

REPUBLIC OF THE PHILIPPINES  
HOUSE OF REPRESENTATIVES  
Quezon City

EIGHTEENTH CONGRESS  
First Regular Session

House Bill No. 1954



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Introduced by **MAGDALO Party-List Representative**  
**HON. MANUEL DG. CABOCHAN III**

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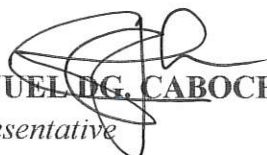
**EXPLANATORY NOTE**

Pilotage service is one of the important complementary services to vessels in port. The Charter of the Philippine Ports Authority (PPA), Presidential Decree No. 85, specifically Section 6 (a) (viii), vests PPA with the power to control, regulate and supervise pilotage and the conduct of pilots in any port district. PPA has promulgated several regulations on pilotage in order to implement its mandate and/or to respond to the complaints of both foreign and coastwise shipping lines/operators. The complaints include unsatisfactory or delayed services rendered by some pilots, lack of proper equipment and gear overcharging of pilotage fees and the collection of unauthorized fees.

At present, pilotage services are solely provided by the members of the Harbor Pilots' Association in a pilotage district which is under the United Harbor Pilots' Association of the Philippines (UHPAP). On 3 February 1986, President Marcos signed Executive Order No. 1088 without prior consultation with the maritime sector and the PPA. The EO made pilotage services in all ports in the country compulsory, and increased pilotage fees by as much as four thousand percent (4,000%) for the benefit of UHPAP members, the umbrella organization.

Presently, there is a need to define clearly pilotage services, and to establish in an unequivocal manner the basis for the imposition of not less than 10% of government share in the gross receipts from harbor pilotage operations. This bill seeks to provide a mechanism maritime liability of harbor pilots.

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

  
**MANUEL DG. CABOCHAN III**  
*Representative*  
Magdalo Para sa Pilipino Party-List

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AN ACT  
REGULATING HARBOR PILOTAGE SERVICES AND THE CONDUCT OF  
HARBOR PILOTS IN ALL PORTS IN THE PHILIPPINES AND FOR OTHER  
PURPOSES

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

1       **SECTION 1. Title.** - This Act shall be known as the "*Pilotage Service Act of 2016*".

2  
3       **SEC. 2. Policy and Objectives.** - It is hereby declared the policy of the State to  
4 regulate, control, and supervise pilotage services and the conduct of pilots in all ports of the  
5 country to attain the following objectives:

- 6  
7       a) Ensure the safe conduct in ports of vessels and seaborne commerce/passengers;  
8       b) Protect port structure and facilities;  
9       c) Establish reasonable charges for pilotage services;  
10       d) Foster fair competition among harbor pilots in the delivery of pilotage services;  
11       e) Ensure efficient pilotage services at all times; and  
12       f) Professionalize harbor pilotage services.

13  
14       **SEC. 3. Definition of Terms.** - For purposes of this Act, the terms used herein, unless  
15 the context indicates otherwise, shall mean as follows:

- 16  
17       a) Pilotage service is the act of conducting maneuvering a vessel to/from berth to  
18 anchorage;  
19       b) Harbor pilot is a licensed master mariner duly accredited by the Philippine Ports  
20 Authority to conduct pilotage in a pilotage district;

- 1 c) Authority refers to the Philippine Ports Authority;
- 2 d) Accreditation is the authority granted by PPA to any harbor pilot to render pilotage
- 3 services in a particular pilotage district;
- 4 e) Permit to operate is the authority granted by the PPA to any pilots' organization to
- 5 render pilotage service in a particular pilotage district; and
- 6 f) Gross income from pilotage services is the total gross billing whether collected or
- 7 not, assessed against the ship owner/ agents for pilotage and related services.
- 8

9 **SEC. 4. *Establishment of Pilotage District.*** - The Philippine Ports Authority is

10 hereby authorized to establish, through longitude and latitude, the pilotage districts

11 throughout the country including the number of pilots for each pilotage district.

12

13 **SEC. 5. *Provision of Pilotage Services.*** - Pilotage services in all pilotage districts

14 shall be provided directly by the Authority either by contract or through accredited pilots

15 organizations.

16

17 **SEC. 6. *Compulsory or Optional Pilotage.*** - For entering a harbor and anchoring

18 thereat, or passing through rivers or straits within a pilotage district, as well as docking and

19 undocking at any pier/wharf, or shifting from one berth to another, every vessel engaged in

20 foreign trade shall be under compulsory pilotage, except in specific ports/areas/cases declared

21 as optional per the regulations promulgated by the Authority.

22

23 Pilotage for vessels engaged in domestic trade shall be optional, except in specific

24 ports/areas/cases declared as compulsory per regulations promulgated by the Authority.

25

26 **SEC. 7. *Accreditation of Harbor Pilots.*** - Harbor pilots shall be accredited by the

27 Authority, on the basis of merit and fitness, for a term of not less than one (1) year but not

28 exceeding five (5) years.

29

30 Accreditation may be renewed under such terms and conditions as the Authority may

31 adopt, but in no case shall the renewal exceed the compulsory retirement age as provided for

32 in Section 9 hereof.

1           The accreditation, transfer, suspension and cancellation of a harbor pilot's  
2 accreditation shall be governed by the rules and regulations promulgated by the Authority.

