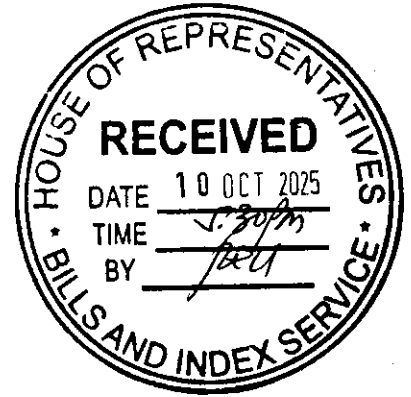


Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

TWENTIETH CONGRESS  
First Regular Session

House Bill No. **5471**



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Introduced by Representative Julius Cesar "Jay" V. Vergara

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**EXPLANATORY NOTE**

The Philippine Coast Guard (PCG) plays a vital role in safeguarding our nation's maritime interests. It actively ensures maritime security through regular patrols and the protection of territorial waters, while also upholding maritime environmental protection by responding to pollution incidents and preserving marine resources.

In recent years, the PCG has demonstrated extraordinary dedication, particularly in the West Philippine Sea (WPS). Its personnel have undertaken crucial missions—conducting resupply operations for Filipino fishermen, monitoring the presence of Chinese Coast Guard (CCG) vessels, and asserting Philippine sovereignty within contested waters.

Despite their invaluable service, the PCG continues to face significant challenges. It remains under-resourced in terms of personnel benefits, modern tools and equipment, as well as adequate vessels and aircraft. These limitations hinder the agency's full capacity to perform its national security and maritime safety mandates.

This proposed measure seeks to introduce comprehensive reforms to strengthen the Philippine Coast Guard by addressing its operational and organizational needs. By doing so, it aims not only to enhance the PCG's effectiveness in protecting our maritime domain but also to give due recognition to the men and women behind PCG, who serve with full courage and commitment for our country.

In view of the foregoing, the immediate adoption of this measure is earnestly requested.

A handwritten signature in black ink, appearing to read "Julius Cesar V. Vergara".

**JULIUS CESAR "JAY" V. VERGARA**  
Third District of Nueva Ecija



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, which will also function  
19 as implementing units whose annual budget shall be strictly released to  
20 them, are: National Capital Region-Central Luzon (CGD NCR-CL), Central  
21 Visayas (CGD CV), Southwestern Mindanao (CGD SWM), Southeastern  
22 Mindanao (CGD SEM), Palawan (CGD PAL), Western Visayas (CGD WV),  
23 Southern Visayas (CGD SV), Southern Tagalog (CGD STL), Northern  
24 Mindanao (CGD NM), Bicol (CGD BCL), Northwestern Luzon (CGD NWL),  
25 Eastern Visayas (CGD EV), Northeastern Luzon (CGD NEL), Southern  
26 Mindanao (CGD SM), Northeastern Mindanao (CGD NEM) and Coast  
27 Guard districts in Bangsamoro Administrative Region in Muslim Mindanao  
28 (CGDs BARMM): *Provided*, That the PCG may create other new districts  
29 subject to existing laws; and

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

32 In addition to the aforementioned basic structure of the PCG, the  
33 Commandant of the PCG is authorized to reorganize, modify, or create

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

### 13 **POWERS AND FUNCTIONS**

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

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

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

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

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

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

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

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

1 p) Develop oil spill response, containment, and recovery capabilities  
2 against ship-based pollution;

3 q) Grant, within the capabilities and consistent with its mandate,  
4 requests for assistance of other government agencies in the performance of  
5 their functions;

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

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

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

#### 14 THE PCG COMMANDANT

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

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

28 a) Elaborate and execute the national maritime laws relating to the  
29 functions of the PCG;

30 b) Direct and control tactical as well as strategic movements,  
31 deployment, placement, or utilization of the PCG or any of its units and  
32 personnel, including its equipment, facilities and other resources: *Provided*,  
33 That the Commandant may delegate this power to subordinate officials with

1 respect to the units under the latter's command, subject to the guidelines as  
2 the Commandant may prescribe in accordance with existing laws, rules and  
3 regulations;

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

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

11 e) Approve the recommendation of the different promotion or  
12 assignment boards and ensure observance of merit and fitness in the  
13 process of promotion and assignment;

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

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

## 22 ADMINISTRATION AND PERSONNEL

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

25 a) *Officer* refers to a uniformed member of the PCG who is  
26 commissioned as officer by the President of the Philippines or the Secretary  
27 of Transportation, as the case may be, and belongs to the officers' corps:

28 b) *Non-Commissioned Officer (NCO)* refers to the classification of  
29 uniformed member of the PCG with ranks below commissioned officers and  
30 performing jobs specific to their occupational specialty particularly those  
31 ranks with equivalent grades of E-4 to E-10;

