



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila



NINETEENTH CONGRESS
First Regular Session

House Bill No. **8354**

Introduced by Representative TEODORICO “NONONG” T. HARESCO, JR.

AN ACT
AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 9483
OTHERWISE KNOWN AS THE “OIL POLLUTION COMPENSATION
ACT OF 2007”

EXPLANATORY NOTE

Oil spills and oil pollution are major environmental disasters that can have far-reaching consequences beyond the immediate impact on wildlife and ecosystems. When oil is spilled into the environment, it can contaminate water, soil, and air, leading to devastating effects on public health, the economy, and the livelihoods of communities. In addition, oil spills can have long-lasting effects on the tourism industry in affected areas, damaging the reputation of the region and reducing visitor numbers. The scale of these impacts highlights the critical importance of effective prevention and response measures, as well as legal frameworks like the International Convention on Civil Liability for Oil Pollution Damage (1992 CLC) and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage (1992 FUND Convention), to ensure that those affected by oil pollution are adequately compensated and supported.

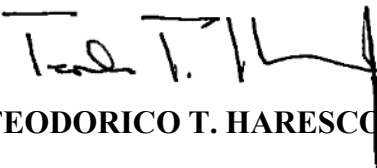
The Philippines, like many other countries, has experienced devastating consequences of oil spills, including severe environmental damage, economic losses, and threats to public health and safety. With its vast coastline and rich biodiversity, the country is particularly vulnerable to the harmful effects of oil pollution, highlighting the urgent need for effective measures to prevent and respond to these incidents.

Since 1999, there have been at least nine major oil spills in the country: the Manila Bay Oil Spill in 1999; the Cavite Oil Spill in 2001; the Semirara Oil Spill in 2005; the Guimaras Oil Spill in 2006; the Cebu and Manila Bay Oil Spills in 2013; the Iloilo Oil Spills in 2013 and 2020; and more recently, the Oriental Mindoro Oil Spill of February 2023 that resulted from the capsizing of the vessel MT Princess Empress, a ship owned by RDC Reield Marine Services, carrying 800,000 liters (206.4 tons) of industrial oil and causing a distressing incident of oil spill in the vicinity and nearby areas. Damages to marine protected areas, public health, livelihood, and tourism, remain insurmountable when perpetrators remain unaccountable.

As signatory to the 1992 CLC and the 1992 FUND Convention, the Philippine government has long affirmed its commitment to seeking accountability in terms of oil spill and pollution damages within its shores. Through Republic Act No. 9483, otherwise known as the “Oil Pollution Compensation Act of 2007”, the Philippines provided for the implementation of the provisions of the 1992 CLC and the 1992 FUND Convention. However, more than 16 years after its enactment, RA 9483 must be amended to strongly ensure accountability and promote better systems of reparation and recovery for affected Filipino communities and environmental resources. Moreover, it seeks to reflect recent developments internationally, particularly in Australia where ship charterers are also held liable for oil pollution damage, as they have a moral and legal obligation to help affected communities recover.

This bill seeks to amend RA 9483 by imposing stiffer penalties for oil pollution damage to be at par with international legal frameworks on oil pollution liability. Furthermore, this bill also seeks to include ship charterers to be held liable for oil pollution damage. If charterers are made liable by MARINA for certain bareboat charter disputes, they must also have the shared moral and legal obligation to environmental and social damages. It is the hope of this measure to further institutionalize accountability with regard to oil pollution damage, while keeping in mind and in heart the gravity of upholding the welfare of affected communities and protecting our environmental resources.

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



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

1 **SECTION 1.** Section 3 of Republic Act No. 9483 otherwise known as the “Oil Pollution
2 Compensation Act of 2007” is hereby amended to read as follows:

3
4 “Xxx

5
6 **(Q) CHARTER REFERS TO A LEGAL AGREEMENT OR CONTRACT**
7 **BETWEEN SHIP OWNER AND CHARTERER, REGARDING THE LEASING**
8 **OF A VESSEL FOR A FIXED SET OF CONDITIONS; AND**

9
10 **(R) CHARTERER REFERS TO THE PERSON OR ENTITY THAT**
11 **LEASES AN ENTIRE SHIP OR SOME PRINCIPAL PART THEREOF.”**

12
13 **SECTION 2.** Section 6 of the same Act is hereby amended to read as follows:

14
15 “SEC. 6. *Liability on Pollution Damage.* - The Owner **AND CHARTERER**
16 of the Ship at the time of an Incident, or where the Incident consists of a series of
17 occurrences, at the time of the first such occurrence, shall be liable for any Pollution
18 Damage caused by the Ship as a result of the Incident.

19
20 Xxx”

21
22 **SECTION 3.** Section 8, item (c) of the same Act is hereby amended to read as follows:

23

24 “SEC. 8. *Persons Exempted from Claims for Compensation for Pollution*
25 *Damage.* - No claim for compensation Pollution Damage under this Act may be
26 made against:

27
28 xxx

29
30 (c) [~~Any charterer, howsoever described, including a bareboat charterer,~~
31 **THE** manager or operator of the Ship;

32
33 xxx”
34

35 **SECTION 4.** Section 9 of the same Act is hereby amended to read as follows:

36
37 “SEC. 9. *Joint and Several Liability.* - When an Incident involving two or
38 more Ships occurs and Pollution Damage results therefrom, the Owners **AND**
39 **CHARTERERS** of all the Ships concerned, unless exonerated under Section 7
40 hereof, shall be jointly and severally liable for all such damage which is not
41 reasonably separable, without prejudice, however, to the right of recourse of any of
42 such Owners **AND CHARTERERS** to proceed against each other or third parties.”
43

44 **SECTION 5.** Section 17 of the same Act is hereby amended to read as follows:

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46 “SEC. 17. *Action for Compensation.* - An action for compensation on account
47 of Pollution Damage resulting from the Incident which occurred in the territory may
48 be brought before the RTC against the following persons:

49 (a) Owner of the polluting Ship; or
50 (b) Insurer or other person providing financial security of the said Owner’s
51 liability for pollution.

52 **(C) CHARTERER OF THE POLLUTING SHIP**

53
54 xxx”
55

56 **SECTION 6.** Section 20 of the same Act is hereby amended to read as follows:

57
58 “SEC. 20. *Violation of the Act.* - The following acts shall be considered
59 violations of the Act and the persons responsible shall suffer the corresponding
60 fines:

61
62 (a) Any person **OR ENTITY** who fails to institute or maintain insurance or other
63 financial security required under Section 12 of this Act;

64
65 (1) Ships of 500 gross tons (GRT) and below - not less than **ONE**
66 **MILLION PESOS (P1,000,000.00)** [~~One hundred thousand pesos~~
67 ~~(P100,000.00)]~~ but not more than **FIFTY MILLION PESOS**
68 **(P50,000,000.00)** [~~Two hundred fifty thousand pesos (P250,000.00);~~

69
70 (2) Ships of above 500 to 1,000 GRT - not less than **FIFTY MILLION**
71 **PESOS (P50,000,000.00)** [~~Two hundred fifty thousand pesos~~
72 ~~(P250,000.00)]~~ but not more than **ONE HUNDRED MILLION PESOS**
73 **(P100,000,000.00)** [~~Five hundred thousand pesos (P500,000.00);~~

(3) Ships of above 1,000 to 5,000 GRT - not less than **ONE HUNDRED MILLION PESOS (P100,000,000.00)** [~~Five hundred thousand pesos (P500,000.00)~~] but not more than **THREE HUNDRED MILLION PESOS (P300,000.00)** ~~One million pesos (P1,000,000.00)~~ ;

(4) Ships of above 5,000 to 10,000 GRT - not less than **THREE HUNDRED MILLION PESOS (P300,000.00)** ~~One million pesos (P1,000,000.00)~~ but not more than **FIVE HUNDRED MILLION PESOS (P500,000.00)** ~~Five million pesos (P5,000,000.00)~~ ;

(5) Ships of above 10,000 to 20,000 GRT - not less than **FIVE HUNDRED MILLION PESOS (P500,000.00)** ~~Five million pesos (P5,000,000.00)~~ but not more than **SEVEN HUNDRED MILLION PESOS (P700,000.00)** ~~Ten million pesos (P10,000,000.00)~~ ; and

(6) Ships of above 20,000 GRT - not less than **SEVEN HUNDRED MILLION PESOS (P700,000.00)** ~~Ten million pesos (P10,000,000.00)~~ but not more than **ONE BILLION PESOS (P1,000,000,000.00)** ~~Fifteen million pesos (P15,000,000.00)~~ .

(b) The Owner and the master of a Ship who operate a Ship without maintaining on board a certificate of insurance required under Section 13 of this Act:

(1) First violation – **ONE MILLION PESOS (P1,000,000.00)** ~~Five hundred thousand pesos (P500,000.00)~~ ;

(2) Second violation - **TWO MILLION PESOS (P2,000,000.00)** ~~One million pesos (P1,000,000.00)~~ ; and

(3) Third violation - **THREE MILLION PESOS (P1,000,000.00)** ~~One million five hundred thousand pesos (P1,500,000.00)~~ .

(c) Any person required under Section 15 of this Act to contribute to the IOPC Fund but nevertheless fails to comply therewith after due notice by the MARINA

(1) First violation – **SIX MILLION PESOS (P6,000,000.00)** ~~Three million pesos (P3,000,000.00)~~ ;

(2) Second violation - **EIGHT MILLION PESOS (P8,000,000.00)** ~~Four million pesos (P4,000,000.00)~~ ; and

(3) Third violation - **TEN MILLION PESOS (P10,000,000.00)** ~~Five million pesos (P5,000,000.00)~~ .

(d) Failure to Submit Report of Contributing Oil. - Any person required under Section 16 of this Act to submit report of contributing Oil and notwithstanding 10 day notice thereto, fails to comply therewith:

(1) First violation – **ONE MILLION PESOS (P1,000,000.00)** ~~Five hundred thousand pesos (P500,000.00)~~ ;

(2) Second violation - **TWO MILLION PESOS (P2,000,000.00)** ~~One million pesos (P1,000,000.00)~~ ; and

(3) Third violation - **THREE MILLION PESOS (P1,000,000.00)** ~~One million five hundred thousand pesos (P1,500,000.00)~~ .

(e) Any person who shall refuse, obstruct, or hamper the entry of the duly authorized representatives of the Department or any person authorized under this Act aboard any Ship or establishment pursuant to this Act shall be liable to pay a fine not exceeding One hundred thousand pesos (P100,000.00) ; and

(f) Any Ship apprehended for violation of this Act may be subjected to detention **OR PERMANENT SUSPENSION**.

The fines prescribed in this Section and other sections of this Chapter shall be increased by at least ten percent (10%) every three years to compensate for inflation and to maintain the deterrent function of such fines.

Xxx”

SECTION 7. *Implementation.* – The Department of Transportation, in coordination with the Department of Environment and Natural Resources, the Department of Energy, the Philippine Coast Guard, the Maritime Industry Authority (MARINA), the Philippine Ports Authority (PPA), and other concerned government agencies and stakeholders shall, within thirty (30) days after the effectivity of this Act, promulgate necessary rules and regulations for the effective implementation of this Act. An updated manual providing for the procedures concerning the enforcement of claims under this Act shall, likewise, be developed within the said period.

SECTION 8. *Separability Clause.* – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SECTION 9. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent with the provisions of this Act is hereby repealed, modified, or amended accordingly.

SECTION 10. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,