

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 426



Introduced by Representatives Eleandro Jesus F. Madrona

EXPLANATORY NOTE

The progress of a nation depends on its capability to sustain the needs of its constituency and uphold its sovereignty vis-à-vis the complexity of domestic and international landscapes.

This bill seeks to introduce policy and organizational reforms in the Philippine Coast Guard (PCG) for the agency to become more responsive in the execution of its important mandates on maritime safety, maritime security and marine environment protection. It will clarify the powers of the PCG, properly categorize and classify the ranks of its personnel and their tenure in office, provide the necessary framework for disciplining its personnel, and clarify the rules in the computation of the retirement benefits of PCG personnel, among others.

Time and again, the agency have played a crucial role not only as among the first responders during disasters and calamities but also as frontliners in the country's effort to maintain its sovereign rights over the West Philippine Sea. Such gargantuan tasks demand a body equipped with sufficient maritime facilities and assets as well as personnel complement.

This measure, which seeks to revise Republic Act No. 9993 or the Philippine Coast Guard Law of 2009, has been filed and extensively been deliberated in the previous Congresses. Thus, its immediate approval is earnestly sought.

A handwritten signature in black ink, appearing to be "E. Madrona", written in a cursive style.

REP. ELEANDRO JESUS F. MADRONA

1 PCG, it shall be reinforced by support commands and service units
2 categorized as follows:

3 a) Administrative support commands shall consist of the Education
4 and Training, Internal Affairs Service, Financial Management, Human
5 Resource Management Service and Logistics;

6 b) The operational support commands shall consist of the Fleet,
7 Weapons, Communications, Electronics and Information System Service,
8 Special Operations Force, Aviation Force, Civil Relations Service
9 Command, Canine Force, Intelligence Force, and other operational
10 commands as may thereafter be created as needed;

11 c) The technical services shall consist of the Legal Service, Medical
12 Service, Ecumenical Service, Dental Service, Veterinary Service, Medical
13 Administrative Corps, Nurse Corps, and other technical services that may
14 or hereinafter be created as needed;

15 d) Operating commands shall consist of the sixteen (16) districts
16 located nationwide covering specific areas of responsibilities composed of
17 stations that shall have field offices called sub-stations down to
18 detachments or posts. These coast guard districts are: National Capital
19 Region-Central Luzon (CGD NCR-CL), Central Visayas (CGD CV),
20 Southwestern Mindanao (CGD SWM), Southeastern Mindanao (CGD
21 SEM), Palawan (CGD PAL), Western Visayas (CGD WV), Southern Visayas
22 (CGD SV), Southern Tagalog (CGD STL), Northern Mindanao (CGD NM),
23 Bicol (CGD BCL), Northwestern Luzon (CGD NWL), Eastern Visayas (CGD
24 EV), Northeastern Luzon (CGD NEL), Southern Mindanao (CGD SM),
25 Northeastern Mindanao (CGD NEM) and Coast Guard districts in
26 Bangsamoro Administrative Region in Muslim Mindanao (CGDs BARMM):
27 *Provided*, That the PCG may create other new districts subject to existing
28 laws; and

29 e) The Special Services consist of the Legislative Liaison Affairs,
30 Internal Audit, and Center for Strategic Studies.

31 In addition to the aforementioned basic structure of the PCG, the
32 Commandant of the PCG is authorized to reorganize, modify, or create
33 districts, commands, services, or units to enhance operational efficiency and

1 command structure. Such changes shall be subject to the recommendation
2 of the Secretary of the DOTr and the approval of the Department of Budget
3 and Management (DBM), in accordance with applicable laws, rules and
4 regulations: *Provided*, That the minimum manning level of the PCG shall
5 be sufficient to support its mandate, which shall be filled in accordance with
6 the enlistment schedule approved by the DBM: *Provided, further*, That the
7 functional commands, administrative support units, operational support
8 units, operating units, technical services and special services shall be
9 authorized and designated to perform all duties and functions of the PCG
10 within their individual areas of responsibility, including finance and
11 procurement.

12 POWERS AND FUNCTIONS

13 **SEC. 4. *Powers and Functions of the PCG.*** - The PCG shall have
14 the following powers and functions:

15 a) Enforce regulations in accordance with all relevant maritime
16 international conventions, treaties or instruments and national laws for the
17 promotion of safety of life and property at sea within the maritime
18 jurisdiction of the Philippines and conduct port state control
19 implementation;

20 b) Conduct random inspections on all merchant ships and vessels,
21 including inspections prior to departure, to ensure and enforce compliance
22 with safety standards, rules and regulations;

23 c) Detain, stop, or prevent a ship or vessel which does not comply with
24 safety standards, rules and regulations from sailing or leaving port;

25 d) Conduct emergency readiness evaluation on merchant marine
26 vessels;

27 e) Issue and enforce rules and regulations for the promotion of safety
28 of life and property at sea on all maritime-related activities, subject to the
29 approval of the Secretary of the DOTr;

30 f) Determine, fix or prescribe charges, rates, and penalties, as may be
31 necessary, to implement its provisions, as well as the provisions of laws,
32 issuances, decrees, and orders related to the implementation of PCG
33 functions, subject to the approval of the Secretary of the DOTr;

- 1 g) Coordinate, develop, establish, maintain, and operate aids to
2 navigation, vessel traffic system, maritime communications, and search and
3 rescue facilities within the maritime jurisdiction of the Philippines;
- 4 h) Remove, destroy, or tow to port sunken or floating hazards to
5 navigation, including illegal fish traps and vessels, at or close to sea lanes
6 which may cause hazards to the marine environment;
- 7 i) Issue permits for the salvage of vessels and to supervise all marine
8 salvage operations and wreck removal, and to auction the abandoned
9 vessels or wrecks to defray the expenses of such removal, as well as
10 prescribe and enforce rules and regulations governing the same;
- 11 j) Render aid to persons and vessels in distress and conduct search
12 and rescue during maritime accidents within the maritime jurisdiction of
13 the Philippines, including the high seas, in accordance with applicable
14 international conventions. In the performance of this function, the PCG
15 may enlist the services of other government agencies and the merchant
16 marine fleet;
- 17 k) Investigate and inquire into the causes of all maritime accidents
18 involving death, casualties and damage to properties;
- 19 l) In coordination with other relevant government agencies, enforce
20 and maintain maritime security, and prevent or suppress terrorism at sea,
21 in accordance with pertinent laws, rules and regulations;
- 22 m) Assist in the enforcement of laws on fisheries, immigration,
23 tariff and customs, forestry, firearms and explosives, human trafficking,
24 dangerous drugs and controlled chemicals, transnational crimes, and other
25 applicable laws within the maritime jurisdiction of the Philippines;
- 26 n) Board and inspect all types of merchant ships and watercrafts in the
27 performance of these functions;
- 28 o) Promulgate, administer, and enforce laws, rules and regulations for
29 the protection of marine environment and resources from offshore sources
30 of pollution within the maritime jurisdiction of the Philippines;
- 31 p) Develop oil spill response, containment, and recovery capabilities
32 against ship-based pollution;
- 33 q) Grant, within the capabilities and consistent with its mandate,