32 c) *Enlisted Personnel* refers to the classification of uniformed members  
33 of the PCG particularly those ranks with equivalent grades of E-1 to E-3;

- 1 d) *Non-uniformed personnel* refers to permanent, temporary,  
2 contractual, coterminous and casual civilian employees of the PCG whose  
3 appointments are governed by the Civil Service laws, rules and regulations;  
4 e) *Probationary ensign* refers to a person who is called to active duty  
5 but awaiting commissionship into the PCG or awaiting training;  
6 f) *Draftee* refers to a person who has completed basic training and is  
7 awaiting enlistment into the PCG active service;  
8 g) *Cadet* refers to a person who is enrolled in service academies under  
9 the sponsorship of the PCG;  
10 h) *Candidate* refers to a person who is undergoing training for  
11 commissionship; and  
12 i) *Trainee* refers to a person who is undergoing training to qualify as  
13 member of the non-commissioned officers / enlisted personnel's corps of the  
14 PCG.

15 *Provided*, That the ranks and grades of all uniformed personnel in the  
16 PCG, whether officers or non-commissioned officers / enlisted personnel,  
17 shall be the same and equal as that used and observed in the AFP and the  
18 PNP.

19 **SEC. 8. *Ranks and Grades of PCG Officers.*** – The ranks and grades  
20 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              |

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

- 1 a) Lawyers;
- 2 b) Doctors;
- 3 c) Priests, Pastors, Imam, and other certified clerics;
- 4 d) Dentists;
- 5 e) Veterinarians; and
- 6 f) Nurses

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

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

26 **SEC. 11. Distribution of Flag Officers.** - Other than the  
27 Commandant who occupies the rank of Admiral, the total number of flag  
28 ranks shall not exceed two (2) percent of the total population of officers  
29 distributed observing the pyramidal structure as hereunder prescribed:

|    |              |       |
|----|--------------|-------|
| 30 | Vice Admiral | 0.15% |
| 31 | Rear Admiral | 0.35% |
| 32 | Commodore    | 1.50% |
| 33 | Total        | 2.00% |

1 *Provided*, That if the actual number in a rank, except in the case of Coast  
2 Guard Admiral and Vice Admiral, is less than the number herein  
3 prescribed, the difference may be applied as an increase to the number  
4 prescribed in the lower rank: *Provided, further*, That no officer shall be  
5 promoted to the rank of Commodore or higher unless there is an existing  
6 vacancy, and the officer is occupying a position in the table of organization  
7 that requires the rank which is being considered for promotion.

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

| <u><b>Rank</b></u> | <u><b>Maximum Tenure in Rank</b></u> |
|--------------------|--------------------------------------|
| 12 Admiral         | three (3) years                      |
| 13 Vice Admiral    | three (3) years                      |
| 14 Rear Admiral    | three (3) years                      |
| 15 Commodore       | five (5) years                       |
| 16 Captain         | ten (10) years                       |

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

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

28 **SEC. 14. *Ranks and Grades of Non-Commissioned Officers /***  
29 ***Enlisted Personnel.*** – The ranks and pay grades of PCG non-  
30 commissioned officers / enlisted personnel shall be as follows:

| <u><b>RANK</b></u>               | <u><b>ACRONYM</b></u> | <u><b>PAY GRADE</b></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 |

1       **SEC. 15. Maximum Tenure in Rank for Non-Commissioned**  
2       **Officers.** – The maximum tenure of non-commissioned officers in the ranks  
3       of Chief Petty Officer to First Master Chief Petty Officer in the PCG are as  
4       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                |

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

21       **SEC. 16. Non-uniformed Personnel.** – There shall be non-  
22   uniformed personnel positions in the PCG. The head of the non-uniformed  
23   personnel shall occupy a rank of Director III and shall be appointed by the  
24   President of the Philippines upon recommendation of the Commandant. The  
25   Commandant shall determine the additional plantilla positions required for

1 the purpose subject to the evaluation and approval of the DBM in  
2 accordance with the civil service and other pertinent laws, rules and  
3 regulations.

4 **SEC. 17. *Appointments.*** – The appointment of the PCG Commandant  
5 and Flag Officers shall be approved by the President of the Philippines upon  
6 the recommendation of the Secretary of the DOTr. Appointments of all PCG  
7 non-commissioned officers / enlisted personnel shall be made by the PCG  
8 Commandant. Appointments of PCG officers, which shall be in the initial  
9 rank of Coast Guard Ensign shall be through a commissionship into service  
10 by the DOTr Secretary upon the recommendation of the Commandant.

