



Department of Transportation and Communications
HEADQUARTERS PHILIPPINE COAST GUARD
139 25th Street, Port Area
1018 Manila



22 September 2005

HPCG/ CG-8

HPCG CIRCULAR
NUMBER 09-05

**Implementing Guidelines for the PCG-MARINA Memorandum of Agreement
on the Implementation of Ship Safety Functions under RA 9295**

II. **AUTHORITY:** PCG-MARINA MOA dated 14 September 2005

II. **REFERENCE:**

- A. Republic Act 5173
- B. Republic Act 9295

III. **PURPOSE:**

To prescribe specific guidelines for the purpose of implementing the aforementioned MOA that authorizes the PCG to undertake the following functions:

- A. Perform ship safety inspection service in behalf of MARINA in specific areas identified by MARINA;
- B. Issue Special Permit to domestic vessels for carriage of dangerous goods/ cargoes;
- C. Provide assistance to MARINA in the performance of specific ship safety enforcement activities; and
- D. Conduct administrative fact-finding proceedings for marine casualty or incident.

IV. **APPLICATION:**

These guidelines are applicable to all Philippine-registered ships engaged in domestic operations, except watercrafts covered by EO 305 (*and these are fishing boats of less than 3 gross tons*).

V. **DEFINITIONS OF TERMS:**

- A. **Authorization** – the act of MARINA in giving its consent to PCG for the performance of certain MARINA functions under RA 9295.
- B. **Inspection Services** – an inspection conducted by PCG for and in behalf of the MARINA in identified areas for purposes of the issuance of ship safety certificates by the MARINA, pursuant to MARINA Memorandum Circular No.

203, and its amendments, adopting the Ship Safety Inspection System (SSIS).

- C. **Ship Safety Inspection System** – activities, procedures and guidelines for the conduct of visual/operational assessment of the ship in order to ensure its compliance with the requirements of the national and applicable international maritime safety standards for the purpose of the issuance of ship safety certificates.
- D. **Maritime Violation Receipt** – document issued to ship's master as notice for the ship's failure to comply with the provisions of the relevant laws, rules and regulations on vessel safety. This is similar to the PCG Inspection and Apprehension Report (IAR).

VI. GUIDELINES:

A. Inspection Services

1. PCG shall perform ship safety inspection services only in areas listed hereunder:

a. Zamboanga Maritime Regional Office (ZMRO)

- 1) Mapun, Cagayan de Tawi-Tawi
 - 2) Taganak, Tawi-Tawi
- } CGS Mapun AOR

b. Tacloban Maritime Regional Office (TMRO)

- 1) Biri, N. Samar
 - 2) Bobon, N. Samar
 - 3) Catarman, N. Samar
 - 4) Gamay, N. Samar
 - 5) Laoang, N. Samar
 - 6) Mapanas, N. Samar
 - 7) Mondragon, N. Samar
 - 8) Palapag, N. Samar
 - 9) Pambujan, N. Samar
 - 10) San Jose, N. Samar
- } CGS Catbalogan AOR

c. Batangas Maritime Regional Office (BMRO)

Quezon

- 1) Aurora Province
 - 2) Patnanungan
 - 3) Jomalig
 - 4) Panulukan, Polilio, Island
 - 5) Burdeous
 - 6) Polilio
 - 7) General Nakar
 - 8) Infanta
 - 9) Real
 - 10) Tagkawayan
 - 11) Buenavista
 - 12) San Narciso
- } CGS Real AOR

- 13) San Andres
 - 14) San Francisco
 - 15) Mulanay
 - 16) Catanauan
- } CGS Real AOR

d. Northern Luzon Maritime Regional Office (NORLUMRO)

Batanes Group of Islands - CGS Batanes AOR

e. Cotabato Maritime Regional Office (COTMRO)

- 1) Kalamansig, Sultan Kudarat
 - 2) Palimbang, Sultan Kudarat
- } CGS Cotabato AOR

2. The MARINA cannot request the PCG to perform ship safety inspection services in areas not listed above.
3. The PCG shall be governed by the Ship Safety Inspection System (SSIS) in the conduct of inspection service authorized herein, and the procedures, standards and forms prescribed therein shall be strictly adhered to.
4. The designated PCG ship inspectors shall meet the qualification requirements prescribed for ship safety inspectors under the SSIS. Such qualified ship inspectors shall be familiar with the pertinent safety rules and regulations for domestic ships, and undergo orientation/training on the SSIS.
5. All ship safety certificates shall be issued by the MARINA to ships inspected by the PCG homeported in the areas covered under Paragraph VI, Section A-1, hereof.
6. The inspecting unit shall submit within five (5) working days after the conduct of the inspection to the concerned MARINA Maritime Regional Office, a copy of the Inspection Reports.

