

RULES AND REGULATIONS GOVERNING PILOTAGE SERVICES, THE CONDUCT OF PILOTS, AND PILOTAGE IN THE PORTS OF CEBU

CPA ADMINISTRATIVE ORDER NO. 02-98, February 20, 1998

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Pursuant to the Provisions of Sec. 7, 9, and 21 of R.A. 7621, otherwise known as the Charter of the Cebu Port Authority, promulgated on 19 July 1992, the following rules and regulations on pilotage are hereby prescribed for the compliance by all concerned:

Article I

Preliminary Provisions

SECTION 1. Definition of Terms — The following terms are used in this Order shall be understood to mean:

- a. Anchoring — Dropping or heaving anchor at a place designated by the Authority with sufficient depth of water vessels anchor or may ride at anchor within the harbor.
- b. Apprentice Pilot — A Master who is an applicant for accreditation as Harbor Pilot in the Cebu Pilotage District and where he has to undergo an apprenticeship training for three (3) months before he is accredited as a regular harbor pilot.
- c. Authority — The Cebu Port Authority.
- d. Chief Pilot — A regular harbor pilot who is elected as such by the members of a Pilots' Organization.
- e. Docking — The service of conducting a vessel to a designated berth. For purposes of assessment of pilotage charges, docking shall include the following:
 - Transit of pilot from shore to pilots' boarding station
 - Dropping of anchor
 - Conduction of vessel to berth
 - Carrying of lines to shore
 - Securing of vessel at berth
- f. Entering A Harbor — Coming into a protected part of a sea, lake or other body of water used by vessels as a place of safety.
- g. Harbor Pilot — A master mariner who is a duly licensed harbor pilot by MARINA or PCG and who is a member of a pilot organization duly accredited by the Authority to act as a regular pilot on any vessel, engaged in foreign or coastwise trade, within limits of the Cebu pilotage district. This may also refer to a ship captain or master of a vessel who is duly accredited as a harbor pilot by the Authority for purposes of piloting a vessel under such terms and conditions as may be prescribed by the Authority.
- h. Mooring — The tying up of a ship's bow onto a floating buoy which is secured to the sea bed/anchorage.

- i. Pilotage District — The water(s) and harbor(s) which comprise the territory of the Cebu Port Authority as defined in its charter.
- j. Pilots' Organization — A single proprietorship, partnership, or corporation duly accredited and authorized by the Authority to render pilotage services in the Cebu pilotage district.
- k. Qualified Pilot — A harbor pilot who has been accredited by the Authority in accordance with rules and regulations.
- l. Shifting — A special service rendered by pilots, upon the Master'/Agent's request, wherein the vessel is transferred from one berth to another berth, or from an anchorage to anchorage area, or from berth to anchorage or vice-versa.
- m. Undocking — The service of moving out a vessel from a designated berth, and shall include the following:
- Pilot command to let go of lines
 - Heaving of anchor
 - Services of removing the vessel from berth and piloting it to the pilots' boarding station
 - Transit of pilot from pilots' boarding station to shore
- n. Unmooring — To let loose from or take in the principal mooring lines preparatory to leaving anchorage.
- o. Untwisting — The service of unwinding the twisted or tangled parts of the anchor chain.
- p. Vessel — Every sort of boat, craft, or other contrivance used or capable of being used as means of transportation on water, the tonnage limitation of which shall be specified in the prescription of pilotage rates, taking into consideration the conditions of the port.

SECTION 2. Statement of Policy on Pilotage — It is hereby declared and recognized that pilotage service plays a vital and complementary role in the safe and efficient operations of the port and the responsibility to undertake the same is inherently vested in the Authority who is hereby authorizing the discharge of such responsibility to accredited Pilotage Organizations and/or accredited individual pilots.

SECTION 3. Scope — This Order shall cover all foreign and domestic vessels and all government ports within the territorial jurisdiction of the Authority.

SECTION 4. Administrative Control and Supervision Over Pilots/Pilot's Organizations — For the efficient and orderly administration of the Cebu pilotage district, all pilots and/or Pilots' Organizations, in the performance of their duties shall be under the direct control and supervision of the Authority thru the General Manager of the Authority.

In the exercise of Authority's supervisory power and to safeguard life and property, the Authority may permanently or temporarily prevent a pilot organization and/or individual pilot from piloting a vessel, if after due investigation, such pilot organization or individual pilot is found to be incapable of discharging its/his duties.