11 The initial entry ranks for technical officers like lawyers, medical  
12 doctors, and ecumenical clerics shall be Lieutenant Senior Grade; dentists  
13 and veterinarians shall be Lieutenant Junior Grade; while nurses shall be  
14 commissioned to the rank of Ensign. Appointment of other technical  
15 professions that may be required later shall be based on the academic  
16 attainment or ranking in licensure examination results issued by competent  
17 authority.

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

21 **SEC. 18. *Basic Qualification for Uniformed Personnel.*** – To  
22 qualify as officer or non-commissioned officer / enlisted personnel of the  
23 PCG, the applicant, at the time of application:

24 a) Must be a natural born citizen of the Philippines;  
25 b) Must be a person of good moral conduct;  
26 c) Must have passed the psychiatric, psychological, drug, and physical  
27 tests to be administered by the PCG Medical Service or by any PCG  
28 accredited government hospital for the purpose of determining physical and  
29 mental health;

30 d) Must possess a formal baccalaureate degree, with appropriate  
31 license when applicable or professional civil service eligibility for  
32 appointment as officer, and must have finished at least seventy-two (72)  
33 non-repetitive units of college education, or is a senior high school graduate

1 with six (6) months Technical Education and Skills Development Authority  
2 skills course related to the functions of PCG for appointment as non-  
3 commissioned officers / enlisted personnel upon effectivity of this Act; and

4 e) Must not have been dishonorably discharged from military  
5 employment or dismissed for cause from any non-uniformed personnel  
6 position in the government.

7 **SEC. 19. *Promotions of Officers and Non-Commissioned Officers***  
8 ***/ Enlisted Personnel.*** – The promotion of PCG officers and non-  
9 commissioned officers / enlisted personnel shall be based on merit and  
10 fitness in accordance with the following procedures:

11 a) Officers shall only be promoted after undergoing deliberation before  
12 the promotion boards: *Provided*, That the promotion boards shall submit  
13 the results of their deliberation to the Commandant for approval and  
14 corresponding endorsement to the Secretary of the DOTr for transmittal to  
15 the President of the Philippines for approval; and

16 b) There shall also be appropriate promotion boards for non-  
17 commissioned officers / enlisted personnel whose recommendation shall be  
18 submitted to the Commandant for approval.

19 *Provided, further*, That at the time of promotion, the officer or non-  
20 commissioned officer / enlisted personnel concerned shall possess all the  
21 qualifications and none of the disqualifications provided under pertinent  
22 laws, rules and regulations, specifically on the completion of required career  
23 course, training, examination and minimum time-in-grade as applicable for  
24 specific ranks.

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

29 **SEC. 20. *Gender Sensitivity Program.*** – Gender concerns shall be  
30 addressed in all planning activities, setting of priorities, allocating of  
31 resources, and identifying actions and activities of the PCG. It shall also  
32 incorporate a gender sensitive perspective in the implementation of such  
33 plans and programs.

1 Gender sensitivity shall also be mainstreamed in all its internal  
2 policies, strategies, budget, projects, structures and mechanisms, including  
3 hiring, promotions, assignment, training opportunities, pay and benefits. A  
4 gender perspective shall likewise be integrated in all its training programs,  
5 especially for maritime search and rescue.

6 **SEC. 21. PCG Insignia, Decorations and Awards.** – The PCG shall  
7 have its own insignia and badges to denote rank, specialty, and assignment  
8 including uniforms, decorations, and awards, all of which shall be submitted  
9 to the National Historical Institute for registration in the flags and heraldic  
10 list: *Provided*, That there shall be an established awards system which shall  
11 be administered by the PCG under such rules and regulations as may be  
12 promulgated with the approval of the Secretary of the DOTr.

13 **SEC. 22. Legal Assistance.** – The Secretary of the DOTr or the  
14 Commandant of the PCG may authorize lawyers of their respective agencies  
15 to provide legal assistance to any member of the PCG charged with an  
16 offense or crime resulting from the performance or on occasion of official  
17 duty. The government lawyers so authorized shall have the power to  
18 administer oaths.

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

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

28 **SEC. 23. Power to Administer Oath.** – Officers of the PCG in the  
29 active service with the grade of O-5 or when designated with appropriate  
30 orders as administrative officer of a unit, shall have the power to administer  
31 oaths on matters which are connected with the performance of their official  
32 duties. Senior non-commissioned officers, those with grades E-7 to E10,

1 who are designated through appropriate orders, as Chief-Master-At-Arms  
2 (CMAA) or unit master chief are also empowered to administer oaths.