B. Issuance of Special Permit to Carry Dangerous Goods/Cargoes

1. PCG shall issue Special Permit to Carry Dangerous Goods/Cargoes in behalf of MARINA, which shall be in accordance with MARINA MC 101. The fees and charges shall be based on MARINA MC 183 and its subsequent amendments.
2. PCG inspectors shall ensure that dangerous goods/cargoes allowed for transport are stowed in accordance with the ship's cargo stowage plan and/or the ship's dangerous cargo stowage plan and properly labeled prior to the issuance of Special Permit to Carry Dangerous Goods/Cargoes.
3. Accountable forms (*Special Permit Forms and Official Receipt Forms*) for the purpose of this issuance shall be provided by MARINA.
4. Revenue collection generated for this issuance shall be deposited in the National Treasury through the MARINA account. The MARINA account shall be disseminated through a separate communication.
5. Every Coast Guard Station shall submit a compilation of copies of the Special Permit issued for the month to the nearest MARINA Maritime

Regional office not later than the fifth working day of the following month. A summary of the permits issued shall also be submitted to the Coast Guard District in radio message format as shown below:

FM : SC, CGS _____
TO : CCGD _____
INFO : CPCG (ATTN CG-8)

BT... UNCLAS X CITE CGS _____ X MONTHLY
SUBMISSION RPT OF ISSUED SP TO CARRY DANGEROUS
GOODS

1. REF CLN HPCG CIRC NR 09-05
 2. FOR THE MONTH OF _____
 3. NR OF COPIES SUBMITTED DASH _____
 4. SUBMITTED TO _____ MARITIME REGIONAL OFFICE
 5. DATE SUBMITTED DASH _____
 6. FOR INFO/ REF _____
- ...BT

C. Enforcement Functions

1. PCG shall assist MARINA in the conduct of enforcement activities enumerated below, prior to the ship's departure and while the ship is underway only. Moored vessels without an intended voyage are excluded from this provision. The phrase "prior to the ship's departure" shall be reckoned from the time the master has submitted his Master's Oath of Safe Departure.

2. The following are the enforcement activities to be undertaken by PCG in behalf of MARINA:

a. Verification of validity of ship and crew documentation:

- Coastwise License (CWL)/Bay and River License (BRL)/Pleasure Yacht License (PYL)
- Ship Safety Certificate (formerly known as Certificate of Inspection)
- Permit to Operate Cargo and Fishing Vessels
- Special Permit to Navigate
- Special Permit to Carry Dangerous Goods/Cargoes
- Qualification Document Certificate (QDC)
- Minimum Safe Manning Certificate (MSMC)
- Motor Banca Operator License (MBOL)/Boat Captain License (BC)/Marine Diesel (MDM)/Minor Patron License (MIP)/Major Patron License (MAP)

b. Verification of compliance with all the terms and conditions of the Certificate of Public Convenience (CPC), or CPC Exemption, specifically:

- Approved routing pattern/s;
- Validity of passenger insurance policy; and
- Maximum authorized passenger capacity through head counting in case there is clear indication of overloading/overcrowding.

c. Serve copies of MARINA-issued Cease and Desist Order (CDO) to the Master of the ship and to enforce the same. The PCG shall be under no obligation to guard a vessel subject of a Cease and Desist Order. The Master shall be liable in case the vessel leaves port despite a Cease and Desist Order.

d. Undertake mandatory pre-departure inspection in accordance with PCG Memorandum Circular Nos. 04-98 (*Mandatory Pre-Departure Inspection of Vessel*) and 03-96 (*Master's Oath of Safe Departure*) and their subsequent amendments. The same circulars shall be adopted by the MARINA through an appropriate MARINA Administrative Order.

e. Issuance of Maritime Violation Receipt (MVR) to the Master of the ship who fails to comply with the provisions of relevant laws, rules and regulations on vessel safety. A copy of the MVR shall be submitted to the MARINA for adjudication pursuant to Section 18 of RA 9295. The MVR shall be submitted to MARINA within five (5) working days after issuance.

