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## Regional maritime administration in the Philippines

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Malmoe, Sweden

**REGIONAL MARITIME ADMINISTRATION**

**IN THE PHILIPPINES**

by

**DELFIN CASTILLO CRUZ**

**PHILIPPINES**

A dissertation submitted to the World Maritime University in partial fulfillment of the requirements of the award of the:

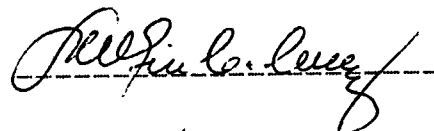
**Degree of Master of Science  
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General Maritime Administration**

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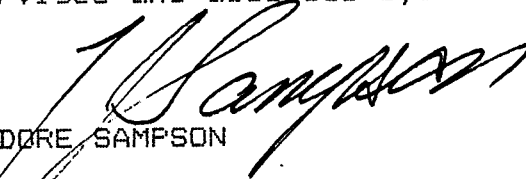
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I certify that all materials in this dissertation which are not my own work have been identified and that no material is included for which a degree has been previously conferred upon me.

The contents of this dissertation reflect my personal views and are not necessarily endorsed by the University.

  
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10 October 1991  
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## Chapter 1

### THE PROBLEM--ITS BACKGROUND

The Philippines, which is an archipelagic country comprising of over 7,100 islands and islets, has 74 provinces and 61 cities. Due to the great distance of majority of those provinces and cities to the City of Manila, the country's capital and the seat of the national government, and the scarcity of transportation and communication facilities, local leaders, especially in far-flung areas, can not readily bring the socio-economic problems of their respective jurisdictions to the attention of national leadership. While field offices of most departments of the national government can be found in almost all provincial capitals, cities, and major municipalities throughout the country, prior to 1974, almost all decisions on matters pertaining to assistance being requested by local leaders for their development programs and projects still have to be referred by the chiefs of such offices to their respective agency heads in Manila for further review and appropriate action. Under this highly bureaucratic set-up, problems that require preferential attention either have already grown worse and the proposed measures to solve them, particularly if funding assistance is required, have correspondingly become unrealistic or the proponents have simply abandoned their proposals out of sheer frustrations before any action is made by the agency or agencies where such problems were referred to.

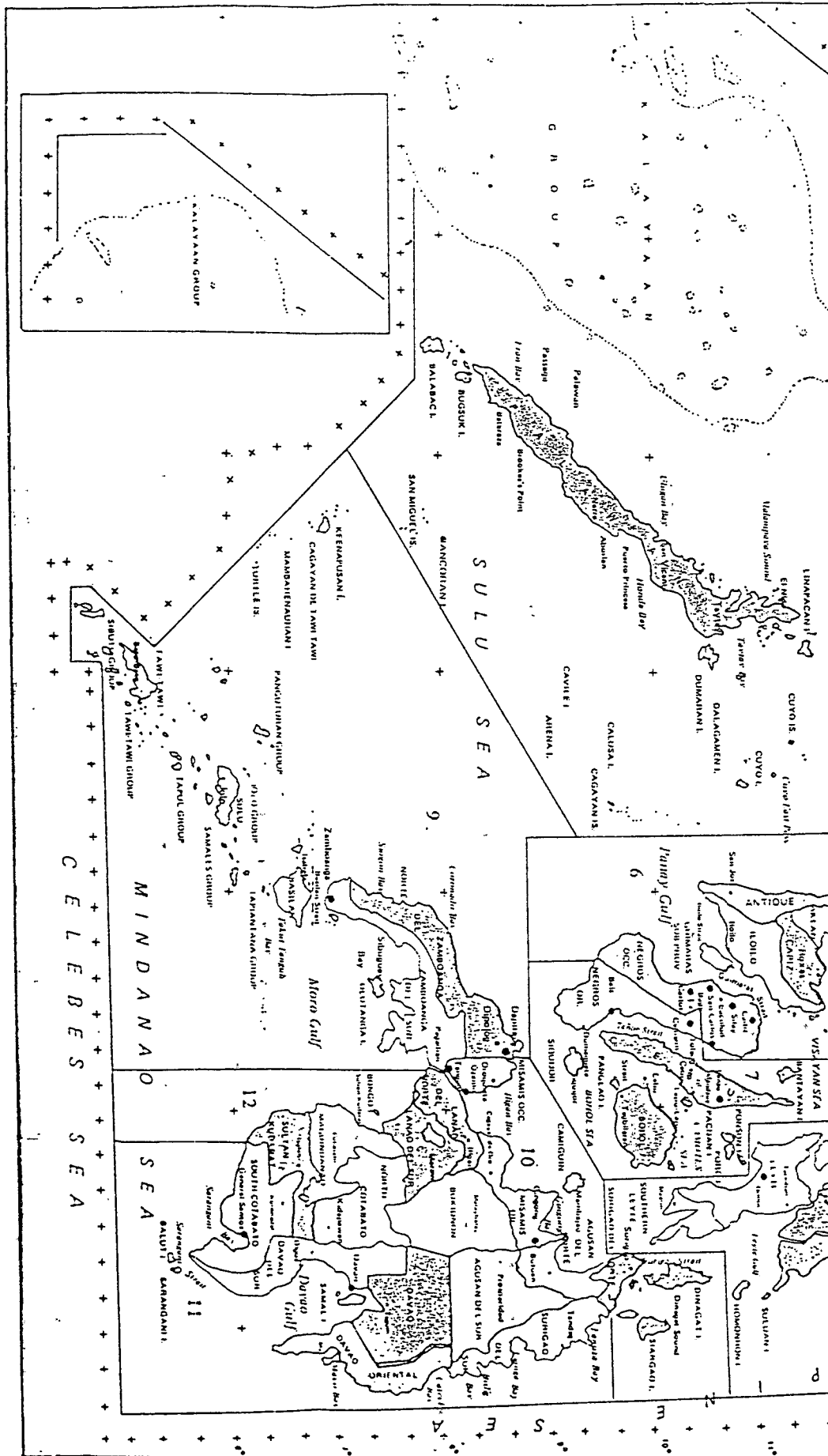
That, being the prevailing situation during those

