



Department of Transportation and Communications
PUNONGHIMPILAN TANOD BAYBAYIN NG PILIPINAS
(Headquarters Philippine Coast Guard)
139 25th Street, Port Area
1018 Manila



27 August 2014

**STANDING OPERATING PROCEDURE
NUMBER 03-14**

**REVISED POLICIES AND PROCEDURES GOVERNING
THE PCG MODERNIZATION BOARD**

1. REFERENCE:

- a. HPCG SOP No. 06-01 entitled "PCG Modernization Board" dated 23 July 2001.
- b. HPCG SOP No. 10-11 entitled "Policies and Procedures Governing PCG Modernization Board" dated 23 July 2001

2. PURPOSE: To restructure, define and prescribe the following:

- a. Organization, composition and functions of PCGMB
- b. Policies and procedures governing the PCGMB

3. DEFINITION OF TERMS:

a. **Strategic Development Plan** is the executive guidance document for all developments within the Philippine Coast Guard. In particular, it addresses organization and corporate structure; major capital equipment acquisitions and supporting facilities; systems; human resource management; and doctrine development.

b. **Equipment** refers to watercraft, aircraft, mobility/ground support, MARPOL, underwater operation, aids to navigation and training equipment and other equipment needed to strengthen the capability of PCG to perform its mandated tasks.

c. **System** refers to monitoring, control, communication, information technology, navigation and weapon system.

d. **Project Proposal/Study** is a major plan/scheme/study offered for acceptance or consideration of product that would include its mode of acquisition, utilization and maintenance/repair.

e. **Proponent** is an individual or group of persons who offers products/project proposals for acceptance or consideration.

f. **PCG – Project Management Office** refers to the office created that shall be responsible for the management and implementation of all foreign assisted projects relative to Maritime Safety Improvement and PCG Organizational Capability Enhancement Program.

g. **Circular of Requirements or “COR”** defines the operational and technical requirements of the equipment or system to be procured. It is presented in the context of National Marine Policy, the likely operational situation to which the equipment shall be employed. It shall likewise include, as applicable, Human Resource Development, Unit or Base Development, and other support requirements. If the equipment is part of the systems-mix, such as maritime surveillance, which involves air and sea operations, the concept of operations of the systems mix shall also be stated. Similarly, in the case of equipment or systems which have to be operationally inter-phased or integrated with other government agencies, the concept of inter-phase or integration shall be incorporated.

h. **Unit Capability** refers to PCG units including the doctrine, equipment, system and facilities that are required for operation.

4. ORGANIZATION AND COMPOSITION:

a. The PCG Modernization Board shall be composed as follows:

Vice Commandant for Operations	-	Chairperson
Vice Commandant for Administration	-	Vice Chairperson
Commander, CGFLEET	-	Member
Commander, MEPCOM	-	Member
Commander, MSSC	-	Member
Commander, CGETC	-	Member
Commander, CGPMO	-	Member
Commander, CGWCEISS	-	Member
Chief of Coast Guard Staff	-	Member
CG-1	-	Member
CG-2	-	Member
CG-3	-	Member
CG-4	-	Member
CG-6	-	Member
CG-7	-	Member
CG-8	-	Member
CG-9	-	Member
CG-10	-	Member
CG-11	-	Member
CG-12	-	Member
CG-5	-	Head Secretariat

b. The deputies of the members of the Board shall be designated as alternate of the principal members in their absence and shall exercise the same rights as the principal. An officer with designation lower than the deputy shall not be allowed as alternate.

c. The Board may utilize any office, standing committees or person to make a study or provide expert advice as needed by the Board. The Board may also create special committees in support of its mandate.

d. The Technical Systems Evaluation Committee (TSEC) may be requested by the PCG Project Management Office (PMO), with the approval from the Chairperson PCGMB to assist in the implementation of the Project at the DOTC level.

e. The following Committees are created to support the Board in the accomplishment of its functions:

COMMITTEE	COMPOSITION
PCGMB Executive Committee (PCGMB Execom)	Chairperson: VCA Members: Chairperson, TSEC Chairperson, FRODC Chairperson, BSSDC Chairperson, HRDC Chairperson, DDC Chairperson, BFC Secretariat: CG-5
Technical Systems Evaluation Committee (TSEC)	Chairperson: Major Unit concerned as determined by Chairperson, PCGMB Vice Chairperson: Central Staff concerned Secretariat: to be provided by the Office of the Central Staff concerned
Force Restructuring and Organizational Committee (FRODC)	Chairperson: CG-3 Members: as determined by the Chairperson Secretariat: O/CG-3
Bases Support System Development Committee (BSSDC)	Chairperson: CG-4 Members: as determined by the Chairperson Secretariat: O/CG-4
Human Resource Development Committee (HRDC)	Chairperson: CG-1 Members: as determined by the Chairperson Secretariat: O/CG-1
Doctrines Development Committee (DDC)	Chairperson: CG-12 Members: as determined by the Chairperson Secretariat: O/CG-12

Finance and Resource Management Committee (FRMC)	Chairperson: CG-6 Members: as determined by the Chairperson Secretariat: O/CG-6
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5. FUNCTIONS:

- a. The PCG Modernization Board shall have the following functions:
 - 1) Advise the Commandant, PCG on matters concerning the implementation of the Strategic Development Plan;
 - 2) Formulate policies and provide strategic guidance in the planning and implementation of the Strategic Development Plan in accordance with DOTC policies and NEDA requirements;
 - 3) Cause the review of current PCG capabilities vis-à-vis the Strategic Development Plan to determine their validity, relevance, and responsiveness to current and future mission requirements;
 - 4) Evaluate the status of the implementation of the different components of the Strategic Development Plan;
 - 5) Review and validate PCG Modernization-related documents being submitted to the Commandant, PCG for approval;
 - 6) Review and validate the result of studies or evaluations with respect to the capabilities recommended for development; and
 - 7) Take cognizance of and resolve issues related to the Strategic Development Plan implementation.

- b. The Committees will have the following functions:
 - 1) PCGMB Executive Committee (PCGMB ExeCom)
 - a. Advise the Board on any matter related to the Strategic Development Plan;
 - b. Review all studies, proposals, CORs and evaluate their viability and importance to the Strategic Development Plan before elevation to the PCG Modernization Board for deliberation together with a recommended course of action to the Board;
 - c. In case that a study or proposal duly endorsed by the PCGMB will be disapproved by the PCG Commandant, same will be reviewed and evaluated by the PCGMB Execom before returning it and advising the proponent for appropriate action to the Board, and

- d. Supervise over the activities of the various PCGMB committees.

2) Technical Systems Evaluation Committee (TSEC)

- a. Advise the PCGMB on matters concerning the technical aspects of any upgrade, development, and acquisition in accordance with the capabilities to be developed;
- b. Evaluate the technical aspects of any equipment for acquisition vis-à-vis the operational requirements;
- c. Review current weapon, communication, electronic, and information systems in the PCG inventory vis-à-vis the Strategic Development Plan to determine their validity, relevance and responsiveness to current and future mission requirements; and
- d. Prepare a quarterly review, analysis report, and assessment report regarding activities undertaken to be submitted to the Board Secretary (CG-5) for further submission to the PCGMB.

3) Force Restructuring and Organizational Development Committee (FRODC)

- a. Advise the PCGMB on matters concerning force restructuring and organizational development related to the Capability Development Plan;
- b. Evaluate studies or proposals on force structure and organization relative to the specific capability to be developed;
- c. Review current force structure and organization vis-à-vis the Strategic Development Plan to determine their validity, relevance and responsiveness to current and future mission requirements; and
- d. Prepare a quarterly review, analysis, report, and assessment report regarding activities undertaken to be submitted to the Board Secretary (CG-5) for further submission to the PCGMB.

4) Bases Support System Development Committee (BSSDC)

- a. Advise the PCGMB on matters concerning base support systems development and infrastructure projects;
- b. Review/Evaluate/Study specific base support systems development vis-à-vis the Strategic Development Plan; and
- c. Prepare a quarterly review, analysis report, and assessment report regarding activities undertaken to be submitted to the Board Secretary (CG-5) for further submission to the PCGMB.

5) Human Resource Development Committee (HRDC)

- a. Advise the PCGMB on matters concerning human resource development;
- b. Evaluate studies on human resource development relative to the operational requirement of the specific capability to be developed;
- c. Review current human resource development vis-à-vis the Strategic Development Plan to determine their validity, relevance and responsiveness to current and future mission requirements; and
- d. Prepare a quarterly review, analysis report, and assessment report regarding activities undertaken to be submitted to the Board Secretary (CG-5) for further submission to the PCGMB.

6) Doctrine Development Committee (DDC)

- a. Advise the PCGMB on matters concerning doctrines development;
- b. Evaluate studies on doctrine development relative to the operational requirements of the specific capability to be developed;
- c. Review current doctrines vis-à-vis the Strategic Development Plan to determine their validity, relevance and responsiveness to current and future mission requirements; and
- d. Prepare a quarterly review, analysis report, and assessment report regarding activities undertaken to be submitted to the Board Secretary (CG-5) for further submission to the PCGMB.

7) Budget and Finance Committee (BFC)

- a. Advise the PCGMB on matters concerning the budgetary and financial requirements and implications for projects and activities in the Capability Development Plan;
- b. Evaluate studies, proposals and activities related to the Strategic Development Plan regarding their financial and budgetary requirements vis-à-vis the immediate and long-term budgetary implications;
- c. Review outstanding obligations and payments on all approved projects; and
- d. Prepare a quarterly review, analysis report, and assessment report regarding activities undertaken to be submitted to the Board Secretary (CG-5) for further submission to the PCGMB.

6. POLICIES:

a. The PCG Capability Development shall be guided by the most recent promulgated Strategic Development Plan:

- 1) No capabilities shall be considered for development unless an operational need for it has been established, justified and evaluated by the cognizant staff/unit/committee.
- 2) To the maximum extent possible, the PCG capabilities to be developed shall be able to fulfill its mandate that is the promotion of safety of life and property at sea, the safeguarding of the marine resources and environment and enforcement of all applicable maritime laws.
- 3) As much as practicable, the capabilities to be developed shall be able to assist other agencies in the preservation of the national patrimony, including the country's living and non-living marine, submarine, mineral, forest and other natural resources located within its territory and EEZ.
- 4) As much as practicable, the PCG capabilities development shall consider the ability to assist other agencies in the enforcement of domestic and foreign policies as well as international covenants against piracy, white slavery, smuggling, drug trafficking, hijacking of sea craft and the transport of toxic and other ecologically harmful substances taking place in or through Philippine territorial waters.
- 5) All proposed force restructuring and reorganization should make the PCG into a compact, responsive and modern force.
- 6) The acquisition of equipment and systems shall be made in accordance with the need to develop PCG capabilities pursuant to modernization objectives.
- 7) The acquisition of equipment and systems shall be synchronized with the phase-out of uneconomical and obsolete major equipment and systems in the PCG inventory, and shall follow the priority schedule of the Strategic Development Plan as much as practicable.
- 8) No major equipment and systems shall be considered for acquisition if the same are not being used by coast guard/counterpart in the country of origin and provided further that only offers from suppliers who are themselves the manufacturers shall be entertained.
- 9) Development of Bases and Support System should enhance the capability of the PCG in the performance of its mission, provide adequate support system and housing facilities to the PCG units and personnel, and shall be according to the standard criteria for

space allocation, zoning and efficient correlation of land areas and structure.

10)The Human Resource Development Program shall focus on the development of a human resource base in the PCG that imbued with the values, skills and knowledge required by a modern Coast Guard. It shall also work on the strengthening of the patriotic spirit, nationalistic consciousness and respect for the people's rights by PCG personnel in the performance of their duties. It shall also focus on the development of the PCG into a compact, effective, efficient and responsive force to perform its mandated role in environment/resource protection.