However, when the violation warrants detention of the ship, the PCG shall request the Philippine Ports Authority in writing, in a standard form provided by MARINA, together with a copy of the MVR, to deny departure clearance of the ship in accordance with Executive Order No. 493.

Upon correction of the detainable violation(s), the PCG shall immediately request the Philippine Ports Authority in writing, in a standard form provided by MARINA, to lift the denial of departure clearance of the ship without prejudice to an adjudication of same detainable violation(s), by the MARINA pursuant to Section 18 of RA 9295.

3. The enforcement activities mentioned above excludes all other types of enforcement activities not mentioned, such as Emergency Readiness Evaluation (ERE) , Flag State Control Inspection , and other enforcement activities. Such activities will be performed solely by MARINA.
4. The PCG is authorized to intercept ships while underway for purposes of SOLAS inspection only when there is a clear indication of non-compliance to ship safety standard(s) or in response to a request or derogatory report (that is ship safety related) from an authority, a passenger, crew, or an interested party.

D. Marine Casualty Investigation

1. The PCG shall continue to receive Marine Protest filed by the ship's Master regarding marine casualty and/or incidents and conduct formal fact-finding investigation thereto pursuant to HPCG MC 06-90 (Marine Protest).
2. The Commandant, PCG has the power and authority to convene the Board of Marine Inquiry in accordance with the provisions of RA 5173, PD 601, and 1976 PMMR for the conduct of administrative fact-finding hearing regarding a marine casualty and/or incident.

3. Likewise, Coast Guard District Commanders shall have the power and authority to convene the Special Board of Marine Inquiry in order to conduct fact-finding investigations/ administrative hearings marine casualty/incident within their respective AOR.

4. Station Commanders shall continue to act as Hearing Officers of marine casualty investigation and, if necessary, make appropriate recommendations for the SBMI to take cognizance of the marine casualty/incident cases within their respective AORs.

5. The Commandant, PCG shall be the approving authority of the results of the marine casualty investigation.

VII. MOVEMENT OF VESSELS DURING HEAVY WEATHER

The control of movement of vessels during heavy weather is an inherent PCG mandate/ function under navigational safety. Hence, PCG shall continue to implement the provisions of HPCG MC 03-98 (*Guidelines of Movements of Vessels During Heavy Weather*) dated 15 October 1998.

VIII. LOGISTICS

A. Supplies, materials, and other incidental requirements such as official forms (*inspection report forms, special permits to carry dangerous goods/cargoes, MVR, Letter Request to PPA for Detention of Ships, Letter Request to PPA for the Lifting of Detention of Ships*) and Official Receipts (OR), shall be provided by the MARINA.

B. PCG inspectors performing ship safety inspection services for and in behalf of the MARINA at locations outside 100 kilometer radius from their official stations shall be provided reimbursement of travel expenses in accordance with EO 298, subject to the usual accounting and auditing rules and regulations.

C. In the conduct of ship safety inspection services in areas within 100 kilometer radius from the official stations of their inspectors, a reasonable amount to cover gasoline expenses, supported by official receipts shall be allowed for reimbursement, as authorized by a valid travel order issued for the purpose.

D. Expenses for mailing services shall be shouldered by MARINA. The concerned Maritime Regional Office of the First Party shall arrange with a courier service entity in their area for this purpose.

IX. REPORTING PROCEDURE

A. All activities and issuances conducted by the Coast Guard Station and the Coast Guard District pertaining to the performance of vessel safety functions stipulated herein shall be reflected in the units Daily Accomplishment Report (DAR).