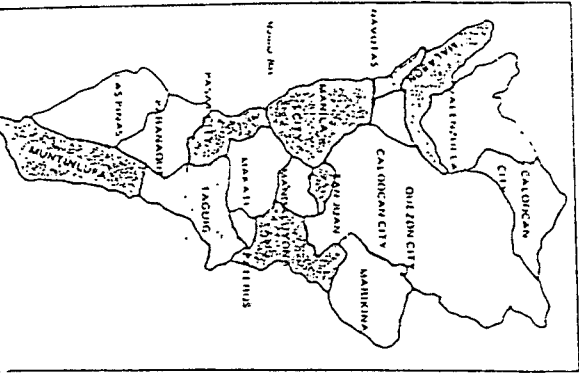
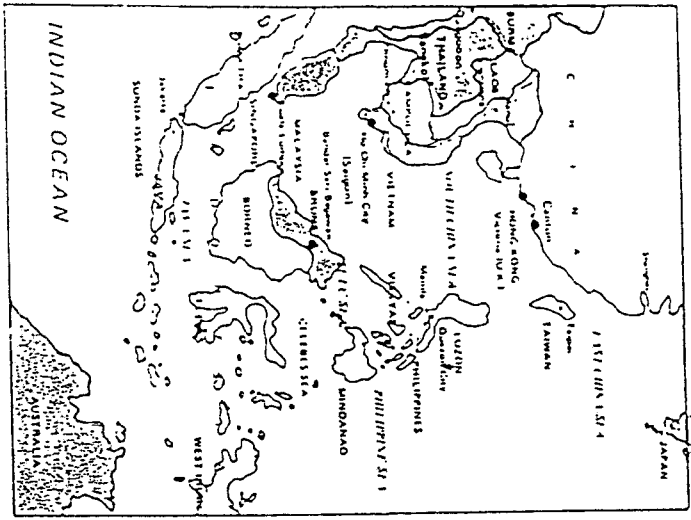
years, the wide gap in the socio-economic development of the different provinces and cities nationwide can be readily observed, most especially in the remote areas.

Cognizant of the imperative of correcting and improving such a counterproductive system in the government, the late Pres. Ferdinand E. Marcos, after placing the Philippines under a semi-military regime in 1972, decided to subdivide the entire country into 14 regions in 1974, but the number was reduced to 13 only a few years later.

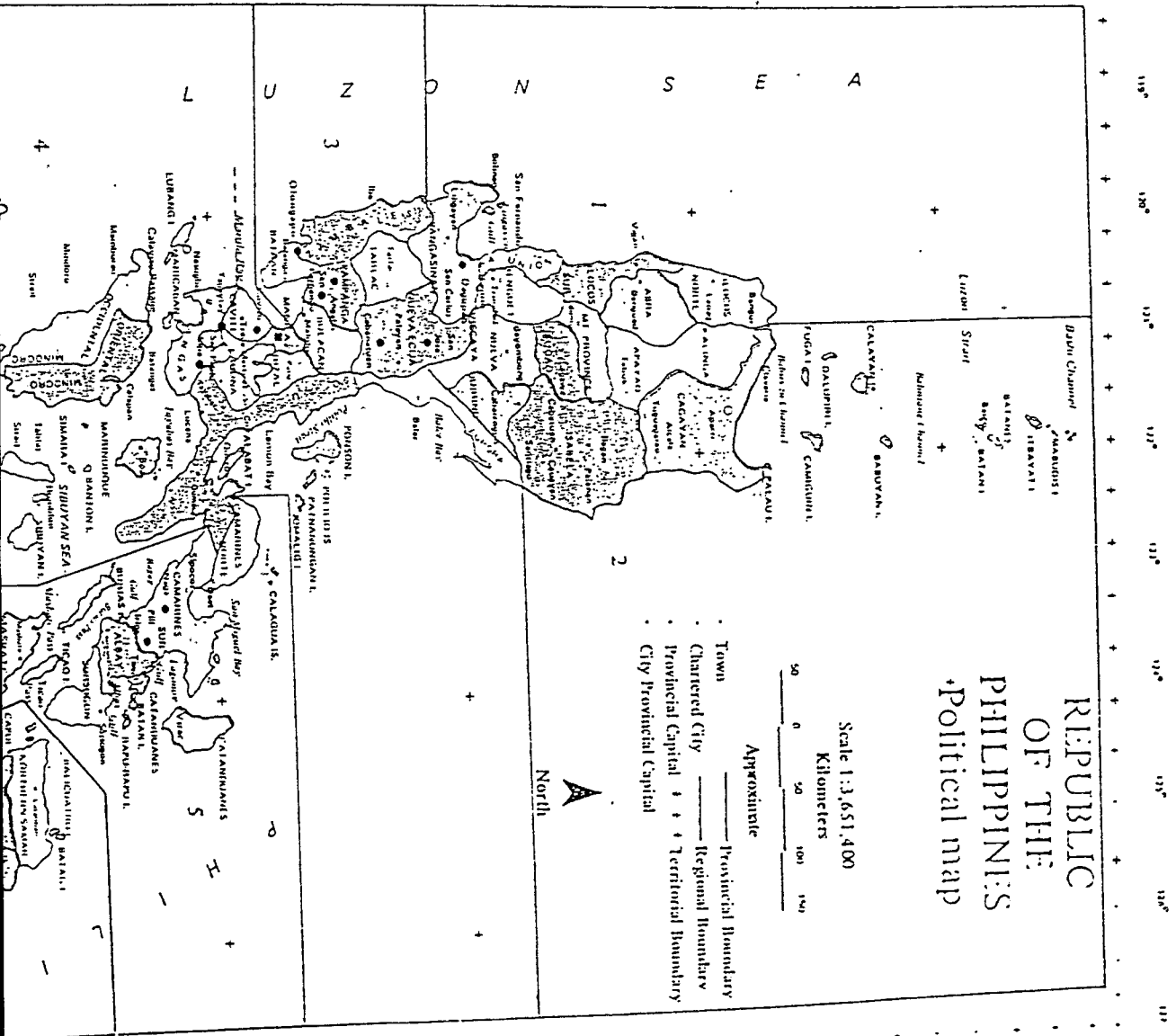
Figure 1 on p. 3 shows the Map of the Philippines, indicating the geographical coverage of each of the 13 regions throughout the country.