SECTION 5. No Employer-Employee Relationship — The Harbor Pilot Organization and/or individual pilot, though accredited by the Authority, is not its employee. The Authority therefore shall not be liable in any manner for the acts or omissions of a Harbor Pilot Organization and/or individual pilot in the performance of their duties. However, the accreditation extended to them shall constitute the authority or permit to render pilotage service within the Cebu pilotage district.

SECTION 6. Applicable Pilotage Rate — The Cebu Port Authority shall prescribe the pilotage charges which can be imposed and collected by pilots or pilots organizations. The basic principle of “no work, no pay” shall apply.

SECTION 7. Charging of Hazard Fees — Risk or hazard is inherent in pilotage services. Accordingly, pilotage rates already take into account the element of risk involved in the performance of such service. The charging of hazard fee is therefore prohibited.

SECTION 8. Special Services — Special services rendered by pilots shall be as follows:

- a. Shifting — However, there shall be no charge where a vessel is shifted from one berth to another within the same side of the pier or wharf, and there is no need to undock the vessel.
- b. Ship to Ship Docking/Undocking
- c. Dead Ship Docking/Undocking or Mooring/Unmooring
- d. Meeting Vessel at a Point Other than the Pilots’ Boarding Station/Quarantine Anchorage
- e. Untwisting
- f. Channeling In or Channeling Out

Article II

Pilotage Service and Fees

SECTION 1. Compulsory Pilotage Service — For entering a harbor and anchoring thereat, or passing through navigable rivers, straits or channels within a pilotage district, as well shifting, docking and undocking every vessel with 500 GRT and above, engaged in coastwise or foreign trade shall be under compulsory pilotage. However, ship captains or masters may be allowed to pilot their own vessels, provided they are duly accredited by the Authority under such terms and conditions it may impose consistent with existing government regulations.

SECTION 2. Exemption — In the following cases, pilotage service is not compulsory;

- a. Government vessels not engaged in commercial trade;
- b. Vessels of foreign government entitled to courtesy; and,
- c. Vessels calling at private ports not located within a designated channel whose owners have formally waived the requirements of compulsory pilotage.

SECTION 3. Control of the Vessel and Liability for Damage — The Harbor Pilot Organization to which a pilot belongs and/or the individual harbor pilot, as the case may be, shall be solidarily responsible for any damage caused to a vessel, life, or property due to its/his negligence or fault without prejudice to the Organization’s recourse against the erring pilot.

Except when the Master of the vessel is constrained to retain overall command of the vessel even on pilotage grounds whereby he can countermand or overrule the order or command of the Harbor Pilot on board, any damage caused to a vessel, life, or property by reason of the fault or negligence of the Master shall be the liability of the registered owner of the vessel concerned without prejudice to recourse by said owner against the Master.

SECTION 4. Pilotage Equipment and Facilities — To safely and efficiently render the service, the pilots organization shall make available such equipment as required by the Authority, all serviceable and ready-line condition, including reserved and standby equipment. The equipment and facilities shall include but not limited to pilot launches, communication equipment, pilot stations, land transport and office equipment.

SECTION 5. Availability of Pilots — The organization shall have in readiness at all times sufficient manpower necessary to undertake pilotage services within one (1) hour from receipt of notice in writing or by signals as provided under paragraph [m] of Section 4 of Article IV of this Order.

SECTION 6. Pilotage Service Fees — Any vessel which employs a Pilot Organization/Harbor Pilot shall pay the pilotage fees at the rate prescribed by the Authority, with the following conditions:

- a. If the service of a pilot organization is refused by the vessel without any justifiable reason after its pilot has reported on board, said pilot organization shall nevertheless be entitled to payment of fees.
- b. When upon written request of the Master, a pilot is kept on standby on board a vessel in excess of three (3) hours and the delay is attributable to the vessel, said pilot shall be entitled to an allowance in accordance with the rate prescribed by the Authority.
- c. If for any justifiable reason, a pilot does not report alongside upon the arrival or departure of a vessel where pilotage is compulsory after prescribed signals are displayed, such vessel shall anchor and keep the signals displayed for at least one (1) hour. If reasonable effort was exerted to secure the services of pilot who failed to respond, the vessel may proceed to berth or depart upon the direction and supervision of the CPA Harbor Master or any specially deputized pilot (not a member of the organization) for the purpose, and the pilotage fees shall accrue to the Authority.
- d. Except in the case provided for in the immediately preceding paragraph, all pilotage fees shall be paid to and on account of the Harbor Pilots Organization.