Sample of entries to be included in Station's Daily Accomplishment Report (DAR):

FM : SC, CGS _____
TO : CCGD _____
INFO : CPCG (ATTN: CG-3/CG-8)

BT...CONFID X CITE CGS _____ X DAR ENDNG _____

- X X X -

B. VESSEL SAFETY ACTIVITIES UNDER PCG-MARINA MOA ON RA 9295 CLN

1. NR OF MPDI CONDUCTED (BROKEN DOWN INTO TYPES OF VESSEL)
 - A. PASSENGER VESSEL DASH _____
 - B. CARGO VESSEL DASH _____
 - D. TANKER DASH _____
 - E FISHING VESSEL DASH _____
 - F. ETC
2. NR OF MOSD RECEIVED DASH _____
3. NR OF SP TO CARRY DANGEROUS GOODS ISSUED DASH _____
4. NR OF VESSELS INTERCEPTED WHILE UNDERWAY DASH _____
5. NR OF MVR ISSUED DASH _____
6. NR OF VESSELS DETAINED DASH _____
7. NR IF INSPECTION SERVICE CONDUCTED (IF APPLICABLE) _____
8. NR OF MARINE CASUALTY INVESTIGATION CONDUCTED DASH _____
9. REVENUE COLLECTED (DEPOSITED TO MARINA ACCOUNT) _____
10. OTHER SIGNIFICANT ACTIVITIES _____

- X X X -

B. The daily activities and issuances pertaining to the performance of the vessel safety functions shall be consolidated in tabulated form to be included in the units' Monthly Accomplishment Report (MAR).

C. The above-mentioned data shall be maintained by each Coast Guard District and Station for ready reference.

D. Any problems, comments, and/or suggestions regarding the performance of the functions authorized by MARINA to be performed by PCG shall be communicated in writing to CPCG (Attn: CG-8).

IX. COORDINATION

Direct Liaison/Coordination between PCG District/Station and MARINA Maritime Regional Offices is mandatory. After Liaison/Coordination Reports shall be submitted to CPCG for information. However, should there be sensitive issues that requires coordination with MARINA Head Office, Coast Guard DistrictS shall address their communication to CPCG (Attn: CG-8) for appropriate action.

X. RESCISSION

This Circular hereby rescinds previous publication pertaining to performance of vessel safety enforcement functions particularly those stipulated in the following:

- A. Radio Message Cite CG8-0605-001
- B. Radio Message Cite CG8-0705-005

XI. EFFECTIVITY

This Circular shall be effective for implementation on 29 September 2005.

BY COMMAND OF VICE ADMIRAL GOSINGAN:

OFFICIAL:

**ELPIDIO B PADAMA
RADM PCG
Acting Chief of Staff, PCG**


**JUAN MANUEL DF RAMOS JR
LCDR PCG
Coast Guard Adjutant**

- ANNEX: 1. PCG-MARINA MOA dated 14 September 2005
2. EO 298**

MALACANAN PALACE

MANILA

EXECUTIVE ORDER NO. 298

AMENDING FURTHER EXECUTIVE ORDER NO. 248 DATED MAY 29, 1995 AS AMENDED BY EXECUTIVE ORDER NO. 248-A DATED AUGUST 14, 1995, WHICH PRESCRIBES RULES AND REGULATIONS AND NEW RATES OF ALLOWANCES FOR OFFICIAL LOCAL AND FOREIGN TRAVELS OF GOVERNMENT PERSONNEL

WHEREAS, the existing rules and regulations and the allowable travel expenses for local and foreign travels of government personnel must be rationalized to make the grant thereof fair and equitable;

WHEREAS, in view of the increasing cost of goods and services, there is a need to review the rules and regulations and travel expenses for local and foreign travels;

WHEREAS, under Section 79 of Presidential Decree No. 1177, dated July 30, 1977, as amended by Section 72, Book VI of Executive Order No. 292 or the (Administrative Code of 1987), the rates of travel allowances may be changed from time to time as may be determined by the Travel Rates Committee created therein;

WHEREAS, the Travel Rates Committee has submitted to the President recommendations to modify the existing rules and regulations and the authorized travel expenses for local and foreign travels;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Section 4 of EO No. 248, as amended by EO No. 248-A, is hereby renamed as Section 2, and Items b) and c) thereof are hereby amended as follows:

b) Travel Expenses – the amount authorized to cover hotel/lodging rate, meals and incidental expenses excluding transportation expensed going to and from.

c) Hotel/Lodging Rate – the daily hotel/lodging cost including the prescribed taxes and service charges.

SEC.2. Section 2 and 3 are hereby renumbered as Section 3 and Section 4, respectively.

SEC.3. The first (1st) paragraph of Section 5 of EO No. 248 is hereby amended to read as follows:

"Section 5. Approval of Travel and Payment of Travel Expenses. Travels of officials and employees of National Government Agencies for less than thirty (30) days and payment of travel expenses therefore shall be approved by the head of office/bureau or equivalent. Travels that will last thirty (30) days or more and payment of travel expenses therefore shall be approved by the Department Secretary or his equivalent. The approval of the Department Secretary concerned shall be construed as equivalent to the approval of the Secretary of Budget and Management.

SEC.4. The first (1st), second (2nd), and third (3rd) paragraph of Section 6 of the said EO are hereby amended to read as follows:

"Section 6. Allowable Travel Expenses. The travel expenses of government personnel regardless of rank and destination shall be in the amount of Eight Hundred Pesos (P800.00) per day which shall be apportioned as follows: a) fifty percent (50%) for hotel/lodging, b) thirty percent (30%) for meals and c) twenty percent (20%) for incidental expenses.

Claims for reimbursement of actual travel expenses in excess of the travel expenses authorized herein may be allowed upon certification the head of agency concerned as absolutely necessary in the performance of an assignment and presentation of bills and receipts. Provided, that, certification or affidavit of loss shall not be considered as appropriate replacement for the required hotel/lodging bills and receipts.

Entitlement to travel expenses shall start only upon arrival at the place of destination and shall cease upon departure therefrom at the following percentage:

Particulars	Percentage	To Cover
Arrival not later than 12:00 noon	100%	Hotel/lodging (50%); meals (30%) and incidental expenses (20%)
Arrival after 12:00 noon	80%	Hotel/lodging (50%); dinner (10%) and incidental expenses (20%)
Departure before 12:00 noon	30%	Breakfast (10%) and incidental expenses (20%)
Departure at 12:00 noon and later	40%	Breakfast (10%), lunch (10%) and incidental expenses (20%)

SEC. 5. The seventh (7th) paragraph of Section 6 of the said EO is hereby amended to read as follows:

"Claims for payment of travel expenses travel/assignment to places within the fifty (5) kilometer radius from the last city or municipality covered by the Metropolitan Manila Area in the case of those whose permanent official station is in the Metropolitan Manila Area, or the City or municipality wherein their permanent official station is located in the case of those outside the Metropolitan Manila Area, shall be allowed only upon presentation of proof, duly supported by bills or invoices with official receipts of expenses incurred, that they stayed in the place of their assignment for the whole duration of their official travel. If they commute daily from the place of their assignment to the place of their residence or permanent official station, they shall be allowed only the reimbursement of actual fare at the prevailing rates of the authorized mode of transportation from the permanent official station to the destination or place of work and back, and a reasonable cost for meals. The total actual fare and cost of meals and incidental expenses shall in no case exceed Four Hundred Pesos (P400.00) per day."

SEC. 6. A second (2nd) paragraph is added to Section 9 of the EO to read as follows:

"Reimbursement of the payment of the airport terminal fee at the point of embarkation to go back to the Philippines upon completion of the official trip abroad is likewise authorized."

SEC. 7. Section 10 of the EO is hereby amended to read as follows:

"Section 10. Transportation – In case officials and employees authorized to travel are not provided with transportation by the host country or sponsoring organization or agency, they

shall be allowed official transportation, which shall be of the restricted economy class unless otherwise authorized by the President of the Philippines.

SEC. 8. The first (1st) paragraph of Section 12 of the EO is hereby amended to read as follows:

"Section 12. Allowable Travel Expenses. Government personnel who travel abroad shall be entitled to the Daily Subsistence Allowance (DSA) as provided under the United National Development Program (UNDP) Index, which can be secured from the Department of Foreign Affairs. The DSA shall be apportioned as follows unless otherwise stated in the UNDP Index: (a) fifty percent (50%) for hotel/lodging; (b) thirty percent (30%) for meals; and (c) twenty percent (20%) for incidental expenses. When the country of destination is not listed in the said Index, the DSA for the nearest country shall be adopted."

SEC. 9. The second (2nd) and third (3rd) paragraphs of Section 12 of the EO are hereby amended and merged to read as follows:

"Subject to the approval of the President, claims for reimbursement of actual travel expenses in excess of the DSA authorized herein may be allowed upon certification by the head of agency as absolutely necessary in the performance of an assignment and presentation of bills and receipts. Certification of affidavit of loss shall not be considered as appropriate replacement for the required hotel room/lodging bills and receipts."

SEC. 10. The fourth (4th) paragraph of Section 12 of the EO is hereby amended to read as follows:

"Entitlement to DS shall start only upon arrival at the country of destination and shall cease upon departure therefrom at the following percentage:

Particulars	Percentage	To Cover
Arrival not later than 12:00 noon	100%	Hotel/lodging (50%); meals (30%) and incidental expenses (20%)
Arrival after 12:00 noon	80%	Hotel/lodging (50%); dinner (10%) and incidental expenses (20%)
Departure before 12:00 noon	30%	Breakfast (10%) and incidental expenses (20%)
Departure at 12:00 noon and later	40%	Breakfast (10%), lunch (10%) and incidental expenses (20%)

SEC. 11. The fifth (5th) paragraph of Section 12 of the EO is hereby amended to read as follows:

"The Daily Subsistence Allowance authorized herein shall be deemed the equivalent of the per diems authorized under Section 75 of RA No. 7157, otherwise known as the Foreign Service Act of 1991."

SEC. 12. The last paragraph of Section 12 is hereby deleted.

SEC. 13. The second (2nd) paragraph of Section 14 of the EO is hereby amended to read as follows:

"Officials and employees who are either assigned from their Home Office to a post abroad or cross-posted from one post to another shall be entitled to the lodging portion of the allowances herein granted during the month said personnel arrived at the post; Provided, That the claim which shall be supported by appropriated bills with receipts does not commence until their actual arrival at the post; Provided, Further, That pursuant to Section 65 of R.A. No. 7157, they shall not collect living quarters allowance until the first day of the month following their arrival at the post of assignment; Provided, Finally, That, the lodging portion of the allowances shall be granted on the basis of the classification of the post as stated under E.O. No. 101, series of 1993 in accordance with the 50% entitlement for hotel/lodging rate provided herein."

SEC.14. Section 16 of the EO is hereby amended to read as follows:

"Section 16. Rendition of Account on Cash Advances – Within sixty (60) days after his return to the Philippines, in the case of official travel abroad, or within thirty (30) days of his return to his permanent official station in the case of official local travel, every official or employee shall render an account of the cash advance received by him in accordance with existing applicable rules and regulations and/or such rules and regulations as may be promulgated by the Commission on Audit for the purpose. Refund of excess cash advance may be made either in U.S. dollars if allowed by the Department concerned or in Philippine currency computed at the prevailing bank rate at the day of refund. In the case of the latter, a bank certification or newspaper clipping on the bank rate should be submitted. Payment of the salary of any official or employee who fails to comply with the provisions of the Section shall be suspended until he complies therewith."

SEC. 15. Section 17 of the said EO is hereby deleted.

SEC. 16. The first (1st) paragraph of Section 18 of EO is amended to read as follows:

"Every official or employee assigned or authorized to travel under this Order shall, within thirty (30) days after his return to his permanent official station, submit a report with his recommendations, if any, on the conference or seminar attended, examination or investigation conducted, or mission undertaken, to the head of his office. In case of participation in an international conference or convention abroad in which the Philippines is represented by a delegation, a report of the delegation shall be submitted to the President of the Philippine through the department head concerned copy furnished the DFA not later than thirty (30) days after the closing of the conference or convention. Any member of the delegation may also submit a supplementary report."

SEC. 17. Repeal. All executive issuances, orders, rules and regulations or parts thereof inconsistent with this Executive Order are hereby repealed or modified.

SECT. 18. Effectivity. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 23rd day of March, in the year of Our Lord, Two Thousand and Four.

(Sgd.) **GLORIA MACAPAGAL-ARROYO**

By the President:

(Sgd.) **ALBERTO G. ROMULO**

Executive Secretary