Map of the Philippines  
 Showing the Regional Subdivisions  
 of the Country





SOUTH CHINA SEA



L U Z O N S E A

4

2

5

6

7

8

9

10

THE REGIONAL DEVELOPMENT ADMINISTRATION  
POLICY AND PROGRAM OF THE GOVERNMENT

Regional development administration is one of the most recent concepts of public administration the Philippines, having emerged in the late seventies only when the government decided to regionalize the country and adopted regional development as a major strategy for national development.

In its Five- and Ten-Year Philippine Development Plan, 1978-1982 and 1978-1987, respectively, the government has enunciated the following regional development policy:

The State will promote regional balance in economic opportunities. Infrastructure support, appropriate incentives, and selective administrative prescriptions will be provided to encourage the locations of new industries and other development activities in the different regions, taking into account resource availability, as well as the existing and potential size of the market.

To support regional development, greater autonomy of sub-national government units and local institutions will be promoted and strengthened to develop greater self-reliance. To complement the revenue generating capacity of local governments, the national government budget will be effect-

ively regionalized, taking into account existing resources, and population factors. Vital government functions and institutions will be established in all regions.<sup>1</sup>

The primary objective of regional development is ". . . to effect equity of opportunity for each region to exploit its full potential with respect to its demographic, economic, social, political, and environmental resources."<sup>2</sup>

In order to induce the development of every region and attain the aforementioned general objective of regional development during the two Plan periods, the national government, aside from providing each region its required material and technical assistance and other forms of support and incentives, initiated a reorientation of the national administrative machinery to make it more dynamic and responsive to regional development. Essentially, this administrative innovation, which is called "development administration," requires the national government to (a) further decentralize its operations to the regions, and (b) grant more autonomy to regional governments to enable them to adopt, enforce, and

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<sup>1</sup>National Economic and Development Authority, Five-Year Philippine Development Plan, 1978-1982, including the Ten-Year Development Plan, 1978-1987 (Manila: NEDA, 1977), p. 14.

<sup>2</sup>Ibid., p. 49.

implement regional development and other plans, programs, and projects in support of those of the national government and its agencies.

The national government subsequently formulated its "Regional Development Administration Plan" and incorporated it in the previously mentioned Philippine Development Plan. Some of the major measures and programs which it had vigorously undertaken to implement the two aforementioned reforms during the Plan period were the following:

1. Continuous identification of substantive and administrative authority and functions to be delegated by the national government agencies to their respective regional offices;
2. Identification and implementation of regional and sub-regional development programs within the context of the integrated area development approach;
3. Establishment of regional centers to improve public business transactions and inter-agency coordination at the regional level;
4. Establishment of regional governments;
5. Institutionalization of the concept of regional budgeting;
6. Intensification of the training of local government executives to enhance their capabilities to undertake the formulation and implementation of regional plans;

7. Career and personnel development; and

8. Administrative innovation, such as government reorganization, administrative development, improvement of communication and information dissemination system, and monitoring and control system to serve as a feedback mechanism to inform policy-makers and implementors of government programs of the reactions and feelings of the people towards government policies and the delivery system of public goods and services.

It may be interesting to point out here that the Philippine Development Plan that first embodied the "Regional Development Administration Plan" was for a period of 10 years only, i.e., from 1978 to 1987. Although there was a change in national leadership in 1986, the present Administration, under Pres. Corazon C. Aquino, has continued to make regional development administration a vital component of and strategy for its Five- and Ten-Year Philippine Development Plans.

For instance, in the updated Medium-Term Philippine Development Plan, 1990-1992, the national government has identified four major development administration policy thrusts and priorities, namely, (1) streamlining the administrative machinery; (2) wielding the bureaucracy; (3) continuing pursuit of local autonomy; and (4) improvement of peace and order, law enforcement, and administration of justice.