Article III

Pilots' Organization

SECTION 1. Capitalization — A Pilots' Organization, if a corporation, shall have a minimum paid-up capital of Two Million Pesos (P 2 Million). If a sole proprietorship or partnership, it shall have a minimum capitalization of Two Million Pesos (P 2 Million).

SECTION 2. Privilege Fee — For and in consideration of the grant of privilege to undertake pilotage service and/or the use of port facilities, a privilege fee equivalent to 10% of the gross income derived from pilotage services and other special services shall be paid by the Pilot Organization/Harbor Pilot. Where the vessel opts to use its own ship captains or master, who are duly accredited as pilot by the Authority, to pilot the vessel, the privilege fee shall be equivalent to ten percent (10%) of the applicable pilotage rates.

SECTION 3. Posting of Indemnity Bond —

- a. Each Pilot Organization shall post an indemnity bond of Three Million Pesos (P 3 Million) to cover in whole or in part any liability arising from any accident resulting in damage to vessel(s), port facilities and other properties and/or injury to persons or death which any member may have caused in the course of his performance of pilotage duties. Likewise, the owner of vessel(s) which is piloted by their duly accredited ship captains or masters shall post the same amount of indemnity bond to cover in whole or in part any liability arising from accident resulting to damage to port facilities and other properties and/or injury to persons or death which the ship captain or master concerned may have caused in the performance of duties. The bond herein required must always be current.
- b. Liability of Pilots' Organization/Individual Pilot — Nothing in these regulations shall relieve the Pilots' Organization or members thereof, individually or collectively, or any accredited pilot from any civil, administrative and/or criminal responsibility for damage to life or property resulting from the individual acts of its members as well as those of the Organization's employees and crew in the performance of their duties.

Article IV

Evaluation Committee, Criteria for Evaluating Qualifications of Pilot Organization/Pilots

SECTION 1. Creation of Evaluation Committee — There is hereby created an Evaluation Committee which shall be composed as follows:

- a. General Manager, who shall act as Chairman;
- b. Three members of the Cebu Port Commission;
- c. Port Services Division Manager;
- d. Legal Affairs Division Manager;
- e. CPA Harbor Master

The overall functions of the Committee shall be:

1. To receive, verify and process all applications pilot organizations/pilots for accreditation and their supporting documents;
2. To evaluate the qualification of all applicants and recommend those qualified in accordance with the criteria established by the Authority.

SECTION 2. Qualifications and Requirements —

A. An applicant for accreditation shall submit proofs/documents that the members of the organization and/or the individual pilot, possesses the following qualifications:

1. A Filipino citizen;
2. Not more than 60 years old; Provided, that incumbent pilots who are presently more than 60 years old shall not be covered by this limitation and they shall be allowed to continue as pilots for a period of two (2) years or until they reach Seventy (70) years of age, whichever comes first, unless otherwise disqualified for other reasons.
3. Of sound physical and mental condition and of good moral character;
4. Holder of Maritime Industry Authority (MARINA) or Philippine Coast Guard (PCG) license as harbor pilot in the Pilotage District of Cebu.

B. The applicant shall also submit the following documentary requirements, which, in the case of an applicant pilot organization, it shall submit the requirements for each of its individual members;

1. Application letter together with duly sworn Information Sheet/Biodata.
2. Certificate of Master Mariner.
3. Copy of Pilot's examination rating and License/Certificate issued by MARINA or PCG to practice as harbor pilot in the Pilotage District of Cebu;
4. Employer's Certification of Services rendered as Shipmaster (names of vessels, tonnages, ports of call and length/period of service, including frequency of calls in the Pilotage District of Cebu);
5. Copies of Certificates of Training Courses attended, Positions/Qualifications and Commendations/Awards in the maritime/port service;
6. Current Physical and Mental Fitness Certificates from a government physician, and current Board of Marine

Inquiry (BMI) clearance to the effect that no case has been filed, pending and/or decided against the applicant organizations;

7. Other relevant information/document that would support the application.

SECTION 3. Accreditations — The accreditation of pilot organizations/pilot shall be issued by the Chairman of the Board of Commissioners of the Authority through the recommendation of the committee upon payment of accreditation fee as may be fixed by the Board of Commissioners.

SECTION 4. Duties and Responsibilities of the Pilot or Pilots' Organization — The duties and responsibilities of a Pilot Organization/Harbor Pilot shall be as follows:

a. It/he shall respect and follow the schedules of duty agreed upon by them and approved by the General Manager or his representative. In case the pilot on duty unjustifiably refuses or fails to answer vessel's call for pilotage service, the pilot organization shall be responsible to the Master of the vessel to immediately provide a substitute pilot.

b. The pilot organization shall ensure that all times there shall be pilot(s) on duty and available at the pilot station in such number as may be necessary to properly service the normal requirement of vessels calling at the district. It shall likewise, make available such equipment and facilities in serviceable condition, which are necessary for the efficient rendition of pilotage services.

c. A pilot on duty shall report alongside the vessel within one (1) hour from the raising of signals in accordance with paragraph (1) of this Section, unless the Authority, in consultation with the pilot organization, deems the water and weather conditions are not favorable for piloting subject vessel. If it is determined that the vessel cannot be serviced immediately, the pilot organization/pilot shall inform the vessel's master by any reasonable means of its/his inability to render service and the reason therefor.

d. If the destination of a vessel is a government pier/wharf, the Ship Agent or his representative shall first secure berthing assignment and related instruction for the vessel from the Harbor Master /General Manager concerned, and give a copy to the pilot before the latter boards and pilots such vessel in accordance thereto.

e. The master agent of an outgoing vessel under compulsory pilotage shall give the pilot(s) on duty advance written notice of the time of sailing thereof at least one (1) hour before the vessel actually departs, If the vessel cannot depart within said time, the master/agent shall notify the pilot organization concerned thirty (30) minutes before the expiration of one (1) hour.

f. A pilot and/or pilot organization shall be held responsible for the direction of a vessel from the time he/it assumes his/its work as a pilot thereof until he/it leaves it anchored or berthed safely; Provided, however, that his/its responsibility shall cease at the moment the Master neglects or refuses to carry out his/its order.

g. The lawful order/command of a pilot in charge of a vessel shall be promptly obeyed by the officer-in-charge of any vessel which the pilot may consider as an impediment to the safe maneuvering of the vessel under his control.

h. All pilot boats shall be painted white above the waterline and black below, with the letter "p" in black, not less than 30 centimeters in length, on both bows above the waterline.

i. During the day, pilot boats in use shall carry at the foremast visible all around the horizon, an international, code flag "H" 30 meters in length.

j. During the night, the pilot boat shall carry on its masthead, a red light at a distance of 8 feet below the white light and of similar construction and character to the white light, at a height of not less than 20 feet above the hull

and visible all around the horizon at a distance of at least 3 miles.

k. Pilot stations shall be established at strategic places as may be designated by the Authority, through its General Manager, in consultation with all parties concerned. Pilots on duty shall be sufficient in number and available at any time as necessary to effectively perform their duties.

l. The following signals from vessel shall be recognized by all pilots:

1) To ask for a pilot by day;

a. The International Code Flag "G" above the bridge visible all around the horizon.

2) To ask for a pilot by night;

a. Two long and one short blasts on the ship's whistle or any other means of communication.

m. Advice to Pilots' Organization which will originate from the shipping agents or operators shall be done in the following manner:

For docking:

a. 12 hours for domestic vessels

b. 24 hours for foreign vessels

For undocking:

a. 1 hour after clearance to depart has been granted for domestic vessels

b. 1 hour clearance to depart has been granted for foreign vessels at the baseports and 24 hours after clearance for such vessels in outports

In docking or undocking, a passenger vessel must be given priority over a cargo vessel.

n. The Pilot's Organization/pilot shall report to the General Manager, illegal acts or unusual occurrences that may have come to their knowledge and shall, if requested in case of emergency, assist the Authority's officials and Customs or Coast Guard Officer in the performance of their duties, and the enforcement of pertinent laws and government regulations.

