REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

MANILA 1099

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February 10, 2016

CUSTOMS MEMORANDUM CIRCULAR NO. 20 - 20/6

TO: All Deputy Commissioners All Directors and Division Chiefs

> All District / Port Collectors And Others Concerned

SUBJECT: Executive Order No. 197, s. 2016 / Designating the Secretary

of Transportation and Communications as the Authority Responsible for the Security of Sea Transport and Maritime

Infrastructure in the Country

Attached is the letter dated February 9, 2016 of Dir. Marianito M. Dimaandal, Director IV, Malacañang Records Office, Office of the President, transmitting to this Bureau a certified copy of Executive Order No. 197 dated February 4, 2016 entitled: "Designating the Secretary of Transportation and Communications as the Authority Responsible for the Security of Sea Transport and Maritime Infrastructure in the Country, and for Other Purposes".

For your information and guidance.

Please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.

ALBERTO D. LINA

Commissioner



cme-20-2016-Pa-

Office of the President of the Philippines Malacañang





MALACAÑANG RECORDS OFFICE

Manila, February 9, 2016

HON. ALBERTO DAVID LINACommissioner
Bureau of Customs
Port Area, Manila

Sir:

I have the honor to transmit for your information and guidance, a certified copy of Executive Order No. 197 dated February 4, 2016 entitled "DESIGNATING THE SECRETARY OF TRANSPORTATION AND COMMUNICATIONS AS THE AUTHORITY RESPONSIBLE FOR THE SECURITY OF SEA TRANSPORT AND MARITIME INFRASTRUCTURE IN THE COUNTRY, AND FOR OTHER PURPOSES."

Thank you.

Very truly yours,

MARIANITO M. DIMAANDAL
Director IV

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MALACAÑAN PALACE

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 197

DESIGNATING THE SECRETARY OF TRANSPORTATION AND COMMUNICATIONS AS THE AUTHORITY RESPONSIBLE FOR THE SECURITY OF SEA TRANSPORT AND MARITIME INFRASTRUCTURE IN THE COUNTRY, AND FOR OTHER PURPOSES

WHEREAS, the Philippines is a Contracting Party to the 1974 International Convention on the Safety of Life at Sea (SOLAS), as amended, including Chapter XI-2 thereof, on Special Measures to Enhance Maritime Security, that adopts the International Ship and Port Facility Security (ISPS) Code, which is an international framework through which governments, shipping companies, and port authorities can cooperate to detect and deter acts that threaten security of the maritime transportation system;

WHEREAS, pursuant to Executive Order (EO) No. 292 (s. 1987) or the "Administrative Code of 1987," the Department of Transportation and Communications (DOTC) shall be the primary policy, planning, programming, coordinating, implementing, regulating, and administrative entity of the Executive Branch in the promotion, development, and regulation of dependable and coordinated networks of transportation and communication system, as well as in the fast, efficient, and reliable postal, transportation, and communication services;

WHEREAS, pursuant to EO No. 125 (s. 1987), the Secretary of Transportation and Communications (SOTC) shall have the authority and responsibility for the discharge of the powers and functions of the DOTC;

WHEREAS, under Section 17, Article VII of the 1987 Constitution, the President shall have control of all the executive departments, bureaus, and offices and ensure that the laws be faithfully executed;

WHEREAS, under Section 1, Chapter 1, Title 1, Book II of EO No. 292 (s. 1987), the President shall have control of all executive departments, bureaus, and offices;

WHEREAS, under Section 89 of Republic Act No. 10717 or the "General Appropriations Act of 2016," the President is authorized to create new offices and modify the existing organizational structure of the agencies in the Executive Branch, as well as create new positions or modify existing ones whenever public interest so requires; and

WHEREAS, the power of the President to reorganize the offices and agencies in the Executive Department is implied from his constitutionally granted power of control, recognized by the legislature, and upheld by the courts.



THE PRESIDENT OF THE PHILIPPINES



NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Authority responsible for the security of sea transport and maritime infrastructure. – The SOTC, as the authority responsible for the security of sea transport and maritime infrastructure in the country, shall ensure the accomplishment of the duties and responsibilities of the Contracting Government under the ISPS Code.