Each major policy thrust and priority is briefly described as follows:

(1) Streamlining the administrative machinery. In



the Philippines, as it is in other developing and less developed countries, the government is the biggest single employer. As such, it has so many agencies and offices under each department, most of which are overstaffed and quite a number of them have some functions, responsibilities, and authorities that overlap with each other. Through the years, this administrative set-up has proved to be costly and inefficient. There is, therefore, an urgent need to restructure the bureaucracy to reduce its size and simplify its operations. To improve the delivery of services of the agencies that have been restructured and streamlined earlier, the government plans to accelerate further administrative decentralization and to strengthen the coordination of development efforts at all levels, hence, the priority given to this policy.

(2) Wielding the bureaucracy. This essentially entails such measures as instituting ethics-oriented reforms, improving the conduct of development diplomacy, and making effective use of development communication to make the bureaucracy an effective tool for attaining regional and national development goals and objectives.

(3) Continuing pursuit of local autonomy. This is in support of the on-going program of the national government to increasingly grant autonomy to local government units.

(4) Improvement of peace and order, law enforcement, and administration of justice. The government plans to integrate security and development efforts, implement reforms in security and law enforcement, strengthen the country's capability to defend itself against threats to national security, and implement judicial reforms to

improve peace and order, law enforcement, and administration of justice nationwide.

It is in the context of the foregoing Regional Development Administration Program and the development administration policy thrusts and priorities of the Philippine Government that the writer has decided to research on how the different maritime regional offices of the Maritime Industry Authority, the country's national maritime administration, have been carrying out the said policy thrusts and priorities in their maritime regional administration.

#### METHOD OF STUDY

The researcher made use of the normative-survey and descriptive methods of research<sup>3</sup> because the study required the gathering and ascertaining of data and other relevant information on regional maritime administration in the Philippines. The data and other relevant information collected were analyzed and interpreted in the light of the development administration policy thrusts and priorities of the Philippine Government that are relevant to regional maritime administration.

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<sup>3</sup>Carter V. Good and Douglas E. Scates, Methods of Research (New York: Appleton-Century-Crofts, 1972), p. 549.

## SOURCES OF DATA AND DATA-GATHERING INSTRUMENT AND TECHNIQUE

The primary data-gathering instrument used by the researcher/writer was a survey questionnaire which he formulated to find out the present status of regional maritime administration in the Philippines. Two of the major aspects of regional maritime administration that he looked into were (a) the functions, duties, responsibilities, and authorities that have been delegated by the Maritime Industry Authority to its Maritime Regional Offices, and (b) the major activities and accomplishments, difficulties and problems, among others, of the regional offices in discharging their delegated functions, duties, responsibilities, and authorities.

The survey questionnaire was reviewed by the Deputy Administrator for Planning of the Maritime Industry Authority who is in charge of the Maritime Regional Offices, and approved and endorsed by the Administrator of the agency to the Directors of the six regional offices.

The additional information needed which were not sufficiently answered in the questionnaire, or the answers thereto that required further clarifications, were obtained by interviewing the Director or Directors concerned.

The supplementary data and information were gathered through analyses of books, official documents, and other reference materials which are relevant to the study.

## TREATMENT OF DATA

The data and information gathered were collated, tabulated, analyzed, and interpreted in the context of the Regional Development Administration Policy and Program of the Philippine Government on which this study on regional maritime administration has been primarily anchored.

## OBJECTIVES OF THE STUDY

The primary objective of this study is to provide maritime administration students at the World Maritime University and in other institutions elsewhere, as well as interested maritime administrators, information on how maritime administration at the regional level is done in the Philippines.

Specifically, the study aims to (1) identify the development administration policy thrusts and priorities that are relevant to regional maritime administration in the country; (2) determine what the Maritime Industry Authority and its Maritime Regional Offices have already done, and are still doing, to implement such policy thrusts and priorities; and (3) find out the major activities and accomplishments of the said regional offices, their difficulties and problems, and plans for 1991.

## PROBLEMS ANSWERED BY THE STUDY

In order to achieve the aforesaid objectives of the study, the writer researched the following problems:

1. How is regional maritime administration done in the Philippines?
2. Which of the development administration policy thrusts and priorities of the Philippine Government are relevant to regional maritime administration in the country?
3. What have the Maritime Industry Authority and its Maritime Regional Offices done to implement the aforementioned development administration policy thrusts and priorities?
4. What were the major activities and accomplishments of the Maritime Regional Offices in the performance of the functions, duties, responsibilities, and authority that have been delegated to them?
5. What were the major difficulties and problems encountered by the regional offices? What were their recommendations to solve such difficulties and problems?
6. What are the major priority plans and programs of the Maritime Regional Offices for 1991?

## IMPORTANCE OF THE STUDY

This study is intended to be of benefit to the management and personnel of the Maritime Industry Authority, both at the national and regional levels; the leaders of the maritime industry in the private sector and the Regional Development Councils; and students and researchers of regional maritime administration in the Philippines and elsewhere in the following manner:

1. The management and personnel of the Maritime Industry Authority and its Maritime Regional Offices. From the results of the study, the management and personnel of MARINA and its Maritime Regional Offices would be able to determine the present status of regional maritime administration in the country. It would also enable the agency and its regional offices to determine how the regional maritime administration fits into the general framework of the national government's Regional Development Administration policy thrusts and programs. Likewise, it would provide management at the national level a more thorough knowledge and understanding of the extent of the functions, duties, responsibilities, and authorities that have been delegated to the Maritime Regional Offices. Furthermore, it can serve as a tool to show how, with the annual budget and other logistics given to them, they may be able to achieve their goals and objectives.