SECTION 5. Marine Accident/Vessel Clearance — In case of a marine accident causing damage to government pier/wharf/facility, involving a vessel, whether or not under a Harbor Pilot, clearance of said vessel shall be held in abeyance by the General Manager or his authorized representative, in co-ordination with the Collector of Customs in case of vessels engaged in foreign trade, until liabilities are determined unless a cash or surety bond in an amount sufficient to answer for the estimated cost of the damage is posted by the vessel. Where it is established that the vessel is liable, the owner/agent thereof, shall pay the full amount of the damage. If the decision is contested by the shipping line through an appeal to higher authorities, then a cash surety bond, in an amount equal to the estimated cost of repair of the damage shall be posted by the appellant.

SECTION 6. Disciplinary Action and Dismissal — The General Manager of the Authority shall, either at his own initiative or upon complaint under oath of misconduct, negligence, inefficiency, incapacity or violation of the pilotage rules and regulations or refusal to comply with lawful orders of the orders of the Authority, order the investigation of an erring pilot, by the Legal Affairs Committee of the Cebu Port Commission.

The record of the proceedings of the Legal Affairs Committee, together with the report/recommendations, shall be forwarded to the General Manager who may thereby reprimand, suspend or cancel the accreditation of the

respondent pilot or organization/pilot or impose such fines as the circumstances of the case may warrant. The decision of the General Manager shall be final unless, within thirty (30) days after its promulgation, an appeal is perfected and filed with the Office of the Chairman of the Board of Commissioners of the Authority, which the latter may modify, confirm or reverse.

Article V

Final Provisions

SECTION 1. Penalty Clause — Any servicing pilot organization and/or individual pilot who is found to have violated or neglected to perform his/its duties/responsibilities under any of the provisions of this Order shall be subject to punishment by suspension and/or cancellation of his/its accreditation as pilot/pilot organization and to imposition of fines.

After due notice and hearing, the following administrative offenses shall be meted out the hereunder prescribed fines:

Administrative Offenses: Amount of Fine

1) Failure to report to the General Manager of the Authority illegal acts that may come to their knowledge Not exceeding

P 5,000.00

2) Failure of pilot organization and/or pilot on duty to report alongside the vessel within one (1) hour from the raising of signals in accordance with Section 4 (c) of Article IV hereof Not exceeding

P 5,000.00

3) Gross misconduct, negligence, inefficiency, incapacity, violation of rules and regulations or refusal to comply with lawful orders of the Authority. Not exceeding

P 5,000.00

4) Pilot Organization or harbor pilot who deviated or shifted the berth allocation of vessel without approval of the Harbor Master of the Authority. Not exceeding

P 5,000.00

5) Failure of Pilot Organization or pilot to assist the vessel in docking/ undocking when their services are so required by the Authority. Not exceeding

P 5,000.00

6) A pilot/pilot organization who, in the course of maneuvering the vessel, caused damage thereto through negligence or incompetence Not exceeding

P 10,000.00

7) Any person other than the duly accredited pilot who acted as pilot on any foreign or coastwise vessel Not exceeding

P 50,000.00

These fines shall be the solidary liability of the erring person or individual pilot and the organization to which the pilot belongs and shall be without prejudice to claims of vessels or third parties against the erring person or pilot or pilot organization.

Nothing herein provided shall preclude the Authority from pursuing other legal measures to protect its interests against the Pilots' Organization and/or any individual pilot.

SECTION 2. Visitorial Powers — The Organization shall make available at all times during office hours for inspection, examination and audit by the Authority, all books of accounts, properties, inventories, payroll, and financial records of the Organization, and all other records, concerning its operations.

SECTION 3. Power of the General Manager — Nothing herein prescribed shall preclude the General Manager from taking emergency measures in the public interest and/or promulgating specific regulations/guidelines which are necessary to effectively and reasonably carry out the provisions of this Order.

SECTION 4. Appeal — Decisions of the General Manager issued pursuant to this order may be appealed within fifteen (15) days from receipt thereof to the CP Board of Commissioners by the parties who are adversely affected by said decision, otherwise the same become final. The decision of the CPA Board of Commissioners on appeal shall be final.

SECTION 5. Repealing Clause — All orders, rules and regulations, circulars, memoranda previously issued and/or adopted by the Authority which are inconsistent herewith are hereby repealed or modified accordingly.

SECTION 6. 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 other sections or parts which shall remain valid and effective.

SECTION 7. Effectivity Clause — This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

Approved.

By Authority of the Board of Commissioners.

Approved: 20 Feb. 1998

(SGD.) RAUL T. SANTOS
General Manager

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