3  
4           Nothing contained herein shall be construed to mean an employer-employee  
5 relationship between the Harbor Pilot and the Authority.

6  
7           **SEC. 8. *Qualification of a Harbor Pilot.*** - No person shall be accredited as harbor  
8 pilot unless he is a Filipino citizen and, on the day of accreditation, is not more than fifty-five  
9 (55) years old, of sound physical and mental condition, of good moral character, and a holder  
10 of a license as harbor pilot for the pilotage district applied for.

11  
12           **SEC. 9. *Compulsory Retirement of Pilots.*** - Upon the effectivity of this Act, harbour  
13 pilots shall be considered retired at the age of sixty (60) years.

14  
15           **SEC. 10. *Establishment of a Pilots' Organization.*** - Pilots in a pilotage district may  
16 form themselves into a pilots' organization which shall be registered with the Securities and  
17 Exchange Commission and accredited with the Authority. The organization shall be headed  
18 by a Chief Pilot to be elected from the member-pilots.

19  
20           **SEC. 11. *Permit to Operate.*** - Every pilots' organization shall secure from the  
21 Authority a permit to operate (PTO) for such services under terms/conditions the Authority  
22 may prescribe.

23  
24           **SEC. 12. *Cancellation of PTO.*** - The PTO may be canceled by the Authority only for  
25 cause and after due process.

26  
27           **SEC. 13. *Record.*** - Harbor pilots/ pilots' organizations shall keep a record of their  
28 operations and financial transactions and such other records or reports as may be required by  
29 this Act. All records shall be made open to member-pilots and concerned government  
30 agencies for inspection and examination.

31  
32           **SEC. 14. *Indemnity Insurance.*** - Every pilots' organization shall collectively insure  
33 its membership with the Government Service Insurance System (GSIS) at an amount to be

1 determined by the Authority to cover in whole or in part any liability arising from any  
2 accident resulting in damage to vessel(s), port facilities and other properties, and/or death or  
3 injury to persons caused by its members in the performance of pilotage service.

4  
5 **SEC. 15. *Operating Capital, Equipment and Facilities.*** - To effectively and  
6 efficiently render pilotage services, individual pilots and/or pilots' organizations shall make  
7 available operating capital, equipment or facilities as may be required by the Authority.

8  
9 **SEC. 16. *Pilotage Services and Rates.*** - The Authority shall define pilotage services,  
10 including tug assistance and other related services, and shall determine, establish and adjust  
11 the rates therefore, in coordination with relevant government agencies and concerned private  
12 sectors, taking into consideration factors such as, but not limited to, tonnage of vessels and  
13 distance covered by the service.

14  
15 The rates thus determined shall take effect fifteen (15) days after publication in any  
16 newspaper of general circulation.

17  
18 **SEC. 17. *Government Share for Pilotage Services.*** - For the privilege granted to  
19 pilots/pilots' organizations to undertake pilotage services and for the use of port facilities,  
20 there shall be collected a government share of not less than ten (10%) percent in the pilots'  
21 gross income from pilotage and related services.

22  
23 **SEC. 18. *Extent of Liability.*** - A harbor pilot/pilotage organization providing pilotage  
24 service to a vessel shall be responsible for the damage sustained by the vessel and other  
25 facilities, and for the death or injury to persons resulting from his/its failure or negligence.  
26 He/she may only be absolved from liability if the accident is caused by *force majeure* or  
27 natural calamities, or when his/her order is countermanded by the master of the vessel:  
28 Provided, however, That he/she exercises extraordinary diligence in the performance of  
29 his/her duties to prevent or minimize damage.

30  
31 **SEC. 19. *Penalties.*** - Any person who violates the provisions of this Act and the  
32 implementing rules and regulations shall be punished by imprisonment of not less than ten  
33 (10) days but not more than six (6) months, as may be determined by the court.

1 If the offender is a duly-accredited harbor pilot, his accreditation shall, in addition to  
2 his imprisonment, be suspended/cancelled or revoked.

3  
4 The Authority shall have the power to suspend, cancel or revoke the accreditation of a  
5 harbor pilot and to impose administrative fines in an amount not less than Twenty Thousand  
6 Pesos (P20,000.00) but not more than Two Hundred Thousand Pesos (P200,000.00) for such  
7 specific violation as shall be determined by the Authority.

8  
9 **SEC. 20. Issuance of New Accreditation to Incumbent Harbor Pilots.** – Incumbent  
10 pilots in all pilotage districts shall be issued new accreditations in accordance with the  
11 provisions of this Act. In no case shall said new accreditations exceed the compulsory  
12 retirement age for harbor pilots as provided for in Section 9 hereof.

13  
14 **SEC. 21. Repealing Clause.** - Executive Order No. 1088 and all other laws, decrees,  
15 orders, rules and regulations or parts thereof inconsistent with or contrary to the provisions of  
16 this Act are hereby repealed or modified accordingly.

17  
18 **SEC. 22. Separability Clause.** - If any part or provision of this Act is held  
19 unconstitutional or invalid, other parts or provisions which are not affected thereby shall  
20 continue to be in full force and effect.

21  
22 **SEC. 23. Effectivity.** - This Act shall take effect fifteen (15) days after its publication in at  
23 least two (2) national newspapers of general circulation.

*Approved,*