Through this study, it is expected that the different Maritime Regional Offices would be able to bring more convincingly to the attention of the management of the Maritime Industry Authority the difficulties and problems

that they have been encountering. In the context of the expectations of the officers and members of the Regional Development Councils and the leaders of the maritime industry in the regions, MARINA should give due consideration to the recommendations of the Directors to remedy those difficulties and problems. Only then can they be able to discharge their functions more effectively and efficiently. For its part, the management of the Maritime Industry Authority would have a rational basis for reevaluating its regional policies and programs and to take whatever actions it may deem necessary to improve and strengthen regional maritime administration in the country.

2. The leaders of the maritime industry in the private sector and of the Regional Development Councils. Through this study, the industry leaders and officers of the Regional Development Councils would be able to know more about the functions, duties, responsibilities, and authorities that have been delegated by the Maritime Industry Authority to its Maritime Regional Offices. It can be seen how such Offices have been performing their roles in regional development in their respective jurisdictions. It would likewise enable those leaders and officers to have a better understanding and appreciation of the constraints under which the said Offices have been working to render the type and quality of public service that are expected of them.

With this knowledge and understanding, it is hoped that the said industry leaders and Council Officers can acquire a clearer perspective on the Maritime Regional Offices. Consequently, in the near future, they may have a more objective attitude towards such Offices and an

appreciation of their contributions to regional development in the country.

3. Students and researchers of regional maritime administration in the Philippines and elsewhere. In view of the novelty of regional maritime administration and regional development administration in the Philippines, and, perhaps, in other developing countries as well, this study is expected to open new avenues for students and researchers of public administration and other branches of the social sciences to explore. New and more difficult challenges in this field of endeavor lie ahead of them.

Moreover, leaders of other developing maritime nations who are just starting to establish their regional maritime administrations may find this study as a useful reference.

Finally, it is hoped that this study will pave the way for similar studies in the future as a remedy for the problem of scarcity of literature on regional maritime administration in the Philippines and, presumably, in other countries as well.

#### DEFINITION OF TERMS

For purposes of clarity, the following terms, as used in this study, are hereby defined:

1. Regional maritime administration. This refers to the planning, organizing, directing, and controlling functions and activities of Maritime Regional Offices in



the Philippines to develop, promote, and regulate the shipping, shipbuilding and ship repair, and maritime manpower sectors of the maritime industry in the regions.

2. Regional development administration. This is a development strategy of the Philippine Government to further decentralize national government operations to the regions and evolve the development of regional governments to enhance local autonomy and self-reliance, among others, to support the achievement of national goals and objectives.<sup>4</sup>

3. Administrative decentralization. This is a process of delegating authority from the central headquarters of a department to subordinate units (e.g., regional and field offices) and officials to enable them to decide cases and problems arising in their jurisdictions.<sup>5</sup>

4. Integrated area development approach. This refers to the concentration on the over-all development of a specific geographical area and includes a package of components in the form of production technology; supportive credit, marketing, and extension activities; infrastructure; and social services.<sup>6</sup>

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<sup>4</sup>National Economic and Development Authority, *ibid.*, p. 435.

<sup>5</sup>*Ibid.*, p. 435.

<sup>6</sup>*Ibid.*, p. 411.

5. Regional Development Council. This is a body organized in each region in the country which is empowered to coordinate the formulation of long-term, medium-term, and annual socio-economic development and public investment plans and policies at the regional and sub-regional levels; undertake the appraisal, prioritization, supervision of implementation, and monitoring of the region's socio-economic development programs and projects, among others.

It is composed of all Provincial Governors and Mayors of chartered cities and of the regional center in each region, all the Regional Directors of agencies represented in the National Economic and Development Authority Board, and representatives of the private sector or non-government organizations, who shall not be more than one-fourth of the members of the fully constituted Council.

The officers of the Council are the Chairman, Vice-Chairman, and Secretary. The appointment of the Chairman shall be confirmed by the President of the Philippines.<sup>7</sup>

6. Line organization. This is the simplest and most widely used system of organizational control system in which formal authority, communication, and control flows directly in a shortest possible way, down from the top administrative or executive levels to the various subordinate levels of management and supervision of

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<sup>7</sup>Executive Order Nos. 308 and 318 and National Economic and Development Authority Board Resolution No. 35, S. of 1988.

specific operations, processes, and activities until the lowest (operative) level is reached.<sup>8</sup>

7. Staff organization. This is an administrative concept whereby planning, research, organizing, fact-finding, and advisory assistance is provided to the line (command) organization by agencies, departments, units or individual offices who are specifically created and maintained for such purposes, usually with limited functional authority and control.<sup>9</sup>

8. Line-and-staff organization. This is the widely used organizational leadership technique, practice, and system by which the authority and responsibility for providing technical, research, and related supportive functions and activities are delegated to staff offices and units at each appropriate level in the organizational hierarchy.<sup>10</sup>

#### SCOPE AND DELIMITATION OF THE STUDY

This study has been delimited to regional maritime

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<sup>8</sup>Ivan S. Banki, Dictionary of Administration and Management (California: Systems Research Institute, 1986), p. 523.

<sup>9</sup>Ibid., p. 849.

