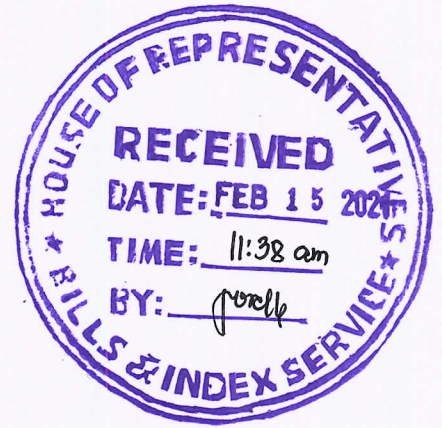


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 8690



Introduced by MARINO Party-list Representatives
SANDRO L. GONZALEZ
and **MACNELL M. LUSOTAN**

AN ACT
ESTABLISHING THE MARITIME WORKERS AND SEAFARERS
ADMINISTRATION, DEFINING ITS POWERS AND FUNCTIONS,
APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The Philippines has been a consistent top supplier of competent and hardworking seafarers worldwide for years. In a span of almost four decades, the sea-based labor export of the country exponentially grew by more than 700% or from 50,604 seafarers in 1984 to 469,996 seafarers in 2019.

In recent years, however, the Philippines lost the top position in the supply market for Officers to China and are facing to lose a sizeable amount of its market share in the supply for Ratings to other labor supplying countries like Indonesia, India, Viet Nam, Sri Lanka and Russia. The challenge is amplified by the COVID-19 pandemic and the recent development of vaccine against it as more shipowners are considering to hire seafarers from countries that have comprehensive and concrete plan for the vaccination of their seafarers.

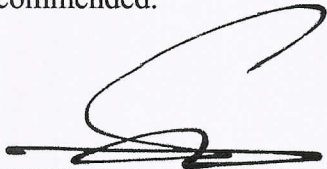
As a labor supplying country, we are bound to observe and enforce in good faith international conventions pertaining to the qualifications of seafarers such as the 1978 International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, As Amended (STCW Convention) to minimize human errors in navigation and promote safety of life and property at sea. Although the country has enacted Republic Act No. 10635, designating the Maritime Industry Authority as the single maritime administration to implement and enforce the STCW Convention, the actual execution has been fragmented and performed by several government agencies to date. Consequently, the seafarers are left with no option but to deal with multiple agencies thereby affecting the ease of doing business and causing unnecessary burden on the part of the stakeholders. Additionally, the fragmented maritime administration makes it hard

for the government to craft and implement policies swiftly and effectively to respond to critical maritime developments.

The outbreak of COVID-19 also exposed the vulnerability of seafarers' contractual employment. Renowned cruise liners which employ more than 130,000 non-traditional Filipino seafarers in 300 cruise ships were forced to pre-terminate the contracts of our modern heroes due to restrictions on cruise operations. Without well-crafted and properly implemented reintegration programs, most of our seafarers, after years of sacrifice at sea, are left with nothing but their small savings and investments to sustain them for the rest of their unemployed life.

The maritime workforce needs an agency which will promote and safeguard their welfare in all stages of their career and ensure their proper reintegration into society once they choose to stay with their loved ones; an agency that will ensure that world-class education and training can be earned at the least possible amount of time to maximize their earning potential. Our sea-based modern-day heroes need an agency that will cater to their needs from education to their reintegration.

In view of the foregoing, approval of this bill is most urgently and earnestly recommended.



SANDRO L. GONZALEZ
Representative
MARINO Party-list



MACNELL M. LUSOTAN
Representative
MARINO Party-list

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

CHAPTER I
GENERAL PROVISIONS

Section 1. *Short Title* – This Act shall be known as “**The Maritime Workers and Seafarers Administration Act**”.

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

- a) To maintain and progressively develop a pool of competent and globally-preferred maritime workers and seafarers through an effective, integrated, simplified and seamless system of education, training, certification and licensing;
- b) To protect and promote the right of all citizens to quality maritime education and training at all levels, and take appropriate steps to make such education and training accessible to all.
- c) To enact International Maritime Organization (IMO) conventions and instruments, ratified or acceded by the country, into national legislation and formulate policies that adopt, and implement the letters and spirits of the International Convention on Standards of Training Certification and Watchkeeping 1978, As Amended (STCW Convention), the Maritime Labour Convention, 2006, As Amended (MLC) and other international maritime instruments on the training, licensing and qualification of seafarers as well as the minimum terms, conditions and requirements for employment on board ships, among others;

- d) To recognize the vital role of Seafarers' Unions, Labor Organizations, manning agencies, shipowners Maritime Higher Educational Institutions (MHEIs), Maritime Training Institutions (MTIs), and other maritime entities in promoting the skills and competencies of Filipino seafarers;
- e) To recognize tripartism as essential mechanism in the formulation of policies, programs, rules and regulations for the development, protection and welfare of maritime professionals and maritime workers;
- f) To promote and protect the welfare of maritime workers and seafarers by providing them with necessary services, supervision, regulation, guidance and support in the pursuit and exercise of their profession prior, during, and after their employment.

Section 3. *Definitions* – For purposes of this Act, the following terms shall mean or be understood as follows:

- (a) Maritime Higher Education Institution or MHEI refers to all higher education institution, both public and private, that conduct maritime education programs in accordance with the STCW Convention and other applicable laws, rules and regulations;
- (b) Maritime Training Institution or MTI refers to duly established institutions, public or private, authorized by the Administration to offer maritime training courses in accordance with the STCW Convention and other applicable laws, rules and regulations;
- (c) Maritime Worker refers to any person employed in any traditional maritime activity such as, but not limited to, the loading or unloading of cargo and materials in a vessel, ship construction, ship repair and shipbreaking;
- (d) Seafarer refers to any person who is engaged in employment in any capacity on board a merchant marine vessel plying international waters or other seacraft of similar category, including fisherfolk, cruise ship personnel, yacht crew, those serving on mobile offshore and drilling units in the high seas, and similarly situated persons;
- (e) Shipboard Training Program refers to a planned and structured program of training designed to assist a prospective candidate to achieve the standard of competence in accordance with the table of competencies of the STCW Code;
- (f) Ship Repair refers to the overhaul, refurbishment, renovation, improvement, or alteration of the hull, machineries, equipment, outfits and components of all types of ships;
- (g) STCW Convention refers to the International Convention on Standards of Training, Certification, Watchkeeping for Seafarers of 1978, and its associated Code, including the 2010 Manila Amendments.

CHAPTER II

THE MARITIME WORKERS AND SEAFARERS ADMINISTRATION: MANDATE, BOARD, POWERS AND FUNCTIONS

Section 4. *Creation of the Maritime Workers and Seafarers Administration* – There is hereby created a Maritime Workers and Seafarers Administration (MARIWASA), hereinafter referred to as the “Administration”, which shall be organized within sixty (60) days from the date of approval of this Act.

The Administration shall be attached to the Department of Labor and Employment (DOLE) and shall be the primary government agency responsible for ensuring that Filipino seafarers and maritime workers are globally-preferred and that domestic seafarers and maritime workers are globally-competitive, through an effective, integrated, simplified and seamless system of education, training, certification and licensing.

It shall likewise be the primary government agency responsible for implementing international conventions, instruments, laws, policies, rules and regulations relative to the training, licensing and qualification of seafarers as well as the minimum terms, conditions and requirements for employment on board ships, whether domestic or international, such as the STCW Convention and the MLC.

The Administration shall also be responsible for promoting and protecting the welfare of maritime workers and seafarers before, during and after their employment and ensuring their proper and effective reintegration into the mainstream society.

Section 5. *The Maritime Workforce Board* – The administration and powers of the Administration shall be vested in the Maritime Workforce Board.

- a) Composition – The Board shall be composed of the following members:
- 1) The Secretary of the DOLE as Ex-Officio Chairperson;
 - 2) The Secretary of the Department of Transportation (DOTr) as Ex-Officio Vice-Chairperson;
 - 3) The Commissioner of the Commission on Higher Education as Ex-Officio Member;
 - 4) One (1) representative from the Department of Health – Health Facilities and Services Regulatory Bureau as Ex-Officio Member
 - 5) One (1) representative from the Department of Foreign Affairs – Office of Migrant Workers Affairs as Ex-Officio Member;
 - 6) The Superintendent of the Philippine Merchant Marine Academy (PMMA) as Ex-Officio Member;
 - 7) Two (2) representatives from the maritime workers and seafarers groups;
 - 8) Two (2) representatives from the private sector with business interest in maritime as Members;

- 9) The Administrator of the Maritime Workers and Seafarers Administration as Ex-Officio Member.

The representatives from the seafarers and maritime workers groups and the private sector shall be natural-born Filipino citizens of proven competence, integrity and independence. They shall be nominated by any legitimate maritime organization and appointed through a majority vote of the Ex-Officio Members. For purposes of this Act, the vote cast by any public official or employee acting as or attending on behalf of the Ex-Officio Member in a meeting called for that purpose shall be valid.

The elected representatives shall serve for a term of four (4) years. No elected representative shall serve for more than two (2) consecutive terms.

- b) **Meetings and Quorum** – The Board shall meet regularly at least once every quarter. Special meetings may be convened at the call of the Chairperson or by a majority of the members of the Board. The presence of six (6) voting members shall constitute a quorum and the vote of at least (4) members present shall be sufficient to pass a resolution.
- c) **Allowances and Per Diems** – The members of the Board shall receive a reasonable per diem for every meeting actually attended, subject to the pertinent budgetary and accounting laws, rules and regulations.

Section 6. Powers and Functions of the Board– The Board shall exercise the following powers and functions:

- 1) To implement all laws, rules and regulations, orders and other issuances pertaining to the education, training, certification, regulation and discipline of maritime workers and seafarers, including the STCW Convention and the MLC, among others;
- 2) To provide, annually review and modify comprehensive policy guidance for the promotion and development of the maritime profession and labor, including the periodic review, evaluation and preparation of minimum terms and conditions of employment in seafarer contracts;
- 3) To promulgate, prescribe and implement such promotional and developmental rules and regulations, standards, guidelines and procedures and recommend laws or measures as may be necessary for the growth and effective regulation of MHEIs, MTIs, Assessment Centers and other maritime enterprises;
- 4) To formulate and implement policies and programs to allow seamless transition of individuals holding non-maritime baccalaureate degrees and/or technical and vocational education certification to the maritime profession;
- 5) To review, approve and accredit maritime curricula of all Maritime Higher Education Institutions (MHEIs) and training programs of all Maritime Training Institutions (MTIs);
- 6) To develop, implement and exclusively manage a centralized system of shipboard training as required under maritime curricula and trainings;

- 7) To formulate and implement specific policies in the determination of just and reasonable tuition, training, assessment fees, among others, and other charges relative to the operation of MHEIs, MTIs, Assessment Centers and other maritime enterprises;
- 8) To promote and protect the rights and well-being of the Filipino sea-based workers in domestic and overseas employment to fair recruitment and employment practices, including the periodic review, evaluation and preparation of terms and conditions of employment in seafarer contracts;
- 9) To formulate, develop and implement welfare programs, in partnership with relevant government agencies, non-governmental organizations and private institutions, responsive and adequate to the needs of maritime workers and seafarers before, during and after their employment;
- 10) To exercise original and exclusive jurisdiction to hear and decide administrative and civil cases arising out of an employer-employee relationship or by virtue of any law or contract involving Filipino maritime workers and seafarers for domestic or overseas employment;
- 11) To provide technical assistance and other linkages to various government agencies;
- 12) To conduct research and trainings to keep abreast of the developments, opportunities and challenges in the maritime profession and labor;
- 13) To designate the representatives of the Philippine Government in all international and regional meetings, conferences and/or conventions concerning developments and issues in maritime labor, training, certification and regulations;
- 14) To establish, create, modify, reorganize or dissolve offices under the Administration as may be necessary for the effective performance of the agency and delivery of services to stakeholders, subject to Civil Service Commission (CSC), Department of Budget and Management (DBM) and other relevant rules and regulations;
- 15) To enter into agreements and contracts in connection with the Administration's establishment, maintenance and performance of mandates;
- 16) To adopt a common seal;
- 17) To approve the organizational structure, staffing pattern, and budget of the Administration upon the recommendation of the Administrator;
- 18) To perform such acts as are proper and necessary to implement this Act or as may be provided by law or other issuances.

Section 7. General Powers and Functions of the Administrator and the Deputy Administrator –

- a) The day-to-day operations of the Administration shall be overseen by an Administrator which shall be appointed by the President for a term of seven (7) years. The Administrator shall have the following powers and functions:

- 1) Develop and, subject to the approval of the Board, implement programs and measures that would effectively carry out the policies laid down by the Board;
 - 2) Within sixty (60) days from the effectivity of this Act, prescribe the organizational framework, staffing pattern and compensation structure of the Administration for the approval of the Board;
 - 3) Recommend the appointment of all supervisory, technical, clerical and other personnel of the administration;
 - 4) Represent the Administration in all of its official transaction or dealings and to authorize, through his signature, legal contracts, annual reports, financial statements, correspondences and other official documents of the Administration;
 - 5) Submit to the Board an annual report on the operation and performance of the Administration; and
 - 6) Perform other duties and functions as may be authorized by law.
- b) The Deputy Administrator shall be the assistant of the Administrator in all matters pertaining to the overall operations of the Administration. The Deputy Administrator shall have the following duties and responsibilities:
- 1) Advise and assist the Administrator in the formulation and implementation of policies and programs of the administration;
 - 2) Evaluate the effectiveness of the Administration's organizational and functional systems in the delivery of services to the stakeholders, and recommend appropriate measures to improve performance of cognizant offices in the Administration, when necessary;
 - 3) Oversee and coordinate the operational activities of the Administration;
 - 4) Act as Chairman of the Personnel Selection and Promotions Board;
 - 5) Manage the discipline of personnel in the Administration;
 - 6) Assume the powers, functions, duties and responsibilities of the Administrator as may be authorized by law or as may be directed by any of his/her superiors; and
 - 7) Perform such other functions as may be authorized by law or as may be directed by any of his/her superiors.

CHAPTER III

MARITIME EDUCATION AND TRAINING

Section 8. *Creation of Maritime Strand and Adoption of Modularized Education and Training Program* – Within three (3) years from the effectivity of this Act, the Administration

shall formulate, introduce, and implement a maritime strand under the Enhanced Basic Education Program or the K-12 Program as well as modify existing baccalaureate maritime curricula by adopting a modularized competency-based training regime to effectively reduce the number of years spent by a maritime professional in education and training;

Section 9. *Centralized Management of Shipboard Training Programs*– The management of all shipboard training programs required to complete the requirements of a maritime baccalaureate degree shall be centralized and managed by the Administration upon the effectivity of this Act.

For this purpose, the Administration, in coordination with the Maritime Industry Authority (MARINA) shall formulate the implementing guidelines governing shipboard training within ninety (90) days from the effectivity of this Act.

The Administration, in coordination with the MARINA, may require convention size ships of Philippine registry to accommodate at least one (1) cadet each in the deck and engine departments, subject to safety and health considerations.

The Administration may also enter into agreements with shipping companies operating convention-size merchant vessels, including those sailing under foreign flags, to ensure that all students will be given equal opportunity to avail the necessary shipboard training program. For this purpose, the Administration, after consultation with shipping operators, may charge reasonable fees and charges against a shipboard trainee to defray the costs of administration and to cover the costs of food, lodging, hygiene and other items, actually and exclusively provided to the trainee.

Section 10. *Electronic Training Record Book* – Within three (3) years from the effectivity of this Act, the Administration shall develop, implement and maintain a web-based electronic recording system for trainings of maritime workers and seafarers. For this purpose, the Administration, in coordination with the Department of Science and Technology (DOST), Technical Education and Skills Development Authority (TESDA) and other relevant government agencies, shall develop and maintain the appropriate database.

CHAPTER IV MISCELLANEOUS PROVISIONS

Section 11. *Reorganization and Other Transitory Provisions* – The Manpower Development Service and STCW Office of the MARINA, and all offices, departments, branches, divisions, or sections of the Overseas Workers Welfare Administration (OWWA), the Commission on Higher Education (CHED), and other government agencies and instrumentalities performing any of the functions of the Maritime Workforce Board shall be transferred to the Maritime Workers and Seafarers Administration.

In the transfer of functions of affected agencies under this Act, the following rules shall apply:

- a) Any transfer of entities shall include the functions, appropriations, funds, records, equipment, facilities, other properties, assets, and liabilities of the transferred entity as well as the personnel thereof as may be necessary, who shall, in a holdover capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits, unless in the meantime they are separated from

government service pursuant to existing laws. Those personnel from the transferred entity whose positions are not included in the new position structure and staffing pattern approved by the Board or who are not reappointed shall be entitled to the benefits provided in the second paragraph of Section 12 hereof;

- b) Any transfer of functions which results in the subsuming of the entity that has exercised such transferred functions shall include, as may be necessary to the proper discharge of the transferred functions, the appropriations, funds, records, equipment, facilities, other assets, and personnel of the entity from which such functions have been transferred. The remaining appropriations and funds shall revert to the General Fund and the remaining records, equipment, facilities, and other assets shall be allocated to such appropriate units as the Board shall determine, or otherwise shall be disposed of, in accordance with pertinent laws, rules and regulations. The liabilities, if any, of the subsumed entity shall be treated likewise in accordance with pertinent laws, rules and regulations. Incumbents of the subsumed entity shall, in a holdover capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from government service, pursuant to existing laws. Any such personnel whose position is not included in the new position structure and staffing pattern approved by the Secretary or who is not reappointed shall be entitled to the benefits provided in Section 12 hereof; and
- c) Any transfer of functions which does not result in the subsuming of the entity that has exercised such transferred functions shall include the appropriations, funds, records, equipment, facilities, other assets as well as the personnel of the entity from which such functions have been transferred that are necessary to the proper discharge of such transferred functions. The liabilities, if any, which have been incurred in connection with the discharge of the transferred functions, shall be allocated in accordance with pertinent laws, rules and regulations. Such personnel shall, in a holdover capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from government service pursuant to existing laws. Any such personnel whose position is not included in the new position structure and staffing pattern approved by the Board or who is not reappointed shall be entitled to the benefits under applicable laws, rules and regulations.

Section 12. *Absorption, Separation and Retirement from Service* – The existing employees of the transferred and subsumed agencies under this Act shall enjoy security of tenure and shall be absorbed by the Department, in accordance with their staffing patterns and the selection process as prescribed under Republic Act No. 6656 (RA 6656) or the Government Reorganization Law.

Employees who are affected by the creation of the Administration and are separated from service within six (6) months from the effectivity of this Act as a result of the organization and reorganization under this Act, shall receive separation benefits under RA 6656, and other applicable laws, rules and regulations: Provided, That those who are qualified to retire and receive retirement benefits under existing retirement laws shall be allowed to retire.

Detailed, transferred, or seconded career personnel to the Administration from transferred or subsumed entities or any government entity shall neither lose seniority in rank

or status, nor suffer any diminution of their salaries, allowances, other privileges, and entitlements.

Section 13. *Transition Period* – The transfer of functions, assets, funds, equipment, properties, transactions, and personnel of the affected agencies, and the formulation of the internal organic structure, staffing pattern, operating system, and revised budget of the Administration, shall be completed within six (6) months from the effectivity of this Act: Provided, That within this period, the existing personnel of all subsumed entities shall continue to assume their posts on holdover capacities until new appointments or a new staffing pattern shall have been issued: Provided, further, That after the organization and rationalization process, the Administration, in coordination with the DBM, shall determine and create new positions.

Section 14. *Appropriations* – The amount needed for the initial implementation of this Act shall be taken from the current year's appropriations of the agencies, entities, divisions, sections or bodies subsumed or transferred to the Administration by virtue of this Act. Thereafter, such sums, as may be necessary for its continued implementation, shall be included in the annual General Appropriations Act.

Section 15. *Joint Congressional Oversight Committee on the Maritime Education and Training* – There is hereby created a Joint Oversight Committee to oversee, monitor and evaluate the implementation of this Act. The Oversight Committee shall be composed of five (5) members each from the Senate and from the House of Representatives.

Section 16. *Implementing Rules and Regulations* – The Maritime Workforce Board shall issue the necessary implementing rules and regulations in accordance with the provisions of this Act within ninety (90) days from the effectivity hereof.

Section 17. *Separability Clause* – If for any reason, any section, subsection, clause or term of this Act is held to be illegal, invalid, or unconstitutional, such parts not affected by such declaration shall remain in full force and effect.

Section 18. *Repealing Clause* – All existing laws, orders, decrees, letters of instruction, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby amended, modified, or repealed accordingly.

Section 19. *Effectivity Clause* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,