

New Harbor Pilots who wish to be appointed/accredited by PPA under the open pilotage system either as an individual pilot or as a member of any Harbor Pilot partnership/association shall be required to undergo a practical examination, in addition to the written examination given by the Philippine Coast Guard, prior to their appointment/accreditation by this Authority.

Section 3. Terms/Conditions on Pilotage Service - The shipping line or vessel's agent/representative and the harbor pilot/firm chosen by the former shall agree between themselves, among others, on what pilotage service shall be performed, the use of tugs and their rates, taking into consideration the circumstances stated in Section 12 of PPA AO No. 03-85, and such other conditions designed to ensure the safe movement of the vessel in pilotage areas/grounds.

Section 4. Primary Responsibility on Safe Movement of Vessels - Shipping companies shall be primarily responsible for the safe navigation/movement of their vessels within ports/harbors/pilotage areas within the jurisdiction of this Authority. Their Masters shall retain the overall command of the vessels even on pilotage grounds and they can countermand or overrule the command of the Harbor Pilot on board.

Section 5. Liability for Damages - The individual Harbor Pilot/pilotage association who provides pilotage service to a vessel on pilotage grounds shall be responsible/liable for the damage caused to said vessel or to life or property due to his negligence or fault. The individual pilot/pilotage association concerned can only be absolved from liability if the accident is caused by force majeure or natural calamities provided extra diligence and prudence was exercised to prevent or minimize the damage.

In cases when the Master of the vessel under pilotage has countermanded or overruled the order/command of the harbor pilot on board, any damage caused to the vessel or to life or property by reason of the fault or negligence of the Master, shall be the responsibility of the owner of the vessel concerned without prejudice to his recourse against said Master.

Such liability of the individual harbor pilot/pilotage association and the master/owner of the vessel shall be determined by competent authority in appropriate proceedings in the light of the facts and circumstances

of each particular case.

Section 6. Administrative Proceedings in Case of Damage Caused by Vessels to Government/Private Piers/Wharves. -

In case of marine accident involving vessel whether or not under pilotage, which causes damage to government/private port facility, the procedures for administrative investigation and summary proceedings prescribed in PPA AO No. 05-79, entitled "Guidelines on the Action to be Taken Against Vessels Causing Damage to the Piers or Other Property, Private or Government", shall apply and be followed.

Where liability is established in said proceedings and the owner/agent of the vessel does not contest the decision, payment of the damage shall be made and thereby repair of the damaged facility shall be affected. Even when the decision is contested by way of reconsideration or appeal to higher authority or the court, the cash deposit or a surety bond, whichever is expedient as determined by this Authority equivalent to the estimated damage, shall be posted, as required in Section 8 of PPA AO No. 05-79.

Section 7. Privilege Fee - Pilotage services is one of the port services inherently vested in this Authority which, by its Charter, it may render on its own or by authorized harbor pilots or firm.

In consideration of the grant of the privilege to undertake pilotage service and/or the use of port facilities, each harbor pilot shall pay a privilege fee of One Hundred (P100.00) Pesos per month or a total of One Thousand Two Hundred (P1,200.00) Pesos per annum and shall be paid to PPA on a monthly basis or in lump sum not later than January 31 of the year in which the service is to be rendered. Late payment shall be subject to interest of one (1%) percent per month and penalty of one (1%) percent per month, as provided for under PPA Administrative Order 01-87.

Pursuant to Section 23 of PPA Administrative Order No. 03-85 and upon rationalization of pilotage rates and determination of the government share by the Authority, however, the Pilots' Association's members or individual harbor pilots shall, in lieu of the privilege fee, remit to PPA a percentage share out of their gross income from rendition of pilotage services, whether realized or still receivable.

Section 8. Performance Bond/Reserve Fund - Every harbor pilot rendering pilotage service as an individual shall post a surety bond of P50,000.00 (which may be increased to P150,000.00 as the situation demands) and pilotage firms/associations, a collective surety bond in the total amount equal to the number of its harbor pilots at the rate of P50,000.00 each. In the case of Masters of vessels of Philippine Registry who are Filipino citizens and accredited as harbor pilots on their vessels, the surety bond shall be posted by the shipping companies concerned. The bonds herein required shall be issued in favor of PPA and shall be secured from reputable bonding companies which are cleared for business by the Office of the Insurance Commissioner.

Individual Harbor Pilots or member-pilots of the pilotage firm/association shall contribute to a reserve fund at the rate of P30,000.00 (P40,000.00 in Manila Pilotage District), each harbor pilot. This fund shall not be considered part of the capital of the Association/firm nor charged as expenses thereof. This shall partly answer for damages to property or injury to life, in addition to the performance bond, caused due to the fault/negligence of the harbor pilots/firms/associations.

Section 9. Discipline of Harbor Pilots - Individual Harbor Pilots accredited/appointed as such by this Authority to perform pilotage services shall be subject to disciplinary action/removal/cancellation of their appointments by the Authority under the provisions of Sections 34 and 36 of PPA AO No.03-85.

Harbor Pilots who are member-employees of pilotage firms/associations shall be subject to disciplinary actions by the latter for causes provided in the aforecited Order and in accordance with the provisions of applicable laws and regulations. This Authority shall be notified of their removal from the service. In such instances, PPA shall deal only with the pilotage association concerned and not with the erring pilots.

Section 10. Cancellation of Accreditation/Authority to Firms/Corporations/Associations to Render Pilotage Services - The Authority or accreditation issued to pilotage firms/associations shall be withdrawn upon violations of this Order or the applicable provisions of PPA AO No. 03-85 and other such regulations which may later be promulgated by this Authority.

Section 11. Application of Other Provisions of PPA AO No. 03-85 - The provisions of PPA AO No. 03-85, among others, on suspension/control of pilotage, pilotage districts, compulsory pilotage, definition of pilotage services, pilots' associations, pilotage records, expenses of pilotage operations, certificate of service, pilotage fees, working capital, duties/responsibilities of pilots, retirement, administrative offenses, visitorial power of this Authority, shall continue to apply and be enforced insofar as they are consistent with the provisions of this Order.

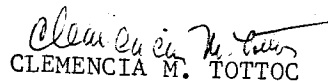
Section 12. Repealing Clause - All PPA issuances inconsistent herewith are hereby repealed or modified accordingly.

Section 13. Separability Clause - If for any reason, any section or part of these Regulations is declared unconstitutional or invalid by competent judicial authority, the declared or invalid section or part thereof shall not affect the other sections or parts to which such declaration or nullity does not apply or relate.

Section 14. Effectivity Clause - This Order shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper or general circulation.


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BY THE GENERAL MANAGER:


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