<sup>10</sup>Ibid., p. 522.

administration in the Philippines, particularly the development, promotion, and regulation of the domestic shipping, overseas shipping, shipbuilding and ship repair, and maritime manpower sectors of the maritime industry, being performed by the six Maritime Regional Offices of the Maritime Industry Authority, the country's national maritime administration.

Specifically, the researcher focused on the presentation of the development administration policy thrusts and priorities of the national government that are relevant to regional maritime administration and how the Maritime Industry Authority and its regional offices are implementing them. He likewise discussed and analyzed the difficulties and problems of the said offices in implementing their major programs and projects in support of the aforementioned development administration policy thrusts and priorities.

## Chapter 2

### REVIEW OF RELATED LITERATURE ON REGIONAL DEVELOPMENT AND PRACTICES ON REGIONAL MARITIME ADMINISTRATION IN OTHER COUNTRIES

#### REGIONAL DEVELOPMENT

Regional development administration is relatively a new concept in Philippine public administration, having emerged and adopted only in the mid-70s when the country was subdivided into 13 regions to narrow down the socio-economic gap between and among them. However, in most industrialized nations in the Western world, notably in the United Kingdom, United States, and Canada, it has already been in existence and is being practiced there for about three decades now.

The United Kingdom started its regional development policy with the enactment of its "Distribution Industry Act" in 1945 to relieve high unemployment rate in the so-called "development areas." Workers from other places of the country flocked to those areas, which then included Glasgow, Cardiff, Swansea, and Newcastle, thereby creating serious unemployment and other related social problems.

On the basis of the said Act, the government redistributed industrial development from the "core" of the urban centres which were then concentrated in the

Southeast and Midlands.<sup>11</sup>

In the United States, the Department of Commerce divided the country in the mid-70s into 183 relatively small-contained functional economic areas, each of which with an urban core and an associated hinterland. The central idea was to test if these small- and medium-sized cities, given development-inducing resources and incentives by the Federal and/or State Governments, could perform three important functions, namely, (a) their own development would, in itself, represent decentralization; (b) their development would result in spread, or trickle-down, effects that would benefit their respective hinterlands; and (c) their increased ability to retain population and attract migrants would make them counter-magnets to the further expansion of large metropolitan areas.<sup>12</sup>

Analyses of findings of different researchers on this particular study revealed that the development of the cities could be more attributed to spontaneous factors than with government decentralization policies, as has been the case in most developed countries; the diffusion

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<sup>11</sup>K.E. Haynes and E. Dignan, "Evaluating Capital Grants for Regional Development," in Regional Economic Development Essays in Honour of Francois Perroux, edited by Benjamin Higgins and Donald J. Savoie (Boston: Unwin Hyman, Ltd., 1988), pp. 343-347.

<sup>12</sup>Niles Hansen, "Small and Medium-Cities in Development," op. cit., pp. 318-320.

of growth-inducing innovations that affect city system development indicate that the intricate web of economic interdependence runs counter to central place hierarchy development of city systems, i.e., development linkages run not only from large cities of comparable size; and that the most important non-local linkages are not those between a city and its hinterland, but rather those between cities.<sup>13</sup>

Meanwhile, Vanderkamp raised the issue of whether or not the existence and persistence of regional disparities, as in the case of Canada's long history of disparities in wages, incomes, and unemployment between its provinces and regions, can be satisfactorily explained at all. He said that the policy question is whether policies and programs which will help to reduce or eradicate disparities can be devised or not.

Anyway, he did devise an econometric model, consisting of three principal components, i.e., labor supply, labor demand, and wage adjustments, which he used in an attempt to explain in a more meaningful manner the regional disparities in that country.<sup>14</sup>

In explaining the interactions of regional and national development as basis for formulating regional

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<sup>13</sup>Hansen, *ibid.*, p. 320

<sup>14</sup>John Vanderkamp, "Regional Disparities: A Model With Some Econometric Results for Canada," *ibid.*, pp. 269-292.

policy, Higgins expressed that such interactions are extra-ordinarily complex and they differ from one country to another. He cited that the regional structure, regional planning, and regional development in Canada do not seem to significantly contribute to the national economic policy, or in the national economic development and the "efficiency" of operation of the national economy. "Efficient" national policy in Canada, according to him, must consist largely of an aggregation of efficient and effective regional policies. He postulated that a country should adopt policies designed to reduce regional gaps in order to accelerate the growth of the national economy. This could be done through a system of multi-level planning, i.e., at the regional, local, and community levels, and in close coordination with target populations.<sup>15</sup>

Francois Perroux, a famous French economist, is considered as the "father" of the regional development theory. He advocated the economic concept which he called the "pole of development," which other economists refer to as the "growth pole" in regional development. Of course, he did not agree that the two concepts are synonymous, as he defined "pole of development" as a "set that has the capacity to engender dialectic of economic and social structures whose effect is to increase the complexity of the whole and to expand its multi-dimensional return," whereas "growth pole" is a "set that has the capacity to

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<sup>15</sup>Benjamin Higgins, "Regional Development and Efficiency of the National Economy," *ibid.*, pp. 193-222.



induce the growth of another set."