SECTION 2. Delineation of functions. – Relative to the implementation of the ISPS Code, the SOTC shall ensure the performance by agencies of the following functions, subject to their respective legal mandates:

- a. <u>Philippine Coast Guard (PCG)</u>. The PCG, as part of its port state control functions, shall perform control and compliance measures prescribed under the ISPS Code relative to the security of ships in or intending to call at any port of the Philippines;
- b. Philippine Ports Authority (PPA) and other port authorities. The PPA and other port authorities shall perform the security duties of the Philippine Government under the ISPS Code with respect to port facilities, and in coordination with the Bureau of Customs (BoC), perform the necessary security measures relating to cargo handling in order to prevent tampering and prevent cargo not intended for carriage from being accepted and stored on board ships and within port facilities;
- c. <u>Maritime Industry Authority (MARINA)</u>. The MARINA shall enforce the ISPS Code provisions relative to the security of Philippine flagged or registered ships; and
- d. Office for Transportation Security (OTS). The OTS shall:
 - i. Implement and maintain the National Security Program for Sea Transport and Maritime Infrastructure (NSPSTMI):
 - ii. Subject to existing laws and to the approval of the SOTC, prescribe security standards for the security of sea transport and maritime infrastructure;
 - iii. Examine and audit the performance of port security personnel, equipment and facilities, and thereafter, establish, on a continuing basis, performance standards for such personnel, equipment and facilities, including the training of said personnel, in accordance with the approved port facility security assessments and plans;
 - iv. Monitor compliance of the PPA, other port authorities, PCG, MARINA, and other relevant government agencies, and recognized security organizations with the standards prescribed in the ISPS Code; and
 - v. Submit regular reports to the SOTC and recommend measures for improvement, as may be necessary.

SECTION 3. Imposition of Sanctions. – Consistent with their respective legal mandates, the PCG, MARINA, PPA, other port authorities, and all other agencies concerned with maritime security, enforcement, and police authority, shall impose





appropriate sanctions for violations of prescribed security standards and the ISPS Code, as may be recommended by the OTS. The SOTC shall prescribe the guidelines for the imposition of such sanctions in accordance with applicable laws and international agreements.

SECTION 4. Inter-Agency Coordination. – All agencies of Government, including the BoC, Bureau of Immigration, and the National Coast Watch Center, are hereby directed to assist and coordinate with the SOTC for the successful performance of functions under this EO.

The SOTC shall provide the appropriate structure for coordination that harmonizes the roles and responsibilities of the OTS, PPA, other port authorities, PCG, MARINA, Philippine National Police, and other security-related agencies and organizations in the implementation of this EO.

SECTION 5. National Security Program for Sea Transport and Maritime Infrastructure. – The existing NSPSTMI shall be updated in accordance with the provisions of this EO. The updated NSPSTMI shall be submitted for the approval of the SOTC within a period of sixty (60) days after the effectivity of this EO. All concerned government bureaus, agencies, and instrumentalities, including government-owned or controlled corporations, shall submit monthly reports to the SOTC of their compliance thereto.

SECTION 6. Appropriations and Source of Funding. – The necessary funding to be authorized in the General Appropriations Act for this purpose shall be directly released to the concerned implementing agencies, subject to budgeting, accounting and auditing rules, regulations and procedures.

SECTION 7. Implementing Rules and Regulations. – The SOTC shall promulgate rules and regulations necessary for the implementation of this Executive Order, within thirty (30) days from its effectivity.

SECTION 8. Separability. – If any provision of this EO is declared invalid or unconstitutional, the other provisions unaffected shall remain valid and subsisting.

SECTION 9. Repeal. – All other orders, rules, regulations and issuances, or parts thereof, which are inconsistent with this EO are hereby repealed or amended accordingly.

SECTION 10. Effectivity. – This Order shall take effect immediately.

DONE, in the City of Manila, this 4thday of February , in the year of Our Lord, Two Thousand and Sixteen.

By the President:

PAQUITO N. ÓCHOA, JR. Executive Secretary PNOY019634

PNOY019634

MARIANTO M. DINAMOSE

DIRECTOR IV

MALACAMANG RECORDS