

1 maritime jurisdiction of the Philippines;

2 h) Remove, destroy, or tow to port sunken or floating hazards to navigation,
3 including illegal fish traps and vessels, at or close to sea lanes which may cause hazards
4 to the marine environment;

5 i) Issue permits for the salvage of vessels and to supervise all marine salvage
6 operations and wreck removal, and to auction the abandoned vessels or wrecks to defray
7 the expenses of such removal, as well as prescribe and enforce rules and regulations
8 governing the same;

9 j) Render aid to persons and vessels in distress and conduct search and rescue
10 during maritime accidents within the maritime jurisdiction of the Philippines, including the
11 high seas, in accordance with applicable international conventions. In the performance
12 of this function, the PCG may enlist the services of other government agencies and the
13 merchant marine fleet;

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

16 l) In coordination with other relevant government agencies, enforce and maintain
17 maritime security, prevent or suppress terrorism at sea, and perform law enforcement
18 functions in accordance with pertinent laws, rules and regulations;

19 m) Assist in the enforcement of laws on fisheries, immigration, tariff and
20 customs, forestry, firearms and explosives, human trafficking, dangerous drugs and
21 controlled chemicals, transnational crimes and other applicable laws within the maritime
22 jurisdiction of the Philippines;

23 n) Board and inspect all types of merchant ships and watercrafts in the performance
24 of these functions;

25 o) Promulgate, administer and enforce laws, rules and regulations for the protection
26 of marine environment and resources from offshore sources of pollution within the
27 maritime jurisdiction of the Philippines;

28 p) Develop oil spill response, containment and recovery capabilities against ship-
29 based pollution;

30 q) Grant, within the capabilities and consistent with its mandate, requests for

1 assistance of other government agencies in the performance of their functions;

2 r) Organize, train and supervise the PCG Auxiliary (PCGA) for the purpose of
3 assisting the PCG in carrying out its mandated functions;

4 s) Recommend to the President the issuance of rules and regulations pertaining to
5 the assistance and support that the Armed Forces of the Philippines (AFP) should extend
6 to the PCG to enhance the latter's capability during emergencies;

7 t) To conclude international agreements, specifically, for the purpose of procuring
8 its own materials and equipment through competitive bidding or alternative modes of
9 procurement; and

10 u) To perform such other functions that may be necessary in the attainment of the
11 objectives of this Act.

12 THE PCG COMMANDANT

13 Sec. 5. *The PCG Commandant.* – The PCG shall be headed by a Commandant who
14 shall have the rank of Admiral which shall be equivalent to the rank and pay of the Chief
15 of Staff of the Armed Forces of the Philippines (AFP) and the Chief of the Philippine
16 National Police (PNP). The Commandant shall be appointed by the President of the
17 Philippines from among the Flag Officers in the Coast Guard service who have earned the
18 command-at-sea badge and must have served as District Commander and Functional
19 Service Commander, including other major Commanders carrying the rank of Vice
20 Admiral. The Commandant shall have a maximum term of two (2) years or upon reaching
21 the age of 57 years old, whichever comes earlier. *Provided, however,* That if the
22 maximum term is served before reaching the age of 57, the Commandant shall be
23 compulsorily retired with all the benefits appertaining thereto.

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

26 a) Elaborate and Execute national maritime laws relating to the functions of the
27 PCG, under the authority and direction of the President;

28 b) Direct and control tactical as well as strategic movements, deployment,
29 placement, or utilization of the PCG or any of its units and personnel, including its
30 equipment, facilities and other resources: *Provided* that the Commandant may delegate

1 this power to subordinate officials with respect to the units under the latter's command,
2 subject to the guidelines as the Commandant may prescribe in accordance with existing
3 laws, rules and regulations.

4 c) Prescribe, in accordance to existing laws the organization or re-organization,
5 powers, functions and duties of the various staff, services, installation, and other units of
6 the PCG;

7 d) Issue policies and instructions regarding personnel, funds, properties, records,
8 correspondence and such other matters as may be necessary to effectively carry out the
9 functions, powers and duties of the PCG, in accordance with existing laws, rules and
10 regulations.

11 e) Approve the recommendation of the different promotion or assignment boards
12 and ensure observance of merit and fitness in the process of promotion and assignment;

13 f) Exercise disciplinary authority over all uniformed personnel and non-uniformed
14 personnel of the PCG; and

15 g) Perform any task or directive issued by the President of the Philippines; :
16 *Provided*, That such command and direction of the Commandant may be delegated to
17 subordinate officials with respect to the units under the latter's respective commands,
18 subject to the guidelines as the Commandant may prescribe in accordance with the rules
19 and regulation prescribed under existing laws.

20 ADMINISTRATION AND PERSONNEL

21 *Sec. 7. – Personnel.* – The PCG shall consist of the following categories of personnel:

22 a) Officer refers to uniformed member of the PCG who is commissioned as officer
23 by the President of the Philippines and belongs to the officers' corps;

24 b) Non-officers refers to a general term for uniformed members of the PCG with
25 ranks below commissioned officers and performing jobs specific to their occupational
26 specialty. There are three classifications of non-officers, namely, strikers for those in
27 grades E-1 to E-3, junior non-commissioned officers for those in grades E-4 to E6 and
28 senior non-commissioned officers for ranks with equivalent grades of E-7 to E-10.

29 c) Non-uniformed personnel refers to the non-uniformed members of the PCG who
30 are appointed and employed under the Civil Service laws, rules and regulations;

d) Probationary Ensign refers to a person who is called to active duty but awaiting commissioning into the PCG or awaiting training;

e) Draftee refers to a person who has completed basic training and is awaiting enlistment into the PCG active service;

f) Cadet refers to a person who is enrolled in service academies under the sponsorship of the PCG;

g) Candidate refers to a person who is undergoing training for commissioning;

h) Trainee refers to a person who is undergoing training to qualify as member of non-officers' corps of the PCG;

Provided, That the ranks and grades of all uniformed personnel in the PCG, whether officers or non-officers, shall be the same and equal as that used and observed in the AFP and PNP.

Sec. 8. Ranks and Grades of PCG Officers. – The ranks and grades of PCG Officers shall be as follows:

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

Sec. 9. Technical Officers. – Following are the professionals that may join the PCG service as technical officers are:

a) Lawyers;

b) Doctors;

c) Priests, Pastors, Imam, and other certified clerics;

- d) Dentists;
- e) Veterinarians; and
- f) Nurses

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

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

Sec. 11. *Distribution of Flag Officers*. – Other than the Commandant who occupies the rank of Admiral, the total number of flag ranks shall not exceed two (2) percent of the total population of officers distributed observing the pyramidal structure as hereunder prescribed:

Vice Admiral	0.15%
Rear Admiral	0.35%
Commodore	1.50%
Total	2.00%

Provided, That if the actual number in a rank, except in the case of Coast Guard Admiral and Coast Guard Vice Admiral, is less than the number herein prescribed, the

difference may be applied as an increase to the number prescribed in the lower rank:
Provided, further, That no officer shall be promoted to the rank of Coast Guard Commodore or higher unless there is an existing vacancy, and the officer is occupying a position in the table of organization that requires the rank of which is being considered for promotion.

Sec. 12. *Maximum Tenure in Rank.* – The maximum tenure of officers in the ranks of Captain and Flag Officer in the PCG are hereby prescribed as follows:

Rank	Maximum Tenure in Rank
Admiral	three (3) years
Vice Admiral	three (3) years
Rear Admiral	three (3) years
Commodore	five (5) years
Captain	ten (10) years

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

Sec. 13. *Maximum Tenure in Position of the Commandant.* - The Commandant is hereby limited to a maximum tenure of two (2) years, unless otherwise earlier relieved by competent authority or compulsory retired under existing laws.

Sec. 14. *Ranks and Grades of Non-officers.* – The ranks and pay grades of PCG non-officers shall be as follows:

RANK	ACRONYM	PAY GRADE
First Master Chief Petty Officer	FMCPO	E-10
Master Chief Petty Officer	MCPO	E-9
Senior Chief Petty Officer	SCPO	E-8

Chief Petty Officer	CPO	E-7
Petty Officer First Class	PO1	E-6
Petty Officer Second Class	PO2	E-5
Petty Officer Third Class	PO3	E-4
Seaman/Seawoman First Class	SN1/SW1	E-3
Seaman/Seawoman Second Class	SN2/SW2	E-2
Apprentice Seaman/Seawoman	ASN/ASW	E-1

Sec. 15. *Maximum Tenure in Rank for Non-officers.* – The maximum tenure of senior non-officers in the ranks of Chief Petty Officer to First Master Chief Petty Officer in the PCG are as follows:

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

Any non-officer holding lower ranks than the above who stays in a rank for 10 years without being promoted to the next higher rank shall be evaluated by the Re-enlistment Fitness Board who shall verify suitability to continue in service and submit a recommendation for the approval of the Commandant: *Provided*, That the original enlistment term in the PCG shall be three (3) years and subsequent re-enlistment shall be for the term of six (6) years, with the application for re-enlistment to be reviewed by the Re-enlistment Fitness Board for recommendation to the Commandant for approval: *Provided, further*, That the uniform allowance shall be payable every three (3) years after complying with the physical fitness test.

Sec. 16. *Non-uniformed Personnel.* – There shall be non-uniformed personnel positions in the PCG. The head of the non-uniformed personnel shall occupy a rank of Director III and shall be appointed by the President upon recommendation of the

1 Commandant. The non-uniformed personnel shall establish their own plantilla positions
2 to complement the strength of the PCG uniformed personnel.

3 Sec. 17. *Appointments.* – The appointment of the PCG Commandant and Flag
4 Officers shall be approved by the President of the Philippines upon the recommendation
5 of the Secretary of the DOTr. Appointments of all PCG non-officers shall be made by the
6 PCG Commandant. Appointments of PCG officers, which shall be in the initial rank of
7 Coast Guard Ensign shall be through a commissioning into service by the DOTr Secretary
8 upon the recommendation of the Commandant.

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

15 Appointments as well as the promotion of all non-uniformed personnel shall be in
16 accordance with Civil Service Commission (CSC) laws, rules and regulations.

17 Sec. 18. *Basic Qualification for Uniformed Personnel.* – To qualify as officer or non-
18 officer of the PCG, the applicant shall possess the following at the time of application:

- 19 a) Natural born citizen of the Philippines;
- 20 b) A person of good moral conduct;
- 21 c) Must have passed the psychiatric/ psychological, drug and physical tests to be
22 administered by the PCG Medical Service or by any PCG accredited government hospital
23 for the purpose of determining physical and mental health;
- 24 d) Must possess a formal baccalaureate degree, with appropriate license when
25 applicable or professional civil service eligibility for appointment as officer, and must have
26 finished at least 72 non-repetitive units of college education or senior high school
27 graduate with six (6) months TESDA skills course related to the functions of PCG for
28 appointment as non-officers upon effectivity of this Act; and
- 29 e) Must not have been dishonorably discharged from military employment or
30 dismissed for cause from any non-uniformed personnel position in the government.

1 Sec. 19. *Promotions of Officers and Non-officers.* – The promotion of PCG officers
2 and non-officers shall be based on merit and fitness in accordance with the following
3 procedures:

4 a) Officers shall only be promoted after undergoing deliberation before the
5 promotion boards. *Provided,* That promotion boards shall submit the results of their
6 deliberation to the Commandant for approval and corresponding endorsement to the
7 Secretary of Transportation for transmittal to the President for approval;

8 b) There shall also be appropriate promotion boards for non-officers whose
9 recommendation shall be submitted to the Commandant for approval.

10 *Provided, further,* That at the time of promotion, the officer or non-officers
11 concerned shall possess all the qualifications and none of the disqualifications provided
12 under pertinent laws, rules and regulations, specifically on the completion of required
13 career course, training, examination and minimum time-in-grade as applicable for specific
14 ranks.

15 Sec. 20. *Gender Sensitivity Program.* – Gender concerns shall be addressed in all
16 planning activities, setting of priorities, allocating of resources and identifying actions and
17 activities of the PCG. It should also incorporate a gender sensitive perspective in the
18 implementation of such plans and programs.

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

23 Sec. 21. *PCG Insignia, Decorations and Awards.* – The PCG shall have its own
24 insignia and badges to denote rank, specialty and assignment including uniforms,
25 decorations and awards, all of which shall be submitted to the National Historical Institute
26 for registration in the flags and heraldic list: *Provided,* That there shall be an established
27 awards system which shall be administered by the PCG under such rules and regulations
28 as may be promulgated with the approval of the Secretary of Transportation.

29 Sec. 22. *Legal Assistance.* – The Secretary of the DOTr or the Commandant of the
30 PCG may authorize lawyers of their respective agencies to provide legal assistance to any

1 member of the PCG charged with an offense or crime resulting from the performance or
2 on occasion of official duty. The government lawyers so authorized shall have the power
3 to administer oaths.

4 *Sec. 23. Power to Administer Oath.* – Officers of the PCG in the active service with
5 the grade of O-5 or when designated with appropriate orders as administrative officer of
6 a unit, shall have the power to administer oaths on matters which are connected with the
7 performance of their official duties. Senior non-commissioned officers (grades E-7 to
8 E10) who are designated through appropriate orders, as Chief-Master-At-Arms (CMAA)
9 or unit master chief are also empowered to administer oaths.

10 *Sec. 24. Maritime and Coast Guard Attaché.* – The PCG shall have maritime and
11 coast guard attaché in the International Maritime Organization, other international
12 institutions, or as member of diplomatic missions or embassies.

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

15 PAYS, ALLOWANCES AND BENEFITS

16 *Sec. 25. Salaries and Other Benefits.* – The uniformed personnel of the PCG shall
17 receive the same base pay, hazard pay and other benefits and allowances as are now or
18 hereafter may be authorized for corresponding salary grades and ranks in the AFP. The
19 salaries and allowances of the non-uniformed personnel of the PCG shall be in accordance
20 with existing CSC laws, rules and regulations.

21 *Sec. 26. Longevity Pay and Allowances.* – Uniformed personnel of the PCG shall be
22 entitled to a longevity pay of ten percent (10%) of their basic monthly salaries for every
23 five (5) years of continuous active service, which shall be reckoned from the date of
24 actual service in the PCG: *Provided,* That the totality of such longevity pay shall not
25 exceed fifty percent (50%) of the basic pay. They shall also continue to enjoy the
26 subsistence allowance, quarters allowance, clothing allowance, cost of living allowance,
27 hazardous duty pay and other collateral allowances but not limited to sea duty pay, flying
28 pay, special counsel allowance, occupational specialty pay, instructors duty pay, combat
29 pay for officers and non-officers of the PCG performing combat duties/activities or
30 engaged in actual performance of duties as defined in regulations to be issued by the

1 Commandant and all other applicable allowances as provided by existing laws. *Provided,*
2 *further,* That the PCG shall, subject to approval of the President, issue a specific policy
3 pertaining to collateral allowances for specific duties actually performed. All collateral
4 allowances shall be reflected in the pay slip of qualified personnel.

5 Sec. 27. *Uniformed Personnel Missing in Action.* – The survivors of any officer or
6 non-officer who, while in the performance of duty, is officially confirmed missing in action,
7 kidnapped or captured by lawless elements shall be entitled to receive the same pay and
8 allowances to which such officer or non-officer is entitled from the time of the latter's
9 disappearance: *Provided,* That the compulsory retirement of an absentee, in applicable
10 cases, shall be processed to allow his/her survivors to enjoy the retirement benefits:
11 *Provided, further,* That should the Commandant, upon the recommendation of the proper
12 authority or immediate supervisor, subsequently rule that the officer or non-officer
13 concerned has been absent from duty without authority, such member or the latter's
14 survivors shall reimburse the PCG all such amount and allowances that have been
15 received in accordance with this section and other pertinent sections of this Act.

16 Sec. 28. *Emergency and Medical Assistance.* – The PCG shall have an emergency
17 medical assistance fund, sourced from the PCG's Annual Budget Plan as reflected in the
18 General Appropriations Act (GAA) for hospitalization, operation, medication and
19 rehabilitation of personnel arising from injuries suffered on occasion of or in the
20 performance of official functions until such time that the PCG hospital is fully operational.

21 ACTIVE SERVICE AND SEPARATION

22 Sec. 29. *Active Service.* – For purposes of this Act, active service of the uniformed
23 personnel shall refer to services rendered as an officer and non-officer, cadet, trainee or
24 draftee in the PCG and services rendered as a non-uniformed personnel in the Philippine
25 Government prior to the date of separation or retirement from the PCG: *Provided,* That,
26 for purposes of retirement, the personnel shall have rendered at least ten (10) years of
27 active service as officer or non-officer in the PCG: *Provided, further,* That no period of
28 such non-uniformed personnel government service be longer than the active coast guard
29 service shall be credited for purposes of retirement. Service rendered as cadet in any
30 service academy in the Philippines or abroad under sponsorship of the PCG such as the

Philippine Merchant Marine Academy, probationary officer, draftee or trainee shall be included in computing the years in active service for retirement purposes if such personnel joins the service right after graduation.

Sec. 30. *Retirement.* – Upon attaining fifty-seven (57) years of age or accumulation of thirty (30) years of continuous satisfactory active service, whichever comes later, a PCG uniformed personnel shall be compulsorily retired: *Provided*, That technical officers may extend their tenure of service up to sixty (60) years or until having accumulated twenty (20) years of satisfactory active service, whichever comes later.

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

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

The retirement of non-uniformed personnel of the PCG shall be governed by the Government Service Insurance System (GSIS) law, rules and regulations.

Sec. 31. *Separation.* – Separation from the Coast Guard service may be done through compulsory retirement, optional retirement upon reaching 20 years in service, disability discharge, expiration of enlistment term, voluntary resignation, attrition, dismissal for cause, or death.

The separation of non-uniformed personnel of the PCG shall be governed by the Civil Service law, rules and regulations.

Sec. 32. *Attrition.* – There shall be established a system of attrition within the uniformed members of the PCG within one (1) year from the effectivity of this Act to be submitted by the PCG to the President for approval.

Sec. 33. *Retirement Benefits.* – An officer or uniformed personnel who is retired under Section 30 of this Act, or his/her qualified survivors, are entitled to receive, and may choose from, any of the following benefits:

a. *Gratuity Pay.* – A lump sum payment of gratuity pay equivalent to one (1) month of base and longevity pay computed based on one (1) grade higher than the permanent salary grade last held for every year of service; or

1 b. Retirement Pay – A monthly retirement pay equivalent to fifty percent (50%) of
2 monthly base and longevity pay computed based on one grade higher than the
3 permanent salary grade last held by the personnel in case of twenty (20) years of active
4 service, increasing by two and one-half percent (2½%) for every year of service rendered
5 beyond twenty (20) years up to a maximum of ninety percent (90%) for thirty-six (36)
6 years of active service and over.

7 *Provided*, That non-officers who attain the rank of Chief Petty Officer, Senior Chief
8 Petty Officer and of Master Chief Petty Officer shall, upon retirement, be entitled to the
9 retirement pay and benefits of an Ensign: *Provided, further*, That a Master Chief Petty
10 Officer shall receive a gratuity equivalent to that of an Ensign, plus one-half (1/2) of the
11 difference between the gratuity of an Ensign and a Chief Petty Officer, and a Senior Chief
12 Petty Officer shall receive a gratuity equivalent to that of an Ensign, plus one-half (1/2)
13 of the difference between the gratuity of a Master Chief Petty Officer and a Chief Petty
14 Officer, while a First Master Chief Petty Officer shall be retired with the rank of Ensign
15 but with the retirement pay and benefits of a Lieutenant Junior Grade (O-2), as provided
16 for in existing laws: *Provided, furthermore*, That officers and non-officers who availed of
17 optional retirement are entitled to receive monthly retirement pay upon retirement:
18 *Provided, finally*, That upon retirement, an officer or non-officer is entitled to receive a
19 lump sum equal to thirty-six (36) months of the monthly retirement pay.

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

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

28 The retirement benefits of non-uniformed personnel shall be governed by applicable
29 Civil Service laws and regulations and the GSIS Law.

1 *Sec. 34. Separation Pay.* – Officers and non-officers separated from the PCG without
2 having accumulated at least twenty (20) years of satisfactory active service, or their
3 qualified survivors, shall receive a separation pay equivalent to one-month base plus
4 longevity pay based on the permanent salary grade the officer and non-officer holds at
5 the time of separation for every year of active service: *Provided,* That in the case of an
6 officer in the grade of Captain or higher, who incurs physical disability in the line of duty,
7 the basis of separation pay shall be one grade higher than the salary grade held by such
8 officer at the time of separation: *Provided, further,* That cadets, candidates, trainees and
9 draftees who voluntarily resign from service shall not be entitled to any separation pay.

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

12 *Sec. 35. Benefits for Death and Total Permanent Disability in the Line of Duty or*
13 *During Training.* – Qualified survivors of officers and non-officers, including cadets,
14 candidates, trainees and draftees, who died in the line of duty without having
15 accumulated at least twenty (20) years of satisfactory active service are entitled to a
16 monthly life annuity, equivalent to fifty percent (50%) of the base and longevity pay
17 computed based on one grade higher than the permanent salary grade last held by the
18 deceased officer and non-officer at the time of death: *Provided,* That, survivors of cadets,
19 candidates, trainees and draftees who died during training through their own fault or
20 negligence shall not be entitled to this benefit.

21 Officers or non-officers, including cadets, candidates, trainees and draftees, who
22 suffer total permanent physical disability in the line of duty or during training without
23 having accumulated at least twenty (20) years of satisfactory active service shall be
24 entitled to a monthly life annuity, equivalent to fifty percent (50%) of the base and
25 longevity pay computed based on one grade higher than the permanent salary grade last
26 held by the officer or non-officer when the disability occurred: *Provided,* That the extent
27 of the disability or sickness which renders such member unfit or unable to further perform
28 the duties of the position held shall be certified by the appropriate Government hospital
29 like the Philippine General Hospital: *Provided, further,* That cadets, candidates, trainees

1 and draftees who suffer total permanent physical disability during training through their
2 own fault or negligence shall not be entitled to this benefit.

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

6 Sec. 36. *Survivors.* – The family of deceased officers or non-officers who are alive
7 and may claim benefits after such uniformed personnel dies in line of duty or the
8 pensioner dies. The following criteria shall apply:

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

14 b) Surviving children of officers or non-officers born of marriage contracted prior
15 to his retirement/separation from the service, surviving children adopted legally prior to
16 his retirement/separation, illegitimate children born while the deceased parent was still
17 on active service: *Provided,* That entitlement to benefits shall terminate when such
18 children attain twenty-one (21) years of age or upon marriage: *Provided, further,* That
19 those who have reached the age of twenty-one (21) years but are incapacitated and
20 incapable of self-support due to a mental or physical defect acquired prior to age of
21 majority shall remain entitled to the benefits.

22 c) In default of those mentioned in paragraph (a) and (b), the surviving parent or
23 parents.

24 As regards question of filiation involving survivor-claimants, the same shall be
25 submitted first by the claimants to competent court for determination before benefits can
26 be given.

27 Sec. 37. *Survivorship Benefits.* – The qualified survivors are entitled to a monthly
28 annuity equivalent to seventy-five percent (75%) of the officer or non-officer's retirement
29 or separation benefits, to be divided among them in equal shares and with the right of
30 accretion.

Survivorship benefits for non-uniformed personnel shall be governed by the GSIS Law.

Sec. 38. Disability Pension. – In addition to the other benefits under this Act, an officer or non-officer who is retired or separated by reason of disability, which is the proximate result of wounds or injuries sustained or sickness or disease acquired in the line of duty shall receive a monthly disability pension as follows:

a) If and while the disability is rated twenty-five percent (25%) – Five thousand pesos (P5,000.00);

b) If and while the disability is rated fifty percent (50%) – Ten thousand pesos (P10,000.00);

c) If and while the disability is rated seventy-five percent (75%) – Fifteen thousand pesos (P15,000.00);

d) If and while the disability is rated one hundred percent (100%) – Twenty thousand pesos (P20,000.00).

The officer or non-officer receiving the benefits under this Section may be required to undergo periodic physical and medical examination to determine the extent of disability for purposes of adjusting the disability pension.

Sec. 39. Old-Age Pension. – A retired PCG uniformed personnel who is at least sixty-five (65) years of age shall be entitled to old-age pension amounting to Five Thousand Pesos (P5,000.00) monthly and an additional amount of One Thousand Seven Hundred Pesos (P1,700.00) monthly upon reaching the age of seventy (70): *Provided*, That only retired PCG uniformed personnel who shall have been honorably discharged or retired after at least twenty (20) years total PCG active service or sooner separated while in the active service in the PCG due to disability arising or incurred in actual operations or performance of duties are entitled to receive this monthly benefit.

Sec. 40. Application of Related Laws on Retirement and Separation of Uniformed Personnel. – The retirement system under Presidential Decree (PD) No. 1638, as amended, and the provisions of RA 8220, RA 9365, and other similar applicable laws, insofar as not inconsistent with applicable provisions of this Act, shall be given supplementary effect.

Sec. 41. *Incentives and Awards.* – There shall be established an incentives and awards system which shall be the same and equal as that used and observed in the AFP and PNP, including the *Medalya ng Kagitingan* (Medal of Valor) to be administered by a board under such rules, regulations and standards as may be promulgated by the PCG: *Provided*, That equivalent awards shall be given by the PCG for every award duly given by respectable civic organizations in a nationwide selection for outstanding achievement and/or performance of any member. *Provided, further*, that in the case of non-uniformed personnel, the system of incentives and awards shall be approved and in accordance with the CSC laws, rules and regulations.