Unfortunately, Perroux died before he was able to complete the structure of his general theory to prove that it really works in practice, like those of Keynes, Schumpeter, and other eminent economists. Nonetheless, his theory continues to fascinate and challenge scholars of regional development, such as those at the Canadian Institute for Research on Regional Development.<sup>14</sup>

While the previous experts discussed disparities in regional development in advanced countries, like the United Kingdom, the United States, and Canada, Cole viewed such disparities as "development gap" on a global perspective. By using resource/population ratio as the framework for comparison, he categorized regions or countries into four major types, namely:

1. Regions with small populations in relation to their natural resources but with high productivity per inhabitant;

2. Regions with a high level of consumption of energy and raw materials per inhabitant but with few of these reserves for themselves in relation to their population;

3. Regions with a favorable resource/population ratio but with a low level of technology, except in few

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<sup>14</sup>Benjamin Higgins and Donald J. Savoie, op. cit., pp. 12-13 and 48-50.

localities; and

4. Regions with a favorable resource/population ratio, and generally, a low level of technology.<sup>17</sup>

He explained that based on the level of technology and productivity per member of the economically active population, the regions in Groups 1 and 2, conventionally form the developed world; those in Groups 3 and 4, the developing world. However, he said that the regions in Groups 1 and 3 may be regarded as "undeveloped" because their natural resources have not been fully utilized to their advantage, while those in Groups 2 and 4, may be referred to as "overdeveloped" in the sense that there are many, if not too many, people in relation to the natural resources available.

In order to more fully understand the nature of development gap, Cole perceived that there are six components of development, and these are (a) human population; (b) natural resources; (c) means of production; (d) products; (e) links; and (f) organization.

The last two, i.e., links and organization, merit further elaboration because they both have some relevance to this study. The author expressed that since things happen in various places times, the movement of goods,

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<sup>17</sup>J.P. Cole, The Development Gap. A Spatial Analysis of World Poverty and Inequality (Toronto: John Wiley and Sons, Ltd., 1981), pp. 58-59.

people, and information is necessary between places, hence, the need for links, in terms of transportation and communications systems. Organizations, on the other hand, cover features, like government, planning, and the international bodies that affect man's activities. Decisions made with regard to economic growth are affected by both spatial layout of international boundaries between nations and by boundaries of internal political units within countries.<sup>1e</sup>

### REGIONAL MARITIME ADMINISTRATION PRACTICES

Regional maritime administration practices of five advanced maritime nations, namely, the Federal Republic of Germany, France, Norway, Sweden, and the United States, are herein presented to provide MARINA some paradigms that it may utilize to improve maritime administration at the regional level in the Philippines.

Some of the major implications of such practices for the regional maritime administration in the Philippines, and may be, in other developing countries, as well, are discussed at the end of the chapter.

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<sup>1e</sup>Cole, op. cit., pp. 47-53.

## FEDERAL REPUBLIC OF GERMANY

At the Federal level, the central maritime administration of the country is under the Federal Ministry of Transport. The Ministry has eight departments, two of which have direct bearing on shipping, shipbuilding, land other maritime activities. These are the Maritime Transport Department and the Department of Inland Navigation and Waterways. Another branch of the Ministry, the Transportation Policy Department, which deals with transport policy matters, both internal and external, also plays significant role in the shipping and shipbuilding industries. Due to the growing importance of the multi-modal transport system in the maritime industry, the other departments of the Ministry, particularly the Railways Department, the Road Transport Department, and the Aviation Department, are, in their respective capacities, increasingly getting actively involved in the carriage of goods and services to and from ports and harbours. On the other hand, the Department works closely with the Central Administration Department in administrative matters, like budget and personnel.

Aside from the Ministry of Transport, there are other ministries involved in the various aspects of the shipping industry. The Maritime Transport Department deals with two major aspects, namely, policy and operations.

On policy matters, the Ministry of Justice assists the Department in various ways on legal matters, like legislation, conventions, and registration of sea-going vessels. On policy formulation and implementation, both internal and external, and matters pertaining to subsidies

to shipyards and shipowners, the Ministries of Economics, Foreign Affairs, and Finance also play important roles. Still another office deals with government cargoes, like military goods, and such commodities, like food, clothing, medicines, etc., that are shipped to distressed parts of the world.

On the operations side, which deals with matters relating to safety, seafarers' affairs, environment protection, hydrography, and police, the Ministries of Posts; Telecommunications; Labour; Environment; Science, Research, and Technology; Interior; and Finance are the cooperating agencies.

It is interesting to note that the Maritime Transport Department is composed of three major government agencies and four private cooperating organizations. The three public agencies are the Federal Maritime Hydrographic Agency which has also its local offices; the Federal Appeals Board for Maritime Investigation, with four Regional Boards; and the Sea Accidents Insurance Corporation, which acts as the Safety Department, with its local surveyors working in close coordination with the Germanischer Lloyds Classification Society.

Meanwhile, the four private organizations are the Chamber of Pilotage, with six Local Brotherhood of Pilots working in ports and harbours nationwide; the Society for the Rescue of Shipwrecked Sailors, which takes charge of 36 Search and Rescue Stations; the Agency for Training of Young Seamen whose primary responsibility is the on-board training of those who are aspiring to become seafarers; and the German Yachting and Sailing Association, with its Examination Committees which grant licenses to qualified

pleasure boat owners.