1 requests for assistance of other government agencies in the performance of
2 their functions;

3 r) Organize, train and supervise the PCG Auxiliary (PCGA) for the
4 purpose of assisting the PCG in carrying out its mandated functions;

5 s) Recommend to the President of the Philippines the issuance of rules
6 and regulations pertaining to the assistance and support that the AFP
7 should extend to the PCG to enhance the latter's capability during
8 emergencies; and

9 t) Perform such other functions that may be necessary in the
10 attainment of the objectives of this Act.

11 THE PCG COMMANDANT

12 **SEC. 5. *The PCG Commandant.*** – The PCG shall be headed by a
13 Commandant who shall have the rank of Admiral: *Provided*, That he or she
14 shall be appointed by the President of the Philippines from among the Flag
15 Officers in the Coast Guard service. He or she shall hold a command-at-sea
16 badge and must have served as District Commander and Functional Service
17 Commander, including other major commanders carrying the rank of Vice
18 Admiral. The Commandant shall have a maximum term of three (3) years
19 which shall commence on the date the appointment is signed, unless sooner
20 terminated by the President. The PCG Commandant shall be compulsorily
21 retired upon completion of the maximum term or upon relief by the
22 President.

23 **SEC. 6. *Powers and Functions of the Commandant.*** - The
24 Commandant shall exercise the following powers and functions:

25 a) Elaborate and execute the national maritime laws relating to the
26 functions of the PCG;

27 b) Direct and control tactical as well as strategic movements,
28 deployment, placement, or utilization of the PCG or any of its units and
29 personnel, including its equipment, facilities and other resources: *Provided*,
30 That the Commandant may delegate this power to subordinate officials with
31 respect to the units under the latter's command, subject to the guidelines as
32 the Commandant may prescribe in accordance with existing laws, rules and
33 regulations;

1 c) Prescribe, in accordance to existing laws, the organization or re-
2 organization, powers, functions, and duties of the various staff, services,
3 installation, and other units of the PCG;

4 d) Issue policies and instructions regarding personnel, funds,
5 properties, records, correspondence, and such other matters as may be
6 necessary to effectively carry out the functions, powers and duties of the
7 PCG, in accordance with existing laws, rules and regulations;

8 e) Approve the recommendation of the different promotion or
9 assignment boards and ensure observance of merit and fitness in the
10 process of promotion and assignment;

11 f) Exercise disciplinary authority over all uniformed personnel and
12 non-uniformed personnel of the PCG; and

13 g) Perform any task or directive issued by the President of the
14 Philippines: *Provided*, That such command and direction of the
15 Commandant may be delegated to subordinate officials with respect to the
16 units under the latter's respective commands, subject to the guidelines as
17 the Commandant may prescribe in accordance with the rules and regulation
18 prescribed under existing laws.

19 ADMINISTRATION AND PERSONNEL

20 **SEC. 7. *Personnel*.** – The PCG shall consist of the following categories
21 of personnel:

22 a) *Officer* refers to a uniformed member of the PCG who is
23 commissioned as officer by the President of the Philippines or the Secretary
24 of the DOTr, as the case may be, and belongs to the officers' corps;

25 b) *Non-officer* refers to a general term for uniformed members of the
26 PCG with ranks below commissioned officers and performing jobs specific
27 to their occupational specialty. There are three classification of non-officers,
28 namely, strikers for those in grades E-1 to E-3, junior non-commissioned
29 officers for those in grades E-4 to E6, and senior non-commissioned officers
30 for ranks with equivalent grades of E-7 to E-10;

31 c) *Non-uniformed personnel* refer to permanent, temporary,
32 contractual, coterminous and casual civilian employees of the PCG whose
33 appointments are governed by the Civil Service laws, rules and regulations;

- 1 d) *Probationary ensign* refers to a person who is called to active duty
 2 but awaiting commissionship into the PCG or awaiting training;
- 3 e) *Draftee* refers to a person who has completed basic training and is
 4 awaiting enlistment into the PCG active service;
- 5 f) *Cadet* refers to a person who is enrolled in service academies under
 6 the sponsorship of the PCG;
- 7 g) *Candidate* refers to a person who is undergoing training for
 8 commissionship; and
- 9 h) *Trainee* refers to a person who is undergoing training to qualify as
 10 member of the non-officers' corps of the PCG.

11 *Provided, That the ranks and grades of all uniformed personnel in the*
 12 *PCG, whether officers or non-officers, shall be the same and equal as that*
 13 *used and observed in the AFP and the PNP.*

14 **SEC. 8. Ranks and Grades of PCG Officers.** – The ranks and grades
 15 of PCG Officers shall be as follows:

<u>RANK</u>	<u>ACRONYM</u>	<u>PAY GRADE</u>
Admiral	ADM	O-10
Vice Admiral	VADM	O-9
Rear Admiral	RADM	O-8
Commodore	COMMO	O-7
Captain	CAPT	O-6
Commander	CDR	O-5
Lieutenant Commander	LCDR	O-4
Lieutenant Senior Grade	LTSG	O-3
Lieutenant Junior Grade	LTJG	O-2
Ensign	ENS	O-1

16 **SEC. 9. Technical Officers.** – Other professionals that may join the
 17 PCG service as technical officers are:

- 18 a) Lawyers;
- 19 b) Doctors;
- 20 c) Priests, Pastors, Imam, and other certified clerics;
- 21 d) Dentists;
- 22 e) Veterinarians; and

1 f) Nurses

2 *Provided*, That any applicant holding the degree of any of the
3 abovementioned professions shall have qualified and passed the
4 appropriate licensure examination, when applicable, of the respective
5 professions to be qualified for entry into the Coast Guard service: *Provided*,
6 *however*, That other board professions not listed above may still be recruited
7 as part of the technical stream upon verification of the PCG of its need
8 thereof.

9 **SEC. 10. Officer Rank Distribution.** - The officer rank distribution
10 of the PCG shall be as follows: two per centum (2%) in the Flag Officer rank;
11 six per centum (6%) in the rank of Captain; twelve per centum (12%) in the
12 rank of Commander; eighteen per centum (18%) in the rank of Lieutenant
13 Commander; twenty per centum (20%) in the rank of Lieutenant Senior
14 Grade; and forty-two per centum (42%) in the ranks of Lieutenant Junior
15 Grade and Ensign: *Provided*, That such distribution is based on the ratio
16 between officers and non-officers, which is one (1) officer for every seven (7)
17 non-officers: *Provided, further*, That if the actual number in a rank is less
18 than the number prescribed in a lower rank, the difference may be applied
19 as an increase to the number prescribed in the lower rank.

20 **SEC. 11. Distribution of Flag Officers.** – Other than the
21 Commandant who occupies the rank of Admiral, the total number of flag
22 ranks shall not exceed two (2) percent of the total population of officers
23 distributed observing the pyramidal structure as hereunder prescribed:

24 Vice Admiral	0.15%
25 Rear Admiral	0.35%
26 Commodore	1.50%
27 Total	2.00%

28 *Provided*, That if the actual number in a rank, except in the case of Coast
29 Guard Admiral and Vice Admiral, is less than the number herein
30 prescribed, the difference may be applied as an increase to the number
31 prescribed in the lower rank: *Provided, further*, That no officer shall be
32 promoted to the rank of Commodore or higher unless there is an existing

vacancy, and the officer is occupying a position in the table of organization that requires the rank which is being considered for promotion.

SEC. 12. *Maximum Tenure in Rank.* – The maximum tenure of officers in the ranks of Captain and Flag Officer in the PCG are hereby prescribed as follows:

<u>Rank</u>	<u>Maximum Tenure in Rank</u>
Admiral	three (3) years
Vice Admiral	three (3) years
Rear Admiral	three (3) years
Commodore	five (5) years
Captain	ten (10) years

Unless earlier separated, retired, or promoted to the next higher rank or occupying a position calling for the higher rank in the PCG Table of Organization, Captains and Flag Officers shall be retired upon the attainment of the maximum tenure in rank herein prescribed, or upon reaching the age of compulsory retirement whichever comes earlier: *Provided*, That Captains or flag officers who have not reached the age of retirement shall be retired due to attrition if they have at least twenty (20) years in service, otherwise it shall be separation from service.

SEC. 13. *Maximum Tenure in Position of the Commandant.* – The Commandant is hereby limited to a maximum tenure of three (3) years, unless otherwise earlier relieved by the President or competent authority.

SEC. 14. *Ranks and Grades of Non-officers.* – The ranks and pay grades of PCG non-officers shall be as follows:

<u>RANK</u>	<u>ACRONYM</u>	<u>PAY GRADE</u>
First Master Chief Petty Officer	FMCPPO	E-10
Master Chief Petty Officer	MCPO	E-9
Senior Chief Petty Officer	SCPO	E-8
Chief Petty Officer	CPO	E-7
Petty Officer First Class	PO1	E-6
Petty Officer Second Class	PO2	E-5
Petty Officer Third Class	PO3	E-4
Seaman/Seawoman First Class	SN1/SW1	E-3

Seaman/Seawoman Second Class	SN2/SW2	E-2
Apprentice Seaman/Seawoman	ASN/ASW	E-1

SEC. 15. *Maximum Tenure in Rank for Non-officers.* – The maximum tenure of senior non-officers in the ranks of Chief Petty Officer to First Master Chief Petty Officer in the PCG are as follows:

<u>Rank</u>	<u>Maximum Tenure in Rank</u>
First Master Chief Petty Officer	Three (3) years
Master Chief Petty Officer	Five (5) years
Senior Chief Petty Officer	Eight (8) years
Chief Petty Officer	Ten (10) years

Any non-officer holding lower ranks than the above who stays in a rank for ten (10) years without being promoted to the next higher rank shall be evaluated by the Re-enlistment Fitness Board who shall verify suitability to continue in service and submit a recommendation for the approval of the Commandant: *Provided*, That the original enlistment term in the PCG shall be three (3) years and subsequent re-enlistment shall be for the term of six (6) years, with the application for re-enlistment to be reviewed by the Re-enlistment Fitness Board for recommendation to the Commandant for approval: *Provided, further*, That the uniform allowance shall be payable every three (3) years after complying with the physical fitness test.

SEC. 16. *Non-uniformed Personnel.* – There shall be non-uniformed personnel positions in the PCG. The head of the non-uniformed personnel shall occupy a rank of Director III and shall be appointed by the President of the Philippines upon recommendation of the Commandant. The Commandant shall determine the additional plantilla positions required for the purpose subject to the evaluation and approval of the DBM in accordance with the civil service and other pertinent laws, rules and regulations.

SEC. 17. *Appointments.* – The appointment of the PCG Commandant and Flag Officers shall be approved by the President of the Philippines upon the recommendation of the Secretary of the DOTr. Appointments of all PCG non-officers shall be made by the PCG Commandant. Appointments of PCG officers, which shall be in the initial rank of Coast Guard Ensign shall be

1 through a commissionship into service by the Secretary of the DOTr upon
2 the recommendation of the Commandant.

3 The initial entry ranks for technical officers like lawyers, medical
4 doctors, and ecumenical clerics shall be Lieutenant Senior Grade; dentists
5 and veterinarians shall be Lieutenant Junior Grade; while nurses shall be
6 commissioned to the rank of Ensign. Appointment of other technical
7 professions that may be required later shall be based on the academic
8 attainment or ranking in licensure examination results issued by competent
9 authority.

10 Appointments as well as the promotion of all non-uniformed personnel
11 shall be in accordance with Civil Service Commission (CSC) laws, rules and
12 regulations.

13 **SEC. 18. *Basic Qualification for Uniformed Personnel.*** – To
14 qualify as officer or non-officer of the PCG, the applicant, at the time of
15 application:

- 16 a) Must be a natural born citizen of the Philippines;
- 17 b) Must be a person of good moral conduct;
- 18 c) Must have passed the psychiatric, psychological, drug, and physical
19 tests to be administered by the PCG Medical Service or by any PCG
20 accredited government hospital for the purpose of determining physical and
21 mental health;
- 22 d) Must possess a formal baccalaureate degree, with appropriate
23 license when applicable or professional civil service eligibility for
24 appointment as officer, and must have finished at least seventy-two (72)
25 non-repetitive units of college education, or is a senior high school graduate
26 with six (6) months Technical Education and Skills Development Authority
27 skills course related to the functions of PCG for appointment as non-officers
28 upon effectivity of this Act; and
- 29 e) Must not have been dishonorably discharged from military
30 employment or dismissed for cause from any non-uniformed personnel
31 position in the government.

1 **SEC. 19. *Promotions of Officers and Non-officers.*** – The
2 promotion of PCG officers and non-officers shall be based on merit and
3 fitness in accordance with the following procedures:

4 a) Officers shall only be promoted after undergoing deliberation before
5 the promotion boards: *Provided*, That the promotion boards shall submit
6 the results of their deliberation to the Commandant for approval and
7 corresponding endorsement to the Secretary of the DOTr for transmittal to
8 the President of the Philippines for approval; and

9 b) There shall also be appropriate promotion boards for non-officers
10 whose recommendation shall be submitted to the Commandant for
11 approval.

12 *Provided, further*, That at the time of promotion, the officer or non-
13 officers concerned shall possess all the qualifications and none of the
14 disqualifications provided under pertinent laws, rules and regulations,
15 specifically on the completion of required career course, training,
16 examination and minimum time-in-grade as applicable for specific ranks.

17 *Provided, finally*, That except for the position of Commandant, no
18 other officer shall be promoted, assigned or designated to the rank of
19 Commodore or higher if he has less than one (1) year of active service
20 remaining prior to compulsory retirement.

21 **SEC. 20. *Gender Sensitivity Program.*** – Gender concerns shall be
22 addressed in all planning activities, setting of priorities, allocating of
23 resources, and identifying actions and activities of the PCG. It shall also
24 incorporate a gender sensitive perspective in the implementation of such
25 plans and programs.

26 Gender sensitivity shall also be mainstreamed in all its internal
27 policies, strategies, budget, projects, structures and mechanisms, including
28 hiring, promotions, assignment, training opportunities, pay and benefits. A
29 gender perspective shall likewise be integrated in all its training programs,
30 especially for maritime search and rescue.

31 **SEC. 21. *PCG Insignia, Decorations and Awards.*** – The PCG shall
32 have its own insignia and badges to denote rank, specialty, and assignment
33 including uniforms, decorations, and awards, all of which shall be submitted

1 to the National Historical Institute for registration in the flags and heraldic
2 list: *Provided*, That there shall be an established awards system which shall
3 be administered by the PCG under such rules and regulations as may be
4 promulgated with the approval of the Secretary of the DOTr.

5 **SEC. 22. *Legal Assistance.*** – The Secretary of the DOTr or the
6 Commandant of the PCG may authorize lawyers of their respective agencies
7 to provide legal assistance to any member of the PCG charged with an
8 offense or crime resulting from the performance or on occasion of official
9 duty. The government lawyers so authorized shall have the power to
10 administer oaths.

11 The legal officers duly authorized to handle, litigate, and appear for
12 the PCG personnel herein shall be entitled to receive a special counsel
13 allowance (SCA) or lawyer's incentive pay (LIP) amounting to not more than
14 fifty percent (50%) of their base pay which shall be included in the pay slip
15 of said legal officer for the duration of the case in court.

16 There shall be a prosecution and litigation unit to handle and monitor
17 all cases filed for or against the PCG or its personnel in relation to the
18 performance of PCG functions. Legal officers assigned therein
19 shall automatically be entitled to SCA or LIP.

20 **SEC. 23. *Power to Administer Oath.*** – Officers of the PCG in the
21 active service with the grade of O-5 or when designated with appropriate
22 orders as administrative officer of a unit, shall have the power to administer
23 oaths on matters which are connected with the performance of their official
24 duties. Senior non-commissioned officers, those with grades E-7 to E10,
25 who are designated through appropriate orders, as Chief-Master-At-Arms
26 (CMAA) or unit master chief are also empowered to administer oaths.

27 **SEC. 24. *Maritime and Coast Guard Attaché.*** – Subject to existing
28 laws, rules and regulations, the PCG may designate a maritime and coast
29 guard attaché in the International Maritime Organization, other
30 international institutions, or as member of diplomatic missions or
31 embassies upon the recommendation of the Secretary of the DOTr.

32 The assignment or deployment of the maritime or coast guard attaché
33 shall be with the prior approval of the Secretary of Foreign Affairs.

PAYS, ALLOWANCES, AND BENEFITS

SEC. 25. *Salaries and Other Benefits.* – The uniformed personnel of the PCG shall receive the same base pay, hazard pay, and other benefits and allowances as are now or hereafter may be authorized for corresponding salary grades and ranks in the AFP. The salaries and allowances of the non-uniformed personnel of the PCG shall be in accordance with existing Salary Standardization Law and CSC laws, rules and regulations.

SEC. 26. *Longevity Pay and Allowances.* – Uniformed personnel of the PCG shall be entitled to a longevity pay of ten percent (10%) of their basic monthly salaries for every five (5) years of continuous active service, which shall be reckoned from the date of actual service in the PCG: *Provided*, That the totality of such longevity pay shall not exceed fifty percent (50%) of the basic pay. They shall also continue to enjoy the subsistence allowance, quarters allowance, clothing allowance, cost of living allowance, hazardous duty pay and other collateral allowances but not limited to sea duty pay, flying pay, special counsel allowance, occupational specialty pay, instructors duty pay, combat pay for officers and non-officers of the PCG performing combat duties or activities or engaged in actual performance of duties as defined in regulations to be issued by the Commandant and all other applicable allowances as provided by existing laws: *Provided, further*, That the PCG shall, subject to approval of the President of the Philippines, issue a specific policy pertaining to collateral allowances for specific duties actually performed. All collateral allowances shall be reflected in the pay slip of qualified personnel.

SEC. 27. *Uniformed Personnel Missing in Action.* – The survivors of any officer or non-officer who, while in the performance of duty, is officially confirmed missing in action, kidnapped or captured by lawless elements shall be entitled to receive the same pay and allowances to which such officer or non-officer is entitled from the time of the latter's disappearance: *Provided*, That the compulsory retirement of an absentee, in applicable cases, shall be processed to allow the survivors to enjoy the retirement benefits: *Provided, further*, That should the Commandant, upon the recommendation of the proper authority or immediate supervisor,

1 subsequently rule that the officer or non-officer concerned has been absent
2 from duty without authority, such member or the latter's survivors shall
3 reimburse the PCG all such amount and allowances that have been received
4 in accordance with this section and other pertinent sections of this Act.

5 **SEC. 28. *Emergency and Medical Assistance.*** – The PCG shall
6 have an emergency medical assistance fund, sourced from the PCG's Annual
7 Budget Plan as reflected in the General Appropriations Act for
8 hospitalization, operation, medication, and rehabilitation of personnel
9 arising from injuries and illnesses suffered on occasion of or in the
10 performance of official functions to be used exclusively in areas not
11 serviceable by the PCG Hospital.

12 **ACTIVE SERVICE AND SEPARATION**

13 **SEC. 29. *Active Service.*** – For purposes of this Act, active service of
14 the uniformed personnel shall refer to services rendered as an officer and
15 non-officer, cadet, trainee, or draftee in the PCG and services rendered as a
16 non-uniformed personnel in the Philippine Government prior to the date of
17 separation or retirement from the PCG: *Provided, That*, for purposes of
18 retirement, the personnel shall have rendered at least ten (10) years of
19 active service as officer or non-officer in the PCG: *Provided, further, That*
20 no period of such non-uniformed personnel's government service longer
21 than the active coast guard service shall be credited for purposes of
22 retirement. Service rendered as cadet in any service academy in the
23 Philippines or abroad under the sponsorship of the PCG such as the
24 Philippine Merchant Marine Academy, probationary officer, draftee, or
25 trainee shall be included in computing the years in active service for
26 retirement purposes if such personnel joins the service right after
27 graduation.

28 **SEC. 30. *Retirement.*** – Upon attaining fifty-seven (57) years of age
29 or accumulation of thirty (30) years of continuous satisfactory active service,
30 whichever comes later, a PCG uniformed personnel shall be compulsorily
31 retired: *Provided, That* technical officers may extend their tenure of service
32 up to sixty (60) years or until having accumulated twenty (20) years of
33 satisfactory active service, whichever comes later: *Provided, further, That*

1 the Commandant shall be compulsorily retired upon the completion of the
2 tour of duty as provided under Section 13 of this Act or upon relief by the
3 President.

4 Any officer or non-officer may choose to retire on their own option upon
5 accumulating at least twenty (20) years in active service.

6 For purposes of this Act, an officer or non-officer who dies after having
7 accumulated at least twenty (20) years of satisfactory active service shall be
8 considered as retired.

9 The retirement of non-uniformed personnel of the PCG shall be
10 governed by the Government Service Insurance System (GSIS) law, rules
11 and regulations.

12 **SEC. 31. Separation.** – Separation from the Coast Guard service may
13 be done through compulsory retirement, optional retirement upon reaching
14 twenty (20) years in service, disability discharge, expiration of enlistment
15 term, voluntary resignation, attrition, dismissal for cause, or death.

16 The separation of non-uniformed personnel of the PCG shall be
17 governed by the Civil Service law, rules and regulations.

18 **SEC. 32. Attrition.** – There shall be established a system of attrition
19 within the uniformed members of the PCG within one (1) year from the
20 effectivity of this Act to be submitted by the PCG to the President of the
21 Philippines for approval.

22 **SEC. 33. Retirement Benefits.** – An officer or uniformed personnel
23 who is retired under Section 30 of this Act, or the retiree's qualified
24 survivors, are entitled to receive, and may choose from, any of the following
25 applicable benefits:

26 a) **Gratuity Pay.** – A lump sum payment of gratuity pay equivalent to
27 one (1) month of base and longevity pay computed based on one (1) grade
28 higher than the permanent salary grade last held for every year of service;
29 or

30 b) **Retirement Pay** – A monthly retirement pay equivalent to fifty
31 percent (50%) of monthly base and longevity pay computed based on one
32 grade higher than the permanent salary grade last held by the personnel in
33 case of twenty (20) years of active service, increasing by two and one-half

1 percent (2½%) for every year of service rendered beyond twenty (20) years
2 up to a maximum of ninety percent (90%) for thirty-six (36) years of active
3 service and over.

4 *Provided*, That non-officers who attain the rank of Chief Petty Officer,
5 Senior Chief Petty Officer and of Master Chief Petty Officer shall, upon
6 retirement, be entitled to the retirement pay and benefits of an
7 Ensign: *Provided, further*, That a Master Chief Petty Officer shall receive a
8 gratuity equivalent to that of an Ensign plus one-half (1/2) of the difference
9 between the gratuity of an Ensign and a Chief Petty Officer; a Senior Chief
10 Petty Officer shall receive a gratuity equivalent to that of an Ensign plus
11 one-half (1/2) of the difference between the gratuity of a Master Chief Petty
12 Officer and a Chief Petty Officer; while a First Master Chief Petty Officer
13 shall be retired with the rank of Ensign but with the retirement pay and
14 benefits of a Lieutenant Junior Grade (O-2), as provided for in existing laws:
15 *Provided, furthermore*, That, upon retirement, officers and non-officers are
16 entitled to receive monthly retirement pay upon retirement, or may opt to
17 receive a lump sum equal to thirty-six (36) months of the monthly
18 retirement pay and three years thereafter shall receive an annual
19 retirement pay payable in equal monthly installment as they accrue.

20 The retirement pay of officers and non-officers who are killed in action
21 or wounded in action resulting in total permanent disability shall be
22 computed at the rate of ninety percent (90%) of the monthly base and
23 longevity pay based on one grade higher than the permanent salary grade
24 last held by the personnel regardless of years in active service.

25 The retirement pay of all PCG uniformed personnel retirees shall be
26 subject to adjustment on the prevailing scale of base pay of uniformed
27 personnel in the active service.

28 The retirement benefits of non-uniformed personnel shall be governed
29 by applicable Civil Service laws and regulations and the GSIS Law.

30 **SEC. 34. Separation Pay.** – Officers and non-officers separated from
31 the PCG without having accumulated at least twenty (20) years of
32 satisfactory active service, or their qualified survivors, shall receive a
33 separation pay equivalent to one-month base plus longevity pay based on

1 the permanent salary grade the officer and non-officer holds at the time of
2 separation for every year of active service: *Provided*, That in the case of an
3 officer in the grade of Captain or higher who incurs physical disability in
4 the line of duty, the basis of the separation pay shall be one grade higher
5 than the salary grade held by such officer at the time of separation:
6 *Provided, further*, That cadets, candidates, trainees, or draftees who
7 voluntarily resign from service shall not be entitled to any separation pay.

8 The separation benefits of non-uniformed personnel shall be governed
9 by applicable Civil Service laws and regulations and the GSIS Law.

10 **SEC. 35. Benefits for Death and Total Permanent Disability in**
11 ***the Line of Duty or During Training.*** – Qualified survivors of officers
12 and non-officers, including cadets, candidates, trainees and draftees who
13 died in the line of duty without having accumulated at least twenty (20)
14 years of satisfactory active service are entitled to a monthly life annuity,
15 equivalent to fifty percent (50%) of the base and longevity pay computed
16 based on one grade higher than the permanent salary grade last held by the
17 deceased officer and non-officer at the time of death: *Provided*, That
18 survivors of cadets, candidates, trainees, and draftees who died during
19 training through their own fault or negligence shall not be entitled to this
20 benefit.

21 Officers or non-officers, including cadets, candidates, trainees, and
22 draftees who suffer total permanent physical disability in the line of duty
23 or during training without having accumulated at least twenty (20) years of
24 satisfactory active service shall be entitled to a monthly life annuity,
25 equivalent to fifty percent (50%) of the base and longevity pay computed
26 based on one grade higher than the permanent salary grade last held by the
27 officer or non-officer when the disability occurred: *Provided*, That the extent
28 of the disability or sickness which renders such member unfit or unable to
29 further perform the duties of the position held shall be certified by the
30 appropriate government hospital like the Philippine General Hospital:
31 *Provided, further*, That cadets, candidates, trainees and draftees who suffer
32 total permanent physical disability during training through their own fault
33 or negligence shall not be entitled to this benefit.

1 The death and disability benefits of non-uniformed personnel shall be
2 governed by applicable Civil Service laws and regulations and the GSIS
3 Law.

4 **SEC. 36. *Survivors.*** – The family of deceased officers or non-officers
5 who are alive may claim benefits after such uniformed personnel dies in line
6 of duty or when the pensioner dies. The following criteria shall apply:

7 a) Surviving spouse if married to the deceased prior to the latter's
8 retirement or separation and not legally separated by judicial decree from
9 the deceased issued on grounds not attributable to said spouse: *Provided,*
10 That the spouse's entitlement of benefits shall terminate when the spouse
11 dies, remarries, cohabits, or engages in a common-law relationship;

12 b) Surviving children of officers or non-officers born of marriage
13 contracted prior to retirement or separation from the service, surviving
14 children adopted legally prior to retirement or separation, illegitimate
15 children born while the deceased parent was still on active service:
16 *Provided,* That entitlement to benefits shall terminate when such children
17 attain twenty-one (21) years of age or upon marriage: *Provided, further,*
18 That those who have reached the age of twenty-one (21) years but are
19 incapacitated and incapable of self-support due to a mental or physical
20 defect acquired prior to age of majority shall remain entitled to the benefits;
21 and

22 c) In default of those mentioned in paragraph (a) and (b), the
23 surviving parent or parents.

24 As regards question of filiation involving survivor-claimants, the same
25 shall be submitted first by the claimants to a competent court for
26 determination before benefits can be given.

27 **SEC. 37. *Survivorship Benefits.*** – The qualified survivors are
28 entitled to a monthly annuity equivalent to seventy-five percent (75%) of
29 the officer or non-officer's retirement or separation benefits, to be divided
30 among them in equal shares and with the right of accretion.

31 Survivorship benefits for non-uniformed personnel shall be governed
32 by the GSIS Law.

1 **SEC. 38. Disability Pension.** – In addition to the other benefits under
2 this Act, an officer or non-officer who is retired or separated by reason of
3 disability, which is the proximate result of wounds or injuries sustained or
4 sickness or disease acquired in the line of duty shall receive a monthly
5 disability pension as follows:

6 a) If and while the disability is rated twenty-five percent (25%) – Five
7 thousand pesos (P5,000.00);

8 b) If and while the disability is rated fifty percent (50%) – Ten
9 thousand pesos (P10,000.00);

10 c) If and while the disability is rated seventy-five percent (75%) –
11 Fifteen thousand pesos (P15,000.00); and

12 d) If and while the disability is rated one hundred percent (100%) –
13 Twenty thousand pesos (P20,000.00).

14 The officer or non-officer receiving the benefits under this Section may
15 be required to undergo periodic physical and medical examination to
16 determine the extent of disability for purposes of adjusting the disability
17 pension.

18 **SEC. 39. Old-Age Pension.** – A retired PCG uniformed personnel who
19 is at least sixty-five (65) years of age shall be entitled to old-age pension
20 amounting to Five thousand pesos (P5,000.00) monthly and an additional
21 amount of One thousand seven hundred pesos (P1,700.00) monthly upon
22 reaching the age of seventy (70): Provided, That only retired PCG uniformed
23 personnel who shall have been honorably discharged or retired after at least
24 twenty (20) years total PCG active service or sooner separated while in the
25 active service in the PCG due to disability arising or incurred in actual
26 operations or performance of duties are entitled to receive this monthly
27 benefit.

28 **SEC. 40. Application of Related Laws on Retirement and**
29 **Separation of Uniformed Personnel.** – The retirement system under
30 Presidential Decree (PD) No. 1638, as amended, and the provisions of RA
31 8220, RA 9365, and other similar applicable laws, insofar as not
32 inconsistent with applicable provisions of this Act, shall be given suppletory
33 effect.

1 **SEC. 41. *Incentives and Awards.*** – There shall be established an
2 incentives and awards system which shall be the same and equal as that
3 used and observed in the AFP and the PNP, including the *Medalya ng*
4 *Kagitingan* (Medal of Valor) to be administered by a board under such rules,
5 regulations and standards as may be promulgated by the PCG: *Provided,*
6 That equivalent awards shall be given by the PCG for every award duly
7 given by respectable civic organizations in a nationwide selection for
8 outstanding achievement or performance of any member: *Provided, further,*
9 That in the case of non-uniformed personnel, the system of incentives and
10 awards shall be approved and in accordance with CSC laws, rules and
11 regulations.

DISCIPLINARY SYSTEM

13 **SEC. 42. *Disciplinary System.*** – The PCG shall adopt the PCG
14 Code of Conduct which shall be applicable to all its uniformed personnel
15 while non-uniformed personnel shall be covered under the disciplinary rules
16 of the Civil Service. The Commandant shall be assisted by the Coast Guard
17 Internal Affairs in enforcing discipline and order within its ranks though
18 for disciplinary issues depending on gravity, unit commanders shall
19 exercise disciplinary powers over personnel under their command. The
20 PCG shall, within six (6) months from the effectivity of this Act, issue
21 policies, rules and procedures applying the PCG Code of Conduct based on
22 the provisions of Commonwealth Act No. 408, as amended by RA 516, RA
23 242, PD 1968, and PD 1166: *Provided*, That for non-uniformed personnel,
24 the PCG shall issue rules and procedures implementing Book VII of
25 Executive Order No. 292 and applicable CSC laws, administrative rules,
26 and issuances: *Provided, further*, That in times of war, during which the
27 PCG or any of its offices is attached to the DND, the military justice system
28 of the AFP shall apply.

29 **SEC. 43. *Disciplinary Authority.*** – The Commandant shall exercise
30 disciplinary authority at any time over all personnel of the PCG. The
31 authority to discipline shall also be exercised by unit commanders and
32 Commanding Officers including Station Commanders, Sub-Station
33 Commanders, and head of Morning Report Carrying Units.

1 **SEC. 44. *Jurisdiction.*** – A complaint or a charge filed against a PCG
2 member shall be heard and decided exclusively by the disciplining authority
3 who has acquired original jurisdiction over the case, notwithstanding the
4 existence of concurrent jurisdiction as regards the offense.

5 **SEC. 45. *Dismissal of PCG Personnel.*** – The Commandant, after
6 due notice and summary hearing, may immediately remove or dismiss any
7 respondent PCG personnel, and major unit commanders may recommend
8 such in any of the following cases:

9 a) In cases of drug abuse where subsequent confirmation test confirms
10 the use of prohibited drugs;

11 b) When the charge is serious and the evidence of guilt is strong;

12 c) When the respondent is a recidivist or has been repeatedly charged
13 and there are reasonable grounds to believe that the respondent is guilty of
14 the charges; and

15 d) When the respondent is guilty of a serious offense involving conduct
16 unbecoming a PCG personnel.

17 An officer or non-officer who is continuously absent without approved
18 leave for at least thirty (30) calendar days shall be considered on absence
19 without official leave and shall be presumed voluntarily resigned: *Provided,*
20 That such officer or non-officer shall be informed, by registered mail, at the
21 address appearing on such officer's or non-officer's 201 file not later than
22 five (5) calendar days from the effectivity thereof.

23 The dismissal of PCG non-uniformed personnel shall be governed by
24 Civil Service laws, rules and regulations.

25 **SEC. 46. *Coast Guard Inspector General and Internal Affairs***
26 ***Service (CGIG-IAS).*** – To maintain accountability in government service
27 through discipline and efficiency, there shall be an Internal Affairs Service
28 in the PCG. The CGIG-IAS shall foster and promote accountability in
29 government service within the PCG and follow the basic principles of
30 integrity, objectivity, independence, confidentiality, professionalism,
31 competence, courage, trust, honesty, fairness, forthrightness, public
32 accountability', and respect for others and themselves. It shall have the
33 power to investigate and inquire into any and all activities of the PCG units

1 and personnel, review processes, procedures and operations to determine if
2 such were conducted effectively and efficiently.

3 The personnel of the CGIG-IAS, whether officer or non-officer who are
4 performing actual investigative duties, including PCG personnel who
5 perform investigative duties, shall be granted occupational specialty pay
6 which shall not exceed fifty percent (50%) of their basic pay and shall be
7 reflected in their pay slip for the work performed: *Provided*, That such
8 personnel shall not be entitled to the occupational specialty pay under
9 Section 26 hereof.

10 MISCELLANEOUS PROVISIONS

11 **SEC. 47. *Organization of a PCGA.*** – The PCG shall continue to
12 maintain, supervise, develop, and train the PCGA as a non-uniformed
13 personnel volunteer organization under the direct control and supervision
14 of the PCG Commandant. The PCGA shall assist the PCG in the promotion
15 of safety of life and property at sea, the preservation of the marine
16 environment and its resources, the conduct of maritime search and rescue,
17 the maintenance of aids to navigation, and such other activities that
18 enhance maritime community relations which include civic action,
19 participation under the National Service Training Program, youth
20 development, recreational safety, and other related activities.

21 **SEC. 48. *Coast Guard Reserve Force.*** — In accordance with existing
22 laws, rules and regulations, and the exercise of its powers and functions
23 under Section 4 of this Act, the PCG may establish a reserve force to
24 augment the PCG force in the event of national emergency or disaster,
25 consistent with existing laws, rules and regulations. The PCG reservist
26 shall undergo regular training and shall be organized, trained, equipped,
27 and administered by a PCG Reserve Command under the direction of the
28 Commandant and whose members may be called to active duty in the
29 exigency of the service. The PCG shall adopt pertinent policies and
30 guidelines for the purpose subject to the approval of the President upon the
31 recommendation of the Secretary of the DOTr.

32 **SEC. 49. *Lateral Entry.*** – Active members of other uniformed
33 services under the AFP, PNP, Bureau of Fire Protection, Bureau of Jail

1 Management and Penology, and Bureau of Corrections may join the PCG
2 through lateral entry. The rank for officers eligible for such entry must not
3 be higher than Lieutenant Commander and Petty Officer Second Class for
4 non-officers. Notwithstanding the corps they wish to join, all entrants shall
5 only be accepted if, on or before time of entry, they are: a) not under
6 investigation, b) not on AWOL status, c) not serving sentence, whether
7 administrative or criminal, d) have not been issued reprimand in the last
8 two (2) years, or e) have not received an unfavorable rating in the latest
9 performance rating.