DISCIPLINARY SYSTEM

Sec. 42. *Disciplinary System.* – The PCG shall adopt the PCG Code of Conduct which shall be applicable to all its uniformed personnel. non-uniformed personnel shall be covered under the disciplinary rules of the Civil Service. The Commandant shall be assisted by the Coast Guard Internal Affairs in enforcing discipline and order within its ranks though for disciplinary issues depending on gravity, unit commanders shall exercise disciplinary powers over personnel under their command. The PCG shall within six (6) months from the effectivity of this Act, issue policies, rules and procedures applying the PCG Code of Conduct based on the provisions of Commonwealth Act No. 408, as amended by RA 516, RA 242, PD 1968 and PD 1166. *Provided,* That for non-uniformed personnel, the PCG shall issue rules and procedures implementing Book VII of Executive Order No. 292 and applicable CSC laws, administrative rules and issuances: *Provided, further,* That in times of war, during which the PCG or any of its offices is attached to the DND, the military justice system of the AFP shall apply.

Sec. 43. *Disciplinary Authority.* – The Commandant exercises disciplinary authority at any time over all personnel of the PCG. The authority to discipline shall also be exercised by unit commanders and Commanding Officers including Station Commanders, Sub-Station Commanders, head of Morning Report Carrying Units.

Sec. 44. *Jurisdiction.* – A complaint or a charge filed against a PCG member shall be heard and decided exclusively by the disciplining authority who has acquired original

jurisdiction over the case notwithstanding the existence of concurrent jurisdiction as regards the offense.

Sec. 45. *Dismissal of PCG Personnel.* – The Commandant, after due notice and summary hearing, may immediately remove or dismiss any respondent PCG personnel and major unit commanders may recommend such in any of the following cases:

a) In cases of drug abuse where subsequent confirmation test confirms the use of prohibited drugs;

b) When the charge is serious and the evidence of guilt is strong;

c) When the respondent is a recidivist or has been repeatedly charged and there are reasonable grounds to believe that he is guilty of the charges; and

d) When the respondent is guilty of a serious offense involving conduct unbecoming a PCG personnel.

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

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

Sec. 46. *Coast Guard Internal Affairs Service (CGIAS).* – To maintain accountability in government service through discipline and efficiency, there shall be an Internal Affairs Service in the PCG. The CGIAS shall foster and promote accountability in government service within the PCG and follow the basic principles of integrity, objectivity, independence, confidentiality, professionalism, competence, courage, trust, honesty, fairness, forthrightness, public accountability and respect for others and themselves. It shall have the power to investigate and inquire into any and all activities of the PCG units and personnel, review processes, procedures and operations to determine if such were conducted effectively and efficiently.

The personnel of the CGIAS whether officer or non-officer, who are performing actual investigative duties, including PCG Personnel who provide legal assistance or

perform criminal investigative duties, shall be granted occupational specialty pay which shall not exceed fifty percent (50%) of their basic pay and shall be reflected in their pay slip for the work performed: *Provided*, That such personnel shall not be entitled to the occupational specialty pay under Section 26 hereof.

MISCELLANEOUS PROVISIONS

Sec. 47. *Organization of a PCG Auxiliary (PCGA)*. – The PCG shall continue to maintain, supervise, develop and train the PCGA as a non-uniformed personnel volunteer organization under the direct control and supervision of the PCG Commandant. The PCGA shall assist the PCG in the promotion of safety of life and property at sea, the preservation of the marine environment and its resources, the conduct of maritime search and rescue, the maintenance of aids to navigation and such other activities that enhance maritime community relations which include civic action, participation under the National Service Training Program, youth development, recreational safety and other related activities.

Sec. 48. *Lateral Entry*. – Active members of other uniformed services under the AFP, PNP, Bureau of Fire Protection, Bureau of Jail Management and Penology, and Bureau of Corrections may join the PCG through lateral entry. The rank for officers eligible for such entry must not be higher than Lieutenant Commander and Petty Officer Second Class for non-officers. Notwithstanding the corps they wish to join, all entrants shall only be accepted if, on or before time of entry, they: a) are not under investigation, b) are not on absence without leave (AWOL) status, c) are not serving sentence, whether administrative or criminal, d) have not been issued reprimand in the last two (2) years, or e) have not received an unfavorable rating in the latest performance rating.

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

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

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

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

14 *Sec. 50. PCG Modernization Trust Fund.* – There is hereby created a PCG
15 Modernization Trust Fund to be used exclusively for the PCG Modernization Program
16 which shall be sourced from the following:

17 a. Fees, dues, charges and fines collected relevant to the exercise of its various
18 functions;

19 b. Proceeds from the disposal of excess and uneconomically repairable equipment
20 and other movable assets of the PCG; and

21 c. All interest income that accrues to the trust fund.

22 The PCG Modernization Fund shall be administered by the Commandant of the PCG
23 in accordance with the existing government budgeting, accounting and auditing rules and
24 regulations.

25 *Sec. 51. Loans, Grants, Bequests and Donations.* – The PCG may receive grants,
26 bequests and donations whether from local or foreign sources for the PCG Modernization
27 Program.

28 The Secretary of DOTr may enter into loan agreement with foreign financial
29 institutions, subject to the review of the Monetary Board of Bangko Sentral ng Pilipinas
30 and the Department of Finance.

1 *Sec. 52. PCG Properties and Lighthouse Reservations.* – The PCG shall continue to
2 exercise exclusive ownership, possession, management, control and supervision over all
3 properties transferred to it by virtue of Executive Order No. 475 dated 30 March 1998
4 and Executive Order No. 477 dated 15 April 1998, such as inter alia, vessels, watercrafts,
5 firearms, armaments, munitions, communications and electronic equipment, vehicles,
6 buildings, real state, lighthouse stations and reservations.

7 *Sec. 53. Establishment and Expansion of Coast Guard Bases, Equipment and*
8 *Facilities.* – In coordination with other appropriate government agencies, the PCG shall
9 develop and enhance its capabilities in the performance of its mandated functions and
10 establish its strategic presence. To this end, the PCG shall, through the guidance of
11 Congress, draft its development plan that shall reflect its asset, equipment and facility
12 requirement that includes but not limited to floating assets, laboratories, land-based
13 support facilities, land mobility, arms and ammunition, rescue and hospital ship, maritime
14 monitoring surveillance and communications system, port facilities, air assets and air
15 stations.

16 *Sec. 54. Implementing Rules and Regulations.* – For submission to the Secretary of
17 DOTr for approval, the PCG, not later than one hundred twenty (120) days from the
18 effectivity of this Act, shall issue rules and regulations, determine, fix or prescribe
19 charges, rates, and penalties, as may be necessary, to implement its provisions, as well
20 as the provisions of laws, issuances, decrees and orders related to the implementation of
21 PCG functions.

22 *Sec. 55. Appropriations.* – The amount necessary for the initial implementation of
23 this Act shall be charged against the current year's appropriations of the PCG. Thereafter,
24 such amount shall be included in the General Appropriations Act.

25 In addition, an amount of One Billion Pesos (Php 1,000,000,000.00) is hereby
26 appropriated annually for five (5) years for the PCG Modernization Program upon
27 enactment of this Act out of any funds actually available in the National Treasury of the
28 Philippines not otherwise appropriated, as certified by the National Treasurer.

29 *Sec. 56. Transitory Provisions.* – The provisions of this Act, as far as the computation
30 of rate is concerned, shall have retroactive effect on the retirement benefits of non-

1 officers whose retirement were affected by the implementation of Republic Act No. 9993,
2 and the discrepancy as a result of applying this Act and Republic Act No. 9993 shall be
3 returned to the retiree. The same shall also be retroactively applicable to indexation of
4 pension to base pay scale adjustments affected by Republic Act No. 9993: *Provided*, that
5 the retirement benefits of the ranks of Admiral and Vice Admiral adversely affected by
6 Joint Resolution No. 4 s. 2009, entitled: "Joint Resolution Authorizing the President of the
7 Philippines to Modify the Compensation and Position Classification System of Civilian
8 Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the
9 Government, and for Other Purposes", and Joint Resolution No. 1 s. 2018, entitled: "Joint
10 Resolution Authorizing the Increase in Base Pay of Military and Uniformed Personnel in
11 the Government, and for Other Purposes", shall be adjusted in the same level as its
12 contemporary ranks of General and Lieutenant General in the AFP and the PNP,
13 respectively: *Provided, further*, that those affected by the above-mentioned Joint
14 Resolutions shall be paid the difference in pay and allowances by reason thereof.

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

18 *Sec. 58. Repealing Clause.* – Republic Act No. 9993 is hereby repealed and all laws,
19 decrees, executive orders, rules and regulations and other issuance's or parts thereof
20 which are inconsistent with this Act are hereby repealed, amended or modified
21 accordingly.

22 *Sec. 59. Effectivity.* – This Act shall take effect fifteen (15) days after its publication
23 in the *Official Gazette* or in a newspaper of general circulation.

Approved,