As a general public administration principle in the country, decisions on maritime matters affecting national interests are made at the department and ministry levels, while those that are of regional and State or local interests are left to regional directorates and district or local offices concerned. In line with this principle, the Maritime Transport Department has established Waterways and Shipping Directorates in two regions, namely, the **North Directorate**, with regional headquarters at Kiel, and the **Northwest Directorate** at Aurich. Those two Directorates administer the shipping, shipbuilding, and other maritime-related activities in coastal areas, including the estuaries of big rivers and the Kiel Canal and the territorial sea. On the other hand, the navigable rivers and canals, or the so-called "inland waterways," are under the administration of four districts. For this purpose, the Department of Inland Navigation and Waterways of the Ministry of Transport exercises equal administrative control and supervision over the four District Offices, as the Maritime Transport Department does.

To make the administration of maritime affairs more effective by bringing down the decision-making process to the lowest possible level, there are 10 **Waterways and Shipping Offices** established throughout the country.

The two aforementioned Directorates exercise administrative control and supervision over regional operations that are delegated to them by the Maritime Transport Department and the Department of Inland Navigation and Waterways, particularly those activities

that directly concern shipping and the infrastructures for navigation.

Among the functions and responsibilities that are delegated to the Waterways and Shipping Directorates are the following:

1. Enforcement of the traffic systems, such as the maintenance of aids to navigation, like buoys, lighthouses, light vessels, land radar, and legal matters pertaining to traffic regulations;
2. Prevention and control of marine pollution; and
3. Construction and maintenance of waterways, vis-a-vis dredging, surveying, icebreaking, and wreck removal.

These major functions and responsibilities are also being discharged by the 10 Local Waterways and Shipping Offices which are under the supervision and control of the Directorates. Some special tasks are also assigned to some of these Offices, like the one in Cuxhaven, which maintains a round-the-clock communications and pollution control center. Cuxhaven is reputedly the world's densest area of navigation, and therefore, has a very high risk of pollution. In the event of a major tanker accident, the Office is authorized to make and implement on-the-spot decisions to prevent and control the spread of oil spill.

The Offices also maintain their respective workshops, fitting yards, and work boats which they can utilize when the needs arise in the performance of their regular operative and/or specialized functions. However, certain major types of work, like construction of locks,

lighthouses, dams, and dredging are carried out by private enterprises by order and on the account of the authority concerned.

With respect to pilotage, the three Brotherhood of Pilots in each Regional Directorate provide the required services.

The two Boards of Investigation which are administratively attached to each Directorate enjoy complete independence in their decisions, like suspending or withdrawing the certificate of an erring seafarer. However, such decisions may be appealed by the party or parties concerned to the Federal Board of Maritime Investigation or even to a Court.

In case a Directorate or Office needs the services of the police in the performance of its functions, it may refer to or coordinate the matter with the Waterways Police of the coastal State, or the Shipping Police of the Federal Ministry of Transport, or to the Border Police of the Federal Ministry of Interior, or to the Customs Police of the Federal Ministry of Finance, whichever police agency has jurisdiction.<sup>19</sup>

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<sup>19</sup>Dr. W.H. Lampe, "Maritime Administration in the Federal Republic of Germany." A Paper presented to the Students of the World Maritime University in conjunction with the celebration of the Maritime Administration Week on 20-24 August 1990. (Photocopied.)



## FRANCE

The country's maritime administration at the national level is under the supervision and control of both the Ministry of Defence and the Sea Department. The missions of the maritime administration are divided into four major categories, namely, (1) registration of ships and regulation of the shipping industry; (2) seafarers' welfare; (3) exploitation of the sea; and (4) exploitation, management, and preservation of harbours and public marine property.

The central maritime administration, as has been organized in the past, and up to 1981, was a department under the Ministry of Transport. It discharges such traditional functions and responsibilities as general administration of the merchant fleet, seamen, fisheries and marine culture, ports and navigation, and welfare of retired and invalid naval personnel. It also conducts general inspections of maritime education institutions; maritime affairs services; equipment and environment for ports, lighthouses, and other marine works; health facilities for seamen; and marine transport.

Advisory bodies assist the Department by giving expert opinions and advise on issues involving any legislative or executive acts before the Department renders its decision on any maritime matters.

At the regional and local levels are the Regional Directions; the Departmental Directions; the Quarters of Maritime Affairs; the Regional Security and Rescue Centers; the Sea Department's Internal Schools; the

Administrative Center of Maritime Affairs; and the services attached to the Department, like Maritime Education and the French Institute for Research and Exploitation of the Sea (IFREMER).

1. The Regional Directions (D.R.A.M.). As the highest exterior service offices of the Sea Department, the Regional Directions are each headed by an Officer General of Maritime Affairs. He is, since 1982, under the authority of the Prefect of the Region and of the Prefect of the Department where his office is located.

The Office of the Regional Direction, acting on the authority of either of the two aforesaid Prefects, discharges the following functions and responsibilities:

(a) Implementation of policies set up by the Department Minister and the government concerning sea regulation and order of fisheries in the region;

(b) Organization of exterior services in his area of jurisdiction; and

(c) Administration of officers, civil servants and employees, and equipment in his region.

Aside from the Prefects, he also derives his authority from the Minister with respect to ENIM, labour, safety of life at sea, search and rescue, and maritime education.

2. The Departmental Directions (D.D.A.M.). With the decentralization of the central government in 1982, new districts were established. This decentralization led to

the creation of the Departmental Directions which are situated in the quarters, the basic territorial districts of the Sea Department.

Where there are several quarters under a Department, the office will be located at the most important quarter and the Chief of that Quarter exercises authority over the chiefs of the other quarters.

As representative of the central government in the Department, the head of the Departmental Direction gets part of his powers from the Prefects and is the main correspondent for maritