

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

4749

HOUSE BILL NO. _____



Introduced by **HON. JUMEL ANTHONY I. ESPINO**

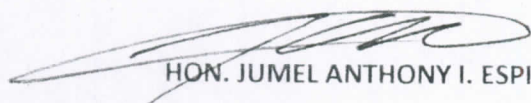
EXPLANATORY NOTE

In 2006, the International Labor Organization (ILO) adopted the Maritime Labor Convention 2006 which provided the international standards for seafarers. Also known as the "Seafarer's Bill of Rights," it was adopted by all nations that sent representatives to the ILO International Labor Conference on February 2006. It was designed to be applicable internationally and ensure minimum standards for the safe and secure workplace that complies with safety standards, fair terms of employment, decent working and living conditions on board ship and health protection, medical care, welfare measures and other forms of social protection.

Despite ratifying the said Convention, the Philippines' existing labor laws and legislation, especially the Overseas Filipinos and Migrant Worker's Act do not adhere to the said Convention. With an estimated 1.5 million Filipino seafarers, manning 100,000 or so ships and whose work are essential to international trade and tourism, it is important to ensure decent working conditions for Filipino seafarers. With more than 1.5 million seafarers around the world, up to 25 percent of this seaborne labor force is Filipino. Data for 2015 shows that Filipino seafarers were reported to have brought in up to US\$ 5.8 billion or 22.5 percent of the total foreign remittances to the economy of the Philippines.

In view of these considerations, it is vital to enact a Magna Carta Ng Pilipinong Marino that promotes the welfare and protect the rights of Filipino seafarers. This bill aims to fill the gaps in legislation and comply and effectively implement the standards set by the international convention. This bill is a consolidation of all pending bills in the past Congresses after a series of consultations and technical working group sessions with various stakeholders and which was finally endorsed by the Maritime Industry Tripartite Council (MITC) in March 2015.

In view of the importance of this bill, its approval is earnestly sought.


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AN ACT INSTITUTING THE MAGNA CARTA NG PILIPINONG MARINO

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

CHAPTER I
GENERAL PROVISIONS

SECTION 1. **Short Title.** – This Act shall be known as the “**Magna Carta Ng Pilipinong Marino.**”

SEC. 2. **Declaration of Policies.** – It is hereby declared the policy of the State:

- (a) To afford Filipino seafarers full protection before, during and after employment by granting them certain rights as maritime professionals, in recognition of their unique role and contribution to national development;
- (b) To maintain and progressively develop a pool of competent and world-class seafarers through a system of education, training, accreditation and licensing;
- (c) To establish mechanisms for the enhancement of administrative, adjudicative, social as well as welfare services for them and their families;
- (d) To enact laws that adopt, and implement the standards set by international conventions and agreements on working and living conditions, and occupational safety and health, among others, for seafarers particularly the Maritime Labour Convention, 2006; and
- (e) To recognize shipowners, manning and recruitment entities as vital partners in promoting the skills and competencies of Filipino seafarers.

Toward these ends, the State shall endeavor to improve the Filipino seafarers’ working conditions, terms of employment, career prospects and provide them opportunities to harness their potentials to the fullest. The State shall further promulgate policies and programs to uplift the socio-economic well-being of the families of Filipino seafarers.

1 SEC. 3. **Applicability.** –This Act shall cover Filipino seafarers engaged, employed, or
2 working in any capacity on board Philippine registered ships operating domestically or
3 internationally, as well as those on board foreign registered ships.

4
5 This Act shall not cover the following categories of ships:

- 6
7 (a) Warships and naval auxiliaries;
8
9 (b) Government ships not engaged in commercial operations;
10
11 (c) Ships of traditional build, as may be defined under existing rules and regulations;
12 and
13
14 (d) Fishing vessels.

15
16 SEC. 4. **Definition of Terms.** – As used in this Act:

- 17
18 (a) *Cadet* refers to a student of a maritime educational institution who is required to
19 undergo training on-board registered international ships or domestic ships to fulfil
20 a maritime academic course;
21
22 (b) *Domestic Shipping* refers to the transport of passenger or cargo or both by ships
23 duly registered and licensed under Philippine law to engage in trade and commerce
24 between Philippine ports and within Philippine territorial or internal waters for hire
25 or compensation with general or limited clientele whether permanent, occasional
26 or incidental, with or without fixed routes and undertaken for contractual or
27 commercial purposes;
28
29 (c) *International Maritime Convention* or *International Convention* refers to any
30 written treaty or agreement, or any protocol or amendment thereto, affecting the
31 maritime industry which has come into force and effect, including the Maritime
32 Labour Convention, 2006;
33
34 (d) *License* refers to the document issued by the Department of Labor and
35 Employment (DOLE) authorizing any person or entity to engage in the recruitment
36 and placement of seafarers;
37
38 (e) *Manning/Recruitment and Placement Agency* refers to any Filipino person,
39 corporation, partnership, company, or other entity engaged in the canvassing,
40 enlisting, contracting, transporting, utilizing, hiring or procuring whether for profit
41 or not, of seafarers whether domestic or international;
42
43 (f) *Maritime Industry Stakeholders* refer to all private sector stakeholders, engaged in
44 the business of owning, managing, chartering or operating domestic and
45 international ship(s) of Philippine or foreign registry, manning of ships,
46 management of ports, stevedoring and arrastre services, ship brokering and
47 chartering, ship-building and ship repair, providing maritime services such as ship
48 supplies and provisions, maritime education and training, shipping agency, and
49 other similar activities.

This term shall also include bona fide maritime labor organizations and professional associations of seafarers;

- (g) *Master* refers to a person having command of a ship;
- (h) *Maritime Labour Certificate* refers to the document that certifies that the working and living conditions of the seafarers on the ship have been inspected and are compliant with the requirements of Philippine laws and regulations;
- (i) *Officer* refers to a member of the crew other than the master who has been designated as such by national law or regulation or, in the absence of such designation, by collective agreement or custom;
- (j) *Deck Officer* refers to an officer qualified in accordance with Chapter II of the International Convention on the Standards of Training, Certification and Watchkeeping for Seafarers (STCW) 1978, as amended;
- (k) *Engine Officer* refers to an officer qualified in accordance with Chapter III of the International Convention on the Standards of Training, Certification and Watchkeeping for Seafarers (STCW) 1978, as amended;
- (l) *Philippine National* refers to any individual who is a citizen of the Philippines, or a commercial partnership or corporation organized under the laws of the Philippines, at least 60% of the capital of which is owned by citizens of the Philippines;
- (m) *Philippine Seafarers' One Stop Processing Center (PSOC)* refers to the facility created under DOLE Administrative Order No. 56, series of 2003, which houses multiple offices or agencies involved in providing services to seafarers, in one place;
- (n) *Point of Hire* refers to the place where the contract of employment was executed;
- (o) *Recognized Organizations* refer to organizations recognized by the DOLE to carry out inspections or issue the Maritime Labour Certificate in accordance with the scope of activities covered by their authorizations;
- (p) *Repatriation* refers to the process of returning a seafarer to the point of hire;
- (q) *Seafarer* refers to a person who is employed or is engaged to work in any capacity on board a ship to which the Act applies;
- (r) *Ship or Vessel* refers to any kind, class or type of craft or artificial contrivance capable of floating in water, whether publicly or privately owned, ordinarily engaged in commercial activities and offshore operations, except fixed platform;
- (s) *Sea Going Ship* refers to a ship other than those which navigate exclusively in inland water or water within or closely adjacent to sheltered water, or areas where port regulations apply;

- 1
2 (t) *Shipowner* refers to the owner of the ship employing Filipino seafarers to work on
3 board domestic ships and ships engaged in international trade, or any other
4 organization or person, such as the manager, agent or bareboat charterer, who has
5 assumed the responsibility for operation and management of the ship, and who, in
6 assuming such responsibilities, has agreed to take over all the attendant duties and
7 responsibilities of a shipowner under this Act, regardless of whether any other
8 organization or persons fulfil certain of the duties or responsibilities on behalf of
9 the shipowner.

10
11 CHAPTER II
12 SEAFARERS' RIGHTS
13

14 SEC. 5. ***Right to Just Terms and Conditions of Work.*** – Seafarers shall have the right to:

- 15
16 (a) Safe and secure workplace that complies with safety standards;
17
18 (b) Decent working and living conditions on board a ship;
19
20 (c) Medical care, welfare measures and other forms of health and social protection;
21 and
22
23 (d) Fair terms and conditions of employment including salary commensurate to their
24 rank, hours of work, and other relevant basis for wage computation, minimum
25 number of working hours, rest period consistent with Philippine laws or
26 international maritime conventions, when applicable.
27

28 SEC. 6. ***Right to Self-organization, to Engage in Collective Bargaining and to Participate***
29 ***in Democratic Exercises.*** – Seafarers shall enjoy their right to self-organization, to collective
30 bargaining and to participate in the deliberation of issues and in the formulation of policies that
31 affect them, including the guarantee of representation in governing boards or appointment in
32 government instrumentalities.
33

34 SEC. 7. ***Right to Educational Advancement and Training at Reasonable and Affordable***
35 ***Costs.*** – Seafarers shall have access to educational advancement and training at reasonable and
36 affordable costs.
37

38 No fee or other charges shall be imposed on cadets, interns, apprentices, on-the-job-
39 trainees or other persons similarly situated.
40

41 Toward this end, relevant government agencies shall:

- 42
43 (a) regulate the operation of all educational and training institutions offering courses
44 related to seafaring;
45
46 (b) pursue grant programs such as scholarships, subsidies, loan assistance and other
47 measures that will harness the skills of Filipino seafarers toward greater
48 competitiveness given to new demands in the industry; and
49

(c) promote quality maritime education and training that respond to the needs of the industry and in accordance with minimum international maritime standards of competency.

SEC. 8. ***Right to Relevant Information.*** – Shipowners, manning agencies, and other organizations responsible for the recruitment and placement of Filipino seafarers shall be mandated to provide seafarers relevant information, including the terms and conditions of employment and company policies affecting seafarers. This right shall include the right of seafarers organizations to relevant information affecting the terms and conditions of employment of their members.

All ships covered by this Act shall have a copy of the Maritime Labour Convention of 2006 and the grievance procedures observed on board.

SEC. 9. ***Right to Consultation.*** – Seafarers, shipowners and legitimate seafarers' and shipowners' organizations, as well as other relevant stakeholders, shall be adequately consulted before adopting any maritime policy, executive issuance, rule or regulation affecting seafarers and their families is promulgated, or before any maritime law that may directly affect them is enacted.

SEC. 10. ***Right Against Discrimination.*** – Upon employment, seafarers shall have the right against discrimination by sole reason of race, sex, religion and political opinion. Career opportunities shall be promoted and appropriate working and living conditions shall be guaranteed equally among male and female seafarers.

SEC. 11. ***Right to Free Legal Representation.*** – Seafarers who are victims of violations of the provisions of this Act and who cannot afford the services of a competent and independent counsel shall have the right to free legal assistance and protection at government's expense, subject to existing rules and regulations.

SEC. 12. ***Right to Access to Communication.*** – Seafarers, especially during their free time or when they are not on duty shall have reasonable access to ship-to-shore telephone communications, and email and internet facilities, where available.

CHAPTER III DUTIES OF SEAFARERS

SEC. 13. **Seafarers** shall have the following duties:

- (a) To comply with and observe the terms and conditions of the employment contract;
- (b) To abide by lawful and reasonable company personnel policies;
- (c) To be obedient to the lawful commands of the Master or the Master's lawful successor, and to comply with the shipowner's/principal's policy on safety and operational procedures and instructions given in connection therewith;

- 1 (d) To be diligent in the performance of duties relating to the ship, its stores,
2 equipment and cargo, whether on board, in transit or ashore;
3
4 (e) To be, at all times, orderly and respectful to the shipmates, passengers,
5 shippers, stevedores, port authorities, and other persons who have official
6 business with the ship; and
7
8 (f) To be personally responsible for maintaining a healthy lifestyle.
9

10 CHAPTER IV
11 MINIMUM REQUIREMENTS FOR SEAFARERS
12

13 SEC. 14. **Minimum Age.** – No person below eighteen (18) years old, other than a cadet,
14 shall be employed, engaged, or otherwise allowed to work on board Philippine registered ships
15 operating domestically or internationally, as well as on board foreign registered ships.
16

17 SEC. 15. **Medical Certificates.** – No seafarer shall be employed, engaged, or otherwise
18 allowed to work on board a domestic or ocean-going ship unless a medical certificate has been
19 issued declaring the seafarer to be fit to work.
20

21 The seafarer shall hold a valid medical certificate issued by a medical facility duly
22 accredited by the Department of Health (DOH) in accordance with its existing rules and
23 regulations.
24

25 The medical certificate shall certify that the person is expected to be able to meet the
26 minimum requirements for performing the duty specific to the person's post at sea safely and
27 effectively during the period of the validity of the certificate.
28

29 For the purpose of this Section, a medical certificate issued in accordance with the
30 requirements of STCW shall be accepted.
31

32 SEC. 16. **Training and Qualifications.** – Only seafarers certified by appropriate government
33 agencies shall work, be employed or be engaged on board a ship.
34

35 SEC. 17. **Recruitment and Placement.** – Only duly licensed manning or placement and
36 recruitment agency shall be allowed to operate and engage in the recruitment and placement of
37 seafarers, in accordance with the rules and regulations as may be issued by the Secretary of Labor
38 and Employment.
39

40 No amount or fee shall be charged to the seafarer for their recruitment and placement.
41

42 SEC. 18. **Contracting or Subcontracting of Services.** – The contracting or sub-contracting
43 of seafarers for work on board domestic ships shall be governed by existing rules and regulations
44 issued by the Department of Labor and Employment (DOLE).
45

46 CHAPTER V
47 CADETSHIP
48

49 SEC. 19. **Applicability.** – The shipboard training of cadets shall be governed by Sections

5-12 of Chapter II; Section 13 of Chapter III; Section 15 of Chapter IV; Sections 22 to 23 of Chapter VI; Sections 25 to 27 of Chapter VII; Sections 31 to 35 of Chapter IX; Section 36 of Chapter X; and Section 42 of Chapter XIV hereof.

SEC. 20. *Shipboard Training Agreement for Cadets.* – There shall be a written agreement between the shipowner on one hand, and the cadet and the maritime institution or school on the other, and which shall include the following information, terms and conditions:

- (a) Cadet's full name, date of birth, birthplace and age, which should be at least 16 years old;
- (b) Name and address of the maritime institution or school;
- (c) Name and address of the shipowner, if applicable;
- (d) Place and date when the cadet's agreement is entered into;
- (e) Capacity in which the cadet is to be trained;
- (f) Amount of the cadet's allowance or stipend;
- (g) Required number of hours of training and rest which would not be less than the prescribed hours of work and rest in Section 21 of this Act;
- (h) Duties and responsibilities of the sponsoring company, Maritime Higher Education Institutions, and cadets, as may be provided under the Standard Cadet Training Agreement on Ships Engaged in International Voyage of the Philippine Overseas Employment Administration (POEA); and
- (i) Other benefits in accordance with law, company policy or agreements.

The foregoing agreement shall be written in a working language or in English, executed in three (3) original copies before the commencement of the shipboard training. The shipowner, cadet and the maritime institution/school shall each have a signed original of the agreement and an electronic copy thereof shall be submitted to the DOLE, through the Bureau of Working Conditions (BWC). A signed original copy shall also be made available on board the ship.

Maritime Higher Education Institutions (MHEIs) shall demonstrate that over the last three (3) years, an average of at least the minimum percentage of the target number of cadets, as per updated relevant CHED Memorandum Order are able to secure berths in connection with their studies, which minimum percentage, however, shall not be lower than sixty percent (60%) of students enrolled in their Bachelor of Science in Marine Transportation (BSMT) or Bachelor of Science in Marine Engineering (BSMarE) programs. The Commission on Higher Education (CHED), in coordination with the Maritime Industry Authority (MARINA), shall ensure that only BSMT or BSMarE programs in MHEIs that meet the above requirement are conferred approved or accredited.

CHAPTER VI TERMS AND CONDITION OF EMPLOYMENT

1
2 SEC. 21. **Standard Employment Agreement for Seafarers.** – There shall be an agreement
3 in writing between the shipowner and the seafarer, which shall include the following information
4 and terms:

- 5
6 (a) Seafarer's full name, date of birth or age, and birthplace;
7
8 (b) Shipowner's name and address;
9
10 (c) Place where and date when the seafarer's employment agreement is entered into;
11
12 (d) Capacity in which the seafarer is to be employed;
13
14 (e) Amount of the seafarer's salary, and the formula used for calculating the same;
15
16 (f) Hours of work and hours of rest;
17
18 (g) Wages and wage-related benefits, which include the following: overtime pay,
19 holiday pay, premium pay, paid leaves, 13th month pay, if applicable;
20
21 (h) Social security and welfare benefits;
22
23 (i) Stipulation on repatriation or similar undertakings;
24
25 (j) Separation pay and retirement pay, if applicable;
26
27 (k) Reference to the collective bargaining agreement, if applicable,
28
29 (l) Other benefits in accordance with law, company policy or agreements.
30

31 The foregoing employment agreement shall be in a working language or in English,
32 executed in three (3) original copies before the commencement of the employment. The
33 shipowner and the seafarer shall each have a signed original of the agreement. A signed original
34 shall be made available on board the ship.
35

36 The Philippine Overseas Employment Administration - Standard Employment Contract
37 (POEA-SEC) approved by the DOLE shall be observed in the employment of Filipino seafarers on
38 board foreign registered ships.
39

40 When there is a collective bargaining agreement, a copy thereof must be maintained on-
41 board the ship and readily accessible to the seafarers.
42

43 SEC. 22. **Wages.** – Upon effectivity of this Act, the Regional Tripartite Wages and
44 Productivity Boards shall set the minimum wage rates of the seafarers on board ships engaged in
45 domestic shipping, taking into account the peculiarities of the employment arrangement of
46 seafarers and the criteria as determined pursuant to Republic Act No. 6727, otherwise known as
47 "Wage Rationalization Act": Provided, that wages for actual work hours and days shall not be
48 lower than the applicable minimum wage rates in the domicile or head office of the employer.

Wages shall be paid at least once every two (2) weeks or twice (2) a month, at intervals not exceeding sixteen (16) days.

Trainees, probationary crew members and others similarly situated shall be paid full minimum wage in accordance with the services rendered.

Cadets, on-the-job trainees, apprentices and other similarly situated persons who are onboard vessels as part of the completion of their academic or training program, shall be provided with stipends or allowances, which should not be less than 50% of the existing minimum wage of regular seafarers.

SEC. 23. *Hours of Work and Hours of Rest.* – The normal hours of work of seafarer shall not exceed eight (8) hours a day. If the seafarer is allowed to work beyond eight (8) hours, the maximum hours of work shall not exceed fourteen (14) hours in any 24-hour period, and seventy-two (72) hours in any 7-day period.

The minimum hours of rest for every seafarer shall not be less than ten (10) hours. Hours of rest may be divided into no more than two (2) periods, one of which shall be at least six (6) hours in length, and the interval between consecutive periods of rest shall not exceed fourteen (14) hours.

In exceptional cases, seafarers in watchkeeping duties may be required to work beyond fourteen (14) hours provided that the rest period is not less than seventy (70) hours in any 7-day period. This exception shall not be allowed for more than two (2) consecutive weeks. The intervals between two (2) periods of exceptions shall not be less than twice the duration of the exception.

SEC. 24. *Paid Annual Leave.* – Whenever applicable, the seafarers shall be paid an annual leave to be calculated on the basis of a minimum of 2.5 calendar days per month of employment.

For ships licensed to engage in domestic shipping, the provisions on “Holidays, Service Incentive Leaves and Service Charges” of Presidential Decree No. 442, or the Labor Code of the Philippines, as amended, shall continue to apply unless higher annual leave is already provided under the Collective Bargaining Agreement or by the shipowner as company practice or policy.

CHAPTER VII REPATRIATION

SEC. 25. *Seafarers Shall Be Entitled to Repatriation.* All costs related to the repatriation or transport of the personal effects of a seafarer shall be borne by or charged to the shipowner and the manning agency concerned. The expenses of repatriation shall include the transportation charges, pay and allowances from the moment the seafarers leave the ship until they reach the repatriation destination, the accommodation and the food of the seafarer during the journey and transportation of thirty kilograms (30 kg) of the seafarers’ personal luggage to the repatriation destination. The primary responsibility to repatriate entails the obligation on the part of the shipowner or agency to advance the repatriation and other attendant costs, including plane fare, deployment cost of the principal and immigration fines and penalties, to immediately repatriate the seafarer should the need for it arise, without a prior determination of the cause of the termination of the seafarer’s employment. However, after the worker has returned to the

country, the shipowner or agency may recover the cost of repatriation from the seafarer if the termination of the employment was due solely to the seafarer's fault.

SEC. 26. **Emergency Repatriation for Seafarers On-board Foreign Registered Ships.** – In cases of war, epidemics, abandonment of ship by shipowners, disasters, calamities, natural or manmade, and other similar events, the Department of Foreign Affairs (DFA), in coordination with the POEA and the OWWA, shall undertake the repatriation of seafarers. The DFA shall draw from the Emergency Repatriation Fund (ERF) provided under the General Appropriations Act (GAA) to defray the expenses involved in the repatriation of undocumented seafarers, while the POEA shall require manning agencies to effect the repatriation of seafarers within forty-eight (48) hours or suffer the penalty of suspension. In case of failure of the manning agency to provide for the repatriation within the prescribed time, the POEA shall coordinate with the Overseas Workers Welfare Administration (OWWA) to advance the cost of repatriation of the seafarer without prejudice to reimbursement from the concerned manning agency.

The DFA shall take the lead in the repatriation of the affected seafarers in areas where there is no Philippine Overseas Labor Office (POLO) in the area.

SEC. 27. **Repatriation for Seafarers On-board Domestic Ships.** – The provisions on repatriation shall also apply to seafarers working on domestic ships. Seafarers on board domestic ships shall be entitled to emergency repatriation in cases of war, epidemics, abandonment of ship by shipowners, disasters or calamities, whether natural or man-made, and other similar events.

CHAPTER VIII MANNING REQUIREMENT

SEC. 28. **Manning Levels.** – All ships of Philippine registry shall observe the required minimum manning levels in accordance with the requirements prescribed by MARINA.

Every ship shall be manned by a crew that is adequate in terms of size and qualifications taking into account the need to operate the vessel safely and efficiently.

SEC. 29. **Crew Competence.** – The crew members of a ship of Philippine Registry shall possess the appropriate certificate of competency, which sets forth their competence to serve and perform the functions involved at the level of responsibility, for the position held, for the type, tonnage, power, means of propulsion, and trading patterns of the ships concerned.

The certificate of competency shall attest to the fact that the seafarer to whom it is issued meets the requirements for service, age, qualification, and has successfully passed the examinations conducted to determine the seafarer's proficiency and level of expertise for the position.

SEC. 30. **Registry of Seafarers.** – To better respond to the manning requirements of ocean-going ships of foreign registry, and domestic and ocean-going ships of Philippine registry, the POEA and MARINA, respectively, shall maintain a registry of all seafarers in the Philippines. The registry shall contain the relevant information or data to promote employment opportunities for seafarers whether on board or ashore, and allow for the appropriate learning for and implementation of additional training, skills and competency development programs for seafarers.

[illegible]

SEC. 36. ***Medical Care On-board Ships and Ashore.*** – The shipowner shall provide adequate equipment, paraphernalia and medical supplies, including medicines on board, and shall ensure access to shore facilities for the health of seafarers, as well as the corresponding medical or trained personnel who shall provide first-aid and medical care pursuant to the Maritime Occupational Safety and Health Standards and other pertinent laws, rules and regulations.

The shipowner shall ensure that seafarers have access to medical treatment for any illness or injury, hospitalization and dental treatment.

A seafarer shall have the right to consult a qualified physician or dentist without delay in ports of call, where practicable.

A seafarer shall have the right to material assistance and financial support from the shipowner with respect to the expenses incurred during and as a result of financial medical treatment for sickness, injury or death occurring while they are serving under a valid employment contract or those which arise from their employment, without prejudice to any other legal remedies that a seafarer may seek.

CHAPTER XI

WELFARE AND SOCIAL SECURITY PROTECTION

SEC. 37. **Social Welfare Benefits.** – Without prejudice to established policy, collective bargaining agreement or other applicable social agreement, all seafarers shall become members of the Social Security System, Employees' Compensation and State Insurance Fund, Philhealth, Home Development Mutual Fund (or Pag-IBIG Fund) and shall enjoy the benefits afforded pursuant to membership thereof.

CHAPTER XII

COMPLIANCE AND ENFORCEMENT

SEC. 38. **Compliance and Certification.** – All ships of Philippine registry shall comply with the provisions of this Act. The shipowner or master shall ensure the compliance of the ship with the provisions of this Act and its implementing rules and regulations.

The shipowner and master, as acting shipowner's representative, shall be made principally liable for any violation of the provisions of this Act and its implementing rules and regulations.

For this purpose, a Maritime Labour Certificate or a certificate of compliance, as applicable, shall be issued in accordance with the implementing rules and regulations. The DOLE, DFA and MARINA, in consultation with shipowners and seafarers' organizations, shall formulate the said implementing rules and regulations.

SEC. 39. ***Inspection and Enforcement.*** – The Secretary of Labor or a duly authorized representative, shall have the sole and exclusive authority to inspect all Philippine ships, domestic or ocean-going to ensure compliance with the provisions of this Act. The duly authorized representative shall have the power to board ships and carry out any examination, test or inquiry in order to ensure that the standards established under this Act and its implementing rules and regulations are strictly observed.

1 The Secretary of Labor and Employment may authorize other government agencies or duly
2 recognized organizations to conduct inspection and issue certification in accordance with the
3 provisions of this Act and its implementing rules and regulations.
4

5 The Secretary of Labor and Employment or the duly authorized representative shall have
6 the power to order immediate restitution of differences, and impose fines for violations of the
7 provisions of this Act.
8

9 If the violation or deficiency constitutes serious breach of the requirement of this Act and
10 its implementing rules and regulations, or poses imminent danger to the ships or to the life or
11 limb of the seafarer, the Secretary of Labor or the duly authorized representative may
12 immediately order the detention of the ship until the violation or deficiency is corrected.
13

14 SEC. 40. **Recognized Organization.** – Recognized organizations may be authorized by the
15 Secretary of Labor and Employment to conduct the inspection of ship's premises and issue the
16 Maritime Labour Certificate or the Certificate of Compliance with, as appropriate, in accordance
17 with the provisions of this Act and its implementing rules and regulations.
18

19 A recognized organization must have the necessary knowledge of the requirements of this
20 Act and its implementing rules and regulations, the Maritime Labour Convention of 2006 and
21 other relevant international treaty or convention.
22

23 Likewise, to be recognized and authorized to inspect a ship, it must also have the
24 necessary and qualified professional and technical expertise to conduct the inspection and certify
25 to the ship's compliance with established standards.
26

27 CHAPTER XIII 28 TERMINATION OF EMPLOYMENT 29

30 SEC. 41. **Termination of Employment.** 31

- 32 (a) The employment of Filipino seafarers on board Philippine-registered ships
33 operating internationally as well as those on board foreign-registered ships shall
34 cease when the seafarers complete their period of contractual service aboard the
35 ship, sign off from the ship, and arrive at the point of hire.
36

37 The employment is also terminated effective upon arrival at the point of hire for
38 any of the following reasons:
39

- 40 (1) When the seafarer signs off and is disembarked for medical reasons in the
41 event the seafarer is declared: (1) fit for repatriation; or (2) when after an
42 illness the seafarer is declared fit to work, but the employer is unable to find
43 employment for the seafarer on board the ship originally boarded or on
44 another ship of the employer;
45
46 (2) When the seafarer signs off due to the sale of the ship, lay-up of ship,
47 discontinuance of voyage or change of ship principal;
48

1 (3) When the seafarer, voluntarily resigns in writing and signs off prior to the
2 expiration of contract within a reasonable period as may be prescribed in the
3 implementing rules and regulations of this Act; or
4

5 (4) When the seafarer is discharged for just causes in accordance with the
6 provisions of the POEA Standard Employment Contract;
7

8 (b) The termination of employment of a seafarer on board domestic ships shall be
9 governed by the provisions of the Labor Code of the Philippines, as amended, on
10 domestic shipping.
11

12 (c) The termination of employment of a seafarer on board a foreign vessel or foreign
13 registered ships shall be governed by the POEA SEC or applicable collective
14 bargaining agreement (CBA).
15

16 CHAPTER XIV 17 SETTLEMENT OF DISPUTES 18

19 SEC. 42. ***On-board and Onshore Grievance Machinery.*** – All ships of Philippine registry
20 shall prescribe and observe fair, effective and expeditious on-board and on-shore methods and
21 procedures to handle grievance at no cost to the seafarer, in accordance with the implementing
22 rules and regulations of this Act.
23

24 In cases where a seafarer is a member of a legitimate trade union organization, any
25 grievance shall, as a condition precedent to conciliation-mediation, undergo the grievance
26 machinery with the involvement of the union as established in its collective bargaining agreement
27 (CBA). Without prejudice to any existing law, any agreement reached by the parties during the
28 grievance negotiation shall be final and binding.
29

30 SEC. 43. ***Mandatory Conciliation-Mediation and Arbitration.*** – Seafarers, whether
31 engaged, employed or working on-board ships of Philippine registry or other registries, shall avail
32 of the conciliation-mediation services of the DOLE pursuant to Republic Act 10396 and its
33 Implementing Rules and Regulations, by filing a request for assistance before the conciliation-
34 mediation desks at the Regional/Field/Provincial Offices of the DOLE or its attached agencies.
35

36 In case of failure of conciliation-mediation in cases where seafarers are covered by CBA,
37 the case shall be submitted for Voluntary Arbitration in accordance with Articles 261 and 262 of
38 the Labor Code, as amended. In cases where seafarers are not covered by the CBA, the seafarer
39 shall have the option to submit the case to Compulsory Arbitration or Voluntary Arbitration.
40

41 CHAPTER XV 42 REINTEGRATION FOR OVERSEAS FILIPINO SEAFARERS 43

44 SEC. 44. ***Reintegration.*** – Returning or unemployed overseas Filipino seafarers may avail
45 of the livelihood development and training programs, placements and other services offered by
46 concerned government agencies, including Overseas Workers Welfare Administration (OWWA),
47 Technical Education and Skills Development Authority (TESDA), Technical and Livelihood Resource
48 Center (TLRC), Cooperative Development Authority (CDA), National Maritime Polytechnic (NMP)
49 and CHED.

1
2 These agencies shall formulate skills upgrading or retraining curricula to meet the needs of
3 returning or unemployed seafarers. The participation of the maritime sector, in particular, port
4 and shipping industry, and maritime educational institutions shall be likewise solicited by the
5 DOLE in devising the appropriate retraining and local job placement programs for unemployed
6 seafarers.
7

8 The National Reintegration Center for OFWs (NRCO) shall attend to the needs of returning
9 seafarers. The Center shall provide mechanisms for their reintegration into the Philippine society,
10 serve as a promotion house for their local employment, and tap their skills and potentials for
11 national development.
12

13 CHAPTER XVI
14 **INCENTIVES AND AWARDS GRANTED TO THE MARITIME INDUSTRY**
15

16 SEC. 45 *Incentives and Awards*. – There shall be established an incentives and awards
17 system for the maritime industry stakeholders which shall be developed and administered by the
18 concerned government agency in consultation with the Maritime Industry Tripartite Council
19 (MITC).
20

21 Under such rules and regulations that may be promulgated, deserving shipowners,
22 seafarers, manning and other organizations or entities shall be commended or awarded for their
23 outstanding performance in upholding the rights of seafarers and complying with this Act.
24

25 CHAPTER XVII
26 **GOVERNMENT AGENCIES**
27

28 SEC. 46. *Role of Government Agencies*. – The following government agencies shall perform
29 the following functions to promote the welfare and protect the rights of Filipino seafarers:
30

31 (a) Department of Labor and Employment – The DOLE shall exercise sole and exclusive
32 jurisdiction in implementing the provisions of this Act and ensure that the standards
33 set forth herein, under Presidential Decree No. 442, as amended, and other laws, the
34 Maritime Labour Convention 2006 and other international treaties and conventions to
35 which the Philippines is a signatory are faithfully complied with and fairly applied to
36 Filipino seafarers;
37

38 The DOLE shall likewise determine and set appropriate benchmarks consistent with the
39 MLC 2006, this Act and other applicable laws on employment conditions and other
40 labor standards and regulations;
41

42 (b) Department of Foreign Affairs – The DFA, through its home offices or foreign posts,
43 shall give paramount importance to the safety and well-being of Filipino seafarers, by
44 providing adequate and timely intervention and assistance, such as representing their
45 interests with foreign authorities concerned and facilitating their repatriation when
46 they are distressed or beleaguered;
47

1 (c) Department of Health – The DOH shall regulate the activities and operations of all
2 clinics which conduct physical, optical, dental, psychological and other similar
3 examinations, hereinafter referred to as health examinations, on Filipino seafarers;
4

5 The DOH shall determine and prescribe the nature of the health examination that shall
6 be required of a seafarer, ensuring that such examination will genuinely determine the
7 seafarer's state of health, considering the duties that the seafarer shall be required to
8 perform on board. The DOH shall likewise prescribe the contents of the medical
9 certificate to ensure that such certification will genuinely reflect the seafarer's state of
10 health.
11

12 (d) Philippine Overseas Employment Administration – The POEA shall look into the
13 contracts of employment and the working conditions of the officers and crew of
14 vessels of Philippine registry operating internationally, and of such officers and crew
15 members who are Filipino citizens and employed by foreign vessels to ensure that
16 these comply with the prescribed standards;
17

18 (e) Overseas Workers Welfare Administration – The OWWA, through its welfare officers or
19 coordinating officers, shall provide the Filipino seafarers and their families all the
20 assistance they may need in the enforcement of contractual obligations by agencies
21 and their principals.
22

23 The OWWA shall likewise formulate and implement welfare programs for overseas
24 Filipino seafarers and their families while they are abroad and upon their return. It
25 shall ensure the awareness by the overseas Filipino workers and their families of these
26 programs and other related governmental programs.
27

28 (f) Maritime Industry Authority - The MARINA shall ensure that all maritime education
29 including the curricula and training programs are structured and delivered in
30 accordance with written programs, methods and media of delivery, procedures and
31 course materials, international standards as prescribed under the STCW Convention
32 and other applicable laws.
33

34 (g) Philippine Coast Guard – The PCG, in line with its function to assist in the enforcement
35 of applicable laws within the maritime jurisdiction of the Philippines, shall assist the
36 DOLE in the enforcement of Department Orders and other issuances implementing the
37 MLC 2006, including orders to detain vessels found in gross violation of pertinent laws,
38 rules and regulations.
39

40 Unless otherwise provided in this Act, the mandate, power and function of all existing
41 departments, agencies or instrumentalities of the government, including government-owned and
42 controlled corporations, shall remain and continue to be recognized in accordance with the law or
43 order creating them.
44

45 **SEC. 47. *Philippine Seafarer One Stop Processing Center (PSOC).*** – The PSOC has been
46 tasked to operationalize and make available to the public, an integrated document processing
47 center for the seafarers and the general public to conduct official transactions. The agencies that
48 are mandated to provide services in the PSOC are as follows:
49

- 1 (a) Department of Labor and Employment;
2
3 (b) Department of Foreign Affairs;
4
5 (c) Commission on Higher Education;
6
7 (d) Professional Regulation Commission;
8
9 (e) National Telecommunications Commission;
10
11 (f) Philippine Overseas Employment Administration;
12
13 (g) Overseas Workers Welfare Administration;
14
15 (h) Technical Education and Skills Development Authority;
16
17 (i) Maritime Industry Authority;
18
19 (j) National Bureau of Investigation;
20
21 (k) Social Security System;
22
23 (l) Philippine Health Insurance Corporation;
24
25 (m) Philippine Statistics Authority;
26
27 (n) Home Development Mutual Fund;
28
29 (o) Such other government agencies that the Secretary of DOLE may deem appropriate to
30 be included in the PSOC.
31

32 CHAPTER XVIII
33 FINAL PROVISIONS
34

35 SEC. 48. **Administrative Fines and Penalties.** – Any shipowner, master, their
36 representative or other person who fails or refuses to present employment records, such as
37 payrolls, daily time records, payslip or other documents, when required by the Secretary of Labor,
38 or the duly authorized representative of the Secretary of Labor, or the duly authorized
39 representative of a recognized organization, shall be imposed administrative fines and penalties in
40 accordance with the implementing rules and regulations promulgated to implement this Act.
41

42 SEC. 49. **Penalties for Violations of Sections 38 and 39.** – Any person who, without proper
43 authorization, exercises the authority granted to the Secretary of Labor under Sections 38 and 39
44 of this Act, shall be punished with a fine of not less than One hundred thousand pesos
45 (P100,000.00) nor more than Four hundred thousand pesos (P400,000.00), or imprisonment of
46 not less than one (1) year nor more than four (4) years, or both at the discretion of the court. The
47 foregoing offense shall prescribe after five (5) years from its commission, or upon discovery of the
48 violation by competent authorities.
49

1 SEC. 50. **Transitory Provision.** – All rights, privileges and benefits previously enjoyed by
2 Filipino seafarers before the effectivity of this Act, including those set forth in Presidential Decree
3 No. 442, otherwise known as the Labor Code of the Philippines, as amended, and Republic Act No.
4 8042, otherwise known as the “Migrant Workers and Overseas Filipinos Act of 1995,” as
5 amended, shall continue to be recognized and shall not be diminished.
6

7 SEC. 51. **Implementing Rules and Regulations.** – The DOLE, in coordination with the DFA,
8 MARINA and other concerned agencies, shall formulate the rules and regulations to implement
9 this Act within ninety (90) days after its effectivity.
10

11 SEC. 52. **Separability Clause.** – If, for any reason, any section, clause or term of this Act is
12 held to be illegal, invalid, or unconstitutional, such parts not affected by such declaration shall
13 remain in full force and effect.
14

15 SEC. 53. **Repealing Clause.** – All laws, presidential decrees, issuances, executive orders,
16 letters of instruction, rules or regulations inconsistent with the provisions of this Act are hereby
17 repealed or modified accordingly.
18

19 SEC. 54. **Effectivity.** – This Act shall take effect fifteen (15) days after its publication in the
20 *Official Gazette* or in a newspaper of general circulation.
21

22 *Approved.*