3 **SEC. 24. *Maritime and Coast Guard Attaché.*** – Subject to existing  
4 laws, rules and regulations, the PCG may designate a maritime and coast  
5 guard attaché in the International Maritime Organization, other  
6 international institutions, or as member of diplomatic missions or  
7 embassies upon the recommendation of the Secretary of Transportation.

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

10 **SEC.25. *Establishment of the Philippine Coast Guard Academy.***  
11 – An institution known as the Philippine Coast Guard Academy (PCGA)  
12 shall be established for the training of selected candidates for permanent  
13 commission as officers in the Philippine Coast Guard Corps of Officers. In  
14 the design of the academy's academic and physical curriculum under strict  
15 military approach discipline, the Philippine Military Academy (PMA) shall  
16 allocate 10% of its cadets to the PCG to maintain and enhance  
17 interoperability and relationship among the corps of officers of both  
18 agencies.

19 **SEC.26. *Corps of Professors.*** – The Corps of Professors shall form  
20 part of the Faculty of the Academy. It shall be composed of the Philippine  
21 Coast Guard Uniformed Personnel who are permanently assigned with the  
22 Academy. The qualifications for admission to the Corps of Professors shall  
23 be determined by the PCG Academy Council. The same shall be headed by  
24 a Dean who shall be selected by the PCG Academic Council from among the  
25 members of the Corps of Professors.

26 A separate career pattern shall be promulgated by the Philippine  
27 Coast Guard Organization for the professional advancement and promotion  
28 of the members of the Corps of Professors within three (3) months from the  
29 effectivity of this act.

#### 30 **PAYS, ALLOWANCES, AND BENEFITS**

31 **SEC. 27. *Salaries and Other Benefits.*** – The uniformed personnel  
32 of the PCG shall receive the same base pay, hazard pay, and other benefits  
33 and allowances as are now or hereafter may be authorized for corresponding

1 salary grades and ranks in the AFP. The salaries and allowances of the non-  
2 uniformed personnel of the PCG shall be in accordance with existing Salary  
3 Standardization Law and CSC laws, rules and regulations.

4 **SEC. 28. Longevity Pay and Allowances.** – Uniformed personnel of  
5 the PCG shall be entitled to a longevity pay of ten percent (10%) of their  
6 basic monthly salaries for every five (5) years of continuous active service,  
7 which shall be reckoned from the date of actual service in the PCG:  
8 *Provided*, That the totality of such longevity pay shall not exceed fifty  
9 percent (50%) of the basic pay. They shall also continue to enjoy the  
10 subsistence allowance, quarters allowance, clothing allowance, cost of living  
11 allowance, hazardous duty pay and other collateral allowances but not  
12 limited to sea duty pay, flying pay, special counsel allowance, occupational  
13 specialty pay, instructors duty pay, combat pay for officers and non-  
14 commissioned officers / enlisted personnel of the PCG performing combat  
15 duties or activities or engaged in actual performance of duties as defined in  
16 regulations to be issued by the Commandant and all other applicable  
17 allowances as provided by existing laws: *Provided, further*, That the PCG  
18 shall, subject to approval of the President of the Philippines, issue a specific  
19 policy pertaining to collateral allowances for specific duties actually  
20 performed. All collateral allowances shall be reflected in the pay slip of  
21 qualified personnel.

22 **SEC. 29. Uniformed Personnel Missing in Action.** – The survivors  
23 of any officer or non-commissioned officer / enlisted personnel who, while in  
24 the performance of duty, is officially confirmed missing in action, kidnapped  
25 or captured by lawless elements shall be entitled to receive the same pay  
26 and allowances to which such officer or non-commissioned officer / enlisted  
27 personnel is entitled from the time of the latter's disappearance: *Provided*,  
28 That the compulsory retirement of an absentee, in applicable cases, shall be  
29 processed to allow the survivors to enjoy the retirement benefits: *Provided*,  
30 *further*, That should the Commandant, upon the recommendation of the  
31 proper authority or immediate supervisor, subsequently rule that the officer  
32 or non-commissioned officer / enlisted personnel concerned has been absent  
33 from duty without authority, such member or the latter's survivors shall

1 reimburse the PCG all such amount and allowances that have been received  
2 in accordance with this section and other pertinent sections of this Act.

3       **SEC. 30. *Emergency and Medical Assistance.*** – The PCG shall  
4 have an emergency medical assistance fund, sourced from the PCG's Annual  
5 Budget Plan as reflected in the General Appropriations Act for  
6 hospitalization, operation, medication, and rehabilitation of personnel  
7 arising from injuries and illnesses suffered on occasion of or in the  
8 performance of official functions to be used exclusively in areas not  
9 serviceable by the PCG Hospital.