10 However, if an entrant possesses specific skills that may not be readily
11 developed in new recruits, lateral entry may be allowed for ranks higher
12 than those mentioned above: *Provided*, That the new entrant can serve at
13 least ten (10) years in PCG active service prior to reaching the mandatory
14 retirement age.

15 **SEC. 50. *Exemption from Attachment, Taxes, Duties, Charges,***
16 ***and Fees.*** – Retirement benefits granted by this Act, including benefits
17 received from a duly instituted provident fund and mutual benefit
18 association, shall not be subject to attachment, levy, execution, or any tax
19 of whatever nature, subject to the pertinent provisions of the National
20 Internal Revenue Code of 1997, as amended.

21 In the establishment and operation of radar and radio stations and
22 other communication facilities, the PCG shall not be subject to payment of
23 charges and fees as imposed by the National Telecommunications
24 Commission (NTC): *Provided*, That the PCG shall only use frequencies as
25 may be allowed or assigned by the NTC consistent with international
26 regulations and guidelines.

27 The PCG shall, in the performance of its functions, enjoy such rights
28 and privileges enjoyed by other governmental and law enforcement
29 agencies, instrumentalities, and government-owned and controlled
30 corporations such as exemption from registration fees, application for
31 license, and payment of fees as imposed by other governmental agencies or
32 regulatory bodies.

1 The importation of instruments, equipment, machineries, spare parts,
2 and apparatuses shall be exempt from customs duties and taxes in
3 accordance with the provisions of Republic Act No. 10863, otherwise known
4 as the “Customs Modernization and Tariff Act (CMTA).”

5 **SEC. 51. *Loans, Grants, Bequests and Donations.*** – The PCG may
6 receive grants, bequests, and donations and enter into loan agreements,
7 whether from local or foreign sources for purposes relevant to its functions,
8 subject to the provisions on donations under the General Appropriations Act
9 and other pertinent laws, rules and regulations.

10 The Secretary of the DOTr may enter into a loan agreement with
11 foreign financial institutions, subject to the provisions on loan agreements
12 under the General Appropriations Act and other pertinent laws, rules and
13 regulations.

14 **SEC. 52. *PCG Properties and Lighthouse Reservations.*** – The
15 PCG shall continue to exercise exclusive ownership, possession,
16 management, control and supervision over all properties transferred to it
17 by virtue of Executive Order No. 475, dated 30 March 1998, and Executive
18 Order No. 477, dated 15 April 1998, such as, *inter alia*, vessels, watercrafts,
19 firearms, armaments, munitions, communications and electronic
20 equipment, vehicles, buildings, real state, lighthouse stations, and
21 reservations.

22 **SEC. 53. *Establishment and Expansion of Coast Guard Bases,***
23 ***Equipment and Facilities.*** – In coordination with other appropriate
24 government agencies, the PCG shall develop and enhance its capabilities in
25 the performance of its mandated functions and establish its strategic
26 presence. To this end, the PCG shall, through the guidance of Congress,
27 draft its development plan that shall reflect its asset, equipment, and
28 facility requirement that includes floating assets, laboratories, land-based
29 support facilities, land mobility, arms and ammunition, rescue and hospital
30 ship, maritime monitoring surveillance and communications system, port
31 facilities, air assets, and air stations.

32 **SEC. 54. *Implementing Rules and Regulations.*** – For submission
33 to the Secretary of the DOTr for approval, the PCG, not later than one

1 hundred twenty (120) days from the effectivity of this Act, shall issue rules
2 and regulations, determine, fix or prescribe charges, rates, and penalties,
3 as may be necessary, to implement its provisions, as well as the provisions
4 of laws, issuances, decrees and orders related to the implementation of PCG
5 functions.

6 **SEC. 55. Appropriations.** – The amount necessary for the initial
7 implementation of this Act shall be charged against the current year’s
8 appropriations of the PCG. Thereafter, such amount shall be included in the
9 annual General Appropriations Act.

10 **SEC. 56. Transitory Provisions.** – All previous appointments and
11 promotions of PCG uniformed personnel made prior to the enactment of this
12 Act shall remain valid and subsisting.

13 **SEC. 57. Adjustment of Retirement Benefits and Pension**
14 **Indexation.** – The retirement benefits of personnel affected by the
15 implementation of Republic Act No. 9993, Joint Resolution No. 4, s. 2009,
16 and Joint Resolution No. 1 s. 2018, shall be adjusted as follows:

17 a) For non-officers whose retirement benefits were affected
18 by the implementation of Republic Act No. 9993, any discrepancies
19 resulting from the application of this Act and Republic Act No. 9993 shall
20 be returned to the retiree. This adjustment shall also apply to the
21 indexation of pensions to base pay scale adjustments affected by Republic
22 Act No. 9993; and

23 b) The retirement benefits of personnel holding the ranks of admiral
24 and vice admiral, who were adversely affected by Joint Resolution No. 4, s.
25 2009, entitled: “Joint Resolution Authorizing the President of the
26 Philippines to Modify the Compensation and Position Classification
27 System of Civilian Personnel and the Base Pay Schedule of Military and
28 Uniformed Personnel in the Government, and for Other Purposes,” and
29 Joint Resolution No. 1 s. 2018, entitled: “Joint Resolution Authorizing the
30 Increase in Base Pay of Military and Uniformed Personnel in the
31 Government, and for Other Purposes”, shall be adjusted to align with the
32 benefits of their contemporary ranks of General and Lieutenant General
33 in the AFP and the PNP.

1 Furthermore, personnel affected by the aforementioned
2 joint resolutions shall be paid the corresponding difference in pay and
3 allowances resulting from these adjustments.

4 **SEC. 58. *Separability Clause.*** – If for any reason, any provision of
5 this Act is declared unconstitutional or invalid, such parts not affected
6 thereby shall remain in full force and effect.

7 **SEC. 59. *Repealing Clause.*** – RA 9993 is hereby repealed and all
8 laws, decrees, executive orders, rules and regulations and other issuances
9 or parts thereof which are inconsistent with this Act are likewise hereby
10 repealed, amended, or modified accordingly.

11 **SEC. 60. *Effectivity.*** – This Act shall take effect fifteen (15) days after
12 its publication in the *Official Gazette* or in a newspaper of general
13 circulation.

Approved,