11)The Doctrine Development Program shall focus on the generation, evaluation, consolidation and formalization of Coast Guard doctrines; through field application, testing and exercise; and the dissemination of approved doctrines to all levels of command.

b. The Committees shall be responsible for the preparation of COR in their respective area of concern in accordance with the Strategic Development Plan.

c. The Board shall validate only those capability development studies/CORs that have been evaluated and reviewed thoroughly by the cognizant Committee.

d. Membership to the Board shall take effect upon the member's assumption into office. In the same manner, it shall be deemed terminated upon relief of the member from his present office or unit assignment.

e. The Board shall be considered in session when there is a quorum. Quorum shall mean attendance of not less than eleven (11) voting members including the Board Chairperson.

f. No resolution shall be passed upon without quorum in the Board.

g. All resolution passed by the Board shall be adopted by a simple plurality vote of all voting members present including the Chairperson of the Board. Simple plurality shall mean the largest number of votes, whether "aye" or "nay," given to a motion. Abstentions shall not be considered as a vote and shall not be counted in the final tally.

h. At no instance shall the Board hold a meeting in the absence of both the Chairperson and the Vice-Chairperson.

7. PROCEDURES:

A. Evaluation of Capability Development Studies/Proposals: (Annex A)

1) The Secretariat will determine the requirements needed by the Philippine Coast Guard as per Strategic Development Plan.

- 2) The Secretariat receives a study initiated by the Philippine Coast Guard or a proposal by a proponent.
- 3) The Secretariat assesses the study/proposal if it falls within the PCG Strategic Development Plan. If the study or proposal did not fall within the PCG Strategic Development Plan, the Secretariat shall return it to the proponent.
- 4) If the study or proposal is within the PCG Strategic Development Plan, the Secretariat shall forward it to the appropriate committee for presentation or deliberation:
 - a. The TSEC chaired by Commander of the major unit, as determined by the Chairperson PCGMB, will look into the technical specification of the study/ proposal that falls within its functional concern in accordance with the COR.
 - b. The DDC will look into the applicable doctrines to be employed, and the proposed activities to generate, evaluate, validate, formalize, and disseminate doctrines in relation to the capability to be developed in accordance with the COR.
 - c. The HRDC will look into the skills and profiles of personnel required to the capability being developed and other HRD activities that need to be undertaken, such as individual and unit training in accordance with the COR.
 - d. The FRODC will look into the related force structure and organization for the capability being proposed in accordance with the COR.
 - e. The BSSDC will look into the basing and support systems that will cater to proposed capability in accordance with the COR.
 - f. The BFC will look into the financial requirements and payment schemes and schedule of proposed project.
 - g. During the evaluation process of a specific capability development study, the concerned Committee may conduct lateral inter-actions and coordination among themselves.
 - h. After the evaluation, the Committee Chairperson will endorse the study or proposal to the PCGMB Executive Committee if it complies with the Circular of Requirements (COR). If not, the committee will return the study or proposal to the proponent for appropriate action.
 - i. The PCGMB EXECOM will then endorse it to the Chairperson. During the Board Meeting, study/proposal submitted for deliberation by the Board shall be presented by the proponents, originating office or committee.
 - j. The PCGMB will evaluate the endorsed proposal or study. If the study/proposal is acceptable, the PCGMB will recommend it to

the Commandant, Philippine Coast Guard for approval through a Board Resolution.

k. If the proposal/study is approved by CPCG, the Secretariat, PCGMB will forward the proposal to the Secretary of Transportation and Communications. Study/proposal not favorably considered by CPCG shall be returned to the proponent via the PCGMB Executive Committee for appropriate action.

B. Board Meeting shall follow the following sequence:

Call to Order (done by the Chairperson)
Quorum Call
Approval of the Agenda
Reading and Approval of the Minutes of Last Meeting
Business Arising from Previous Minutes
Other Business
Schedule of the Next Meeting
Adjournment

C. Recording of Board Proceedings:

Proceedings of every Board meeting shall be recorded on tape or any similar media for reference.

8. RESCISSION:

All previous PCG publications in conflict with this SOP are hereby rescinded.

9. EFFECTIVITY:

This SOP takes effect upon publication.

BY COMMAND OF VICE ADMIRAL ISORENA:

OFFICIAL:

JOSELITO F DELA CRUZ
COMMO PCG
Chief of Coast Guard Staff


LIEZEL E. BAUTISTA
LCDR PCG
Coast Guard Adjutant