#### 10                   **ACTIVE SERVICE AND SEPARATION**

11       **SEC. 31. *Active Service.*** – For purposes of this Act, active service of  
12 the uniformed personnel shall refer to services rendered as an officer and  
13 non-commissioned officer / enlisted personnel, cadet, trainee, or draftee in  
14 the PCG and services rendered as a non-uniformed personnel in the  
15 Philippine Government prior to the date of separation or retirement from  
16 the PCG: *Provided, That, for purposes of retirement, the personnel shall*  
17 *have rendered at least ten (10) years of active service as officer or non-*  
18 *commissioned officer / enlisted personnel in the PCG: *Provided, further,**  
19 *That no period of such non-uniformed personnel's government service*  
20 *longer than the active coast guard service shall be credited for purposes of*  
21 *retirement. Service rendered as cadet in any service academy in the*  
22 *Philippines or abroad under the sponsorship of the PCG such as the*  
23 *Philippine Merchant Marine Academy, probationary officer, draftee, or*  
24 *trainee shall be included in computing the years in active service for*  
25 *retirement purposes if such personnel joins the service right after*  
26 *graduation.*

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

1 tour of duty as provided under Section 13 of this Act or upon relief by the  
2 President.

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

6 For purposes of this Act, an officer or non-commissioned officer /  
7 enlisted personnel who dies after having accumulated at least twenty (20)  
8 years of satisfactory active service shall be 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. 33. 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. 34. 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. 35. 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-commissioned officers who attain the rank of Chief  
5 Petty Officer, Senior Chief Petty Officer and of Master Chief Petty Officer  
6 shall, upon 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-  
16 commissioned officers are entitled to receive monthly retirement pay upon  
17 retirement, or may opt to receive a lump sum equal to thirty-six (36) months  
18 of the monthly retirement pay and three years thereafter shall receive an  
19 annual retirement pay payable in equal monthly installment as they accrue.

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

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

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

31 **SEC. 36. Separation Pay.** – Officers and non-commissioned officers /  
32 enlisted personnel separated from the PCG without having accumulated at  
33 least twenty (20) years of satisfactory active service, or their qualified

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

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

12 **SEC. 37. Benefits for Death and Total Permanent Disability in**  
13 ***the Line of Duty or During Training.*** – Qualified survivors of officers  
14 and non-commissioned officers / enlisted personnel, including cadets,  
15 candidates, trainees and draftees who died in the line of duty without  
16 having accumulated at least twenty (20) years of satisfactory active service  
17 are entitled to a monthly life annuity, equivalent to fifty percent (50%) of  
18 the base and longevity pay computed based on one grade higher than the  
19 permanent salary grade last held by the deceased officer and non-  
20 commissioned officer / enlisted personnel at the time of death: *Provided*,  
21 That survivors of cadets, candidates, trainees, and draftees who died during  
22 training through their own fault or negligence shall not be entitled to this  
23 benefit.

24 Officers or non-commissioned officers / enlisted personnel, including  
25 cadets, candidates, trainees, and draftees who suffer total permanent  
26 physical disability in the line of duty or during training without having  
27 accumulated at least twenty (20) years of satisfactory active service shall be  
28 entitled to a monthly life annuity, equivalent to fifty percent (50%) of the  
29 base and longevity pay computed based on one grade higher than the  
30 permanent salary grade last held by the officer or non-commissioned officer  
31 / enlisted personnel when the disability occurred: *Provided*, That the extent  
32 of the disability or sickness which renders such member unfit or unable to  
33 further perform the duties of the position held shall be certified by the

1 appropriate government hospital like the Philippine General Hospital:  
2 *Provided, further,* That cadets, candidates, trainees and draftees who suffer  
3 total permanent physical disability during training through their own fault  
4 or negligence shall not be entitled to this benefit.

5 The death and disability benefits of non-uniformed personnel shall be  
6 governed by applicable Civil Service laws and regulations and the GSIS  
7 Law.

8 **SEC. 38. *Survivors.*** – The family of deceased officers or non-  
9 commissioned officers / enlisted personnel who are alive may claim benefits  
10 after such uniformed personnel dies in line of duty or when the pensioner  
11 dies. The following criteria shall apply:

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

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

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

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

32 **SEC. 39. *Survivorship Benefits.*** – The qualified survivors are  
33 entitled to a monthly annuity equivalent to seventy-five percent (75%) of

1 the officer or non-commissioned officer's / enlisted personnel's retirement or  
2 separation benefits, to be divided among them in equal shares and with the  
3 right of accretion.

4 Survivorship benefits for non-uniformed personnel shall be governed  
5 by the GSIS Law.

6 **SEC. 40. *Disability Pension.*** – In addition to the other benefits under  
7 this Act, an officer or non-commissioned officer / enlisted personnel who is  
8 retired or separated by reason of disability, which is the proximate result of  
9 wounds or injuries sustained or sickness or disease acquired in the line of  
10 duty shall receive a monthly disability pension as follows:

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

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

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

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

19 The officer or non-commissioned officer / enlisted personnel receiving  
20 the benefits under this Section may be required to undergo periodic physical  
21 and medical examination to determine the extent of disability for purposes  
22 of adjusting the disability pension.

23 **SEC. 41. *Old-Age Pension.*** – A retired PCG uniformed personnel who  
24 is at least sixty-five (65) years of age shall be entitled to old-age pension  
25 amounting to Five thousand pesos (P5,000.00) monthly and an additional  
26 amount of One thousand seven hundred pesos (P1,700.00) monthly upon  
27 reaching the age of seventy (70): Provided, That only retired PCG uniformed  
28 personnel who shall have been honorably discharged or retired after at least  
29 twenty (20) years total PCG active service or sooner separated while in the  
30 active service in the PCG due to disability arising or incurred in actual  
31 operations or performance of duties are entitled to receive this monthly  
32 benefit.

**SEC. 42. *Application of Related Laws on Retirement and Separation of Uniformed Personnel.*** – The retirement system under Presidential Decree (PD) No. 1638, as amended, and the provisions of RA 8220, RA 9365, and other similar applicable laws, insofar as not inconsistent with applicable provisions of this Act, shall be given suppletory effect.

**SEC. 43. *Incentives and Awards.*** – There shall be established an incentives and awards system which shall be the same and equal as that used and observed in the AFP and the PNP, including the *Medalya ng Kagitingan* (Medal of Valor) to be administered by a board under such rules, regulations and standards as may be promulgated by the PCG: *Provided*, That equivalent awards shall be given by the PCG for every award duly given by respectable civic organizations in a nationwide selection for outstanding achievement or performance of any member: *Provided, further*, That in the case of non-uniformed personnel, the system of incentives and awards shall be approved and in accordance with CSC laws, rules and regulations.

## DISCIPLINARY SYSTEM

**SEC. 44. *Disciplinary System.*** – The PCG shall adopt the PCG Code of Conduct which shall be applicable to all its uniformed personnel while non-uniformed personnel shall be covered under the disciplinary rules of the Civil Service. The Commandant shall be assisted by the Coast Guard Internal Affairs in enforcing discipline and order within its ranks though for disciplinary issues depending on gravity, unit commanders shall exercise disciplinary powers over personnel under their command. The PCG shall, within six (6) months from the effectivity of this Act, issue policies, rules and procedures applying the PCG Code of Conduct based on the provisions of Commonwealth Act No. 408, as amended by RA 516, RA 242, PD 1968, and PD 1166: *Provided*, That for non-uniformed personnel, the PCG shall issue rules and procedures implementing Book VII of Executive Order No. 292 and applicable CSC laws, administrative rules, and issuances: *Provided, further*, That in times of war, during which the

1 PCG or any of its offices is attached to the DND, the military justice system  
2 of the AFP shall apply.

3 **SEC. 45. *Disciplinary Authority.*** – The Commandant shall exercise  
4 disciplinary authority at any time over all personnel of the PCG. The  
5 authority to discipline shall also be exercised by unit commanders and  
6 Commanding Officers including Station Commanders, Sub-Station  
7 Commanders, and head of Morning Report Carrying Units.

8 **SEC. 46. *Jurisdiction.*** – A complaint or a charge filed against a PCG  
9 member shall be heard and decided exclusively by the disciplining authority  
10 who has acquired original jurisdiction over the case, notwithstanding the  
11 existence of concurrent jurisdiction as regards the offense.

12 **SEC. 47. *Dismissal of PCG Personnel.*** – The Commandant, after  
13 due notice and summary hearing, may immediately remove or dismiss any  
14 respondent PCG personnel, and major unit commanders may recommend  
15 such in any of the following cases:

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

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

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

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

24 An officer or non-commissioned officer / enlisted personnel who is  
25 continuously absent without approved leave for at least thirty (30) calendar  
26 days shall be considered on absence without official leave and shall be  
27 presumed voluntarily resigned: *Provided*, That such officer or non-  
28 commissioned officer / enlisted personnel shall be informed, by registered  
29 mail, at the address appearing on such officer's or non-commissioned  
30 officer's / enlisted personnel'S 201 file not later than five (5) calendar days  
31 from the effectivity thereof.

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

1       **SEC. 48. *Coast Guard Inspector General and Internal Affairs***  
2       ***Service (CGIG-IAS).*** – To maintain accountability in government service  
3 through discipline and efficiency, there shall be an Internal Affairs Service  
4 in the PCG. The CGIG-IAS shall foster and promote accountability in  
5 government service within the PCG and follow the basic principles of  
6 integrity, objectivity, independence, confidentiality, professionalism,  
7 competence, courage, trust, honesty, fairness, forthrightness, public  
8 accountability’, and respect for others and themselves. It shall have the  
9 power to investigate and inquire into any and all activities of the PCG units  
10 and personnel, review processes, procedures and operations to determine if  
11 such were conducted effectively and efficiently.

12       The personnel of the CGIG-IAS, whether officer or non-commissioned  
13 officer / enlisted personnel who are performing actual investigative duties,  
14 including PCG personnel who perform investigative duties, shall be granted  
15 occupational specialty pay which shall not exceed fifty percent (50%) of their  
16 basic pay and shall be reflected in their pay slip for the work performed:  
17 *Provided,* That such personnel shall not be entitled to the occupational  
18 specialty pay under Section 26 hereof.

19                               **MISCELLANEOUS PROVISIONS**

20       **SEC. 49. *Organization of a PCGA.*** – The PCG shall continue to  
21 maintain, supervise, develop, and train the PCGA as a non-uniformed  
22 personnel volunteer organization under the direct control and supervision  
23 of the PCG Commandant. The PCGA shall assist the PCG in the promotion  
24 of safety of life and property at sea, the preservation of the marine  
25 environment and its resources, the conduct of maritime search and rescue,  
26 the maintenance of aids to navigation, and such other activities that  
27 enhance maritime community relations which include civic action,  
28 participation under the National Service Training Program, youth  
29 development, recreational safety, and other related activities.

30       **SEC. 50. *Coast Guard Reserve Force.*** — In accordance with existing  
31 laws, rules and regulations, and the exercise of its powers and functions  
32 under Section 4 of this Act, the PCG may establish a reserve force to  
33 augment the PCG force in the event of national emergency or disaster,

1 consistent with existing laws, rules and regulations. The PCG reservist  
2 shall undergo regular training and shall be organized, trained, equipped,  
3 and administered by a PCG Reserve Command under the direction of the  
4 Commandant and whose members may be called to active duty in the  
5 exigency of the service. The PCG shall adopt pertinent policies and  
6 guidelines for the purpose subject to the approval of the President upon the  
7 recommendation of the Secretary of Transportation.

8 **SEC. 51. *Lateral Entry.*** – Active members of other uniformed  
9 services under the AFP, PNP, Bureau of Fire Protection, Bureau of Jail  
10 Management and Penology, and Bureau of Corrections may join the PCG  
11 through lateral entry. The rank for officers eligible for such entry must not  
12 be higher than Lieutenant Commander and Petty Officer Second Class for  
13 non-commissioned officers / enlisted personnel. Notwithstanding the corps  
14 they wish to join, all entrants shall only be accepted if, on or before time of  
15 entry, they are: a) not under investigation, b) not on AWOL status, c) not  
16 serving sentence, whether administrative or criminal, d) have not been  
17 issued reprimand in the last two (2) years, or e) have not received an  
18 unfavorable rating in the latest performance rating.

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

24 **SEC. 52. *Exemption from Attachment, Taxes, Duties, Charges,***  
25 ***and Fees.*** – Retirement benefits granted by this Act, including benefits  
26 received from a duly instituted provident fund and mutual benefit  
27 association, shall not be subject to attachment, levy, execution, or any tax  
28 of whatever nature, subject to the pertinent provisions of the National  
29 Internal Revenue Code of 1997, as amended.

30 In the establishment and operation of radar and radio stations and  
31 other communication facilities, the PCG shall not be subject to payment of  
32 charges and fees as imposed by the National Telecommunications  
33 Commission (NTC): *Provided*, That the PCG shall only use frequencies as

1 may be allowed or assigned by the NTC consistent with international  
2 regulations and guidelines.

3 The PCG shall, in the performance of its functions, enjoy such rights  
4 and privileges enjoyed by other governmental and law enforcement  
5 agencies, instrumentalities, and government-owned and controlled  
6 corporations such as exemption from registration fees, application for  
7 license, and payment of fees as imposed by other governmental agencies or  
8 regulatory bodies.

9 The importation of instruments, equipment, machineries, spare parts,  
10 and apparatuses shall be exempt from customs duties and taxes in  
11 accordance with the provisions of Republic Act No. 10863, otherwise known  
12 as the "Customs Modernization and Tariff Act (CMTA)."

13 **SEC. 53. *Loans, Grants, Bequests and Donations.*** – The PCG may  
14 receive grants, bequests, and donations and enter into loan agreements,  
15 whether from local or foreign sources for purposes relevant to its functions,  
16 subject to the provisions on donations under the General Appropriations Act  
17 and other pertinent laws, rules and regulations.

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

22 **SEC. 54. *PCG Properties and Lighthouse Reservations.*** – The  
23 PCG shall continue to exercise exclusive ownership, possession,  
24 management, control and supervision over all properties transferred to it  
25 by virtue of Executive Order No. 475, dated 30 March 1998, and Executive  
26 Order No. 477, dated 15 April 1998, such as, *inter alia*, vessels, watercrafts,  
27 firearms, armaments, munitions, communications and electronic  
28 equipment, vehicles, buildings, real state, lighthouse stations, and  
29 reservations.

30 **SEC. 55. *Establishment and Expansion of Coast Guard Bases,***  
31 ***Equipment and Facilities.*** – In coordination with other appropriate  
32 government agencies, the PCG shall develop and enhance its capabilities in  
33 the performance of its mandated functions and establish its strategic

1 presence. To this end, the PCG shall, through the guidance of Congress,  
2 draft its development plan that shall reflect its asset, equipment, and  
3 facility requirement that includes floating assets, laboratories, land-based  
4 support facilities, land mobility, arms and ammunition, rescue and hospital  
5 ship, maritime monitoring surveillance and communications system, port  
6 facilities, air assets, and air stations.

7 **SEC. 56. *Implementing Rules and Regulations.*** – For submission  
8 to the Secretary of the DOTr for approval, the PCG, not later than one  
9 hundred twenty (120) days from the effectivity of this Act, shall issue rules  
10 and regulations, determine, fix or prescribe charges, rates, and penalties,  
11 as may be necessary, to implement its provisions, as well as the provisions  
12 of laws, issuances, decrees and orders related to the implementation of PCG  
13 functions.

14 **SEC. 57. *Appropriations.*** – The amount necessary for the initial  
15 implementation of this Act shall be charged against the current year's  
16 appropriations of the PCG. Thereafter, such amount shall be included in the  
17 annual General Appropriations Act.

18 **SEC. 58. *Transitory Provisions.*** – All previous appointments and  
19 promotions of PCG uniformed personnel made prior to the enactment of this  
20 Act shall remain valid and subsisting.

21 **SEC. 59. *Adjustment of Retirement Benefits and Pension***  
22 ***Indexation.*** – The retirement benefits of personnel affected by the  
23 implementation of Republic Act No. 9993 as amended by RA 12122, Joint  
24 Resolution No. 4, s. 2009, and Joint Resolution No. 1 s. 2018, shall be  
25 adjusted as follows:

26 a) For non-commissioned officers whose retirement benefits were  
27 affected by the implementation of Republic Act No. 9993 as  
28 amended by RA 12122, any discrepancies resulting from the application of  
29 this Act and Republic Act No. 9993 as amended by RA 12122 shall be  
30 returned to the retiree. This adjustment shall also apply to the indexation  
31 of pensions to base pay scale adjustments affected by Republic Act No. 9993  
32 as amended by RA 12122; and

1           b) The retirement benefits of personnel holding the ranks of admiral  
2 and vice admiral, who were adversely affected by Joint Resolution No. 4, s.  
3 2009, entitled: “Joint Resolution Authorizing the President of the  
4 Philippines to Modify the Compensation and Position Classification  
5 System of Civilian Personnel and the Base Pay Schedule of Military and  
6 Uniformed Personnel in the Government, and for Other Purposes,” and  
7 Joint Resolution No. 1 s. 2018, entitled: “Joint Resolution Authorizing the  
8 Increase in Base Pay of Military and Uniformed Personnel in the  
9 Government, and for Other Purposes”, shall be adjusted to align with the  
10 benefits of their contemporary ranks of General and Lieutenant General  
11 in the AFP and the PNP.

12           Furthermore, personnel affected by the aforementioned  
13 joint resolutions shall be paid the corresponding difference in pay and  
14 allowances resulting from these adjustments.

15           **SEC. 60. *Separability Clause.*** – If for any reason, any provision of  
16 this Act is declared unconstitutional or invalid, such parts not affected  
17 thereby shall remain in full force and effect.

18           **SEC. 61. *Repealing Clause.*** – RA 9993 as amended by RA 12122 is  
19 hereby repealed and all laws, decrees, executive orders, rules and  
20 regulations and other issuances or parts thereof which are inconsistent with  
21 this Act are likewise hereby repealed, amended, or modified accordingly.

22           **SEC. 62. *Effectivity.*** – This Act shall take effect fifteen (15) days after  
23 its publication in the *Official Gazette* or in a newspaper of general  
24 circulation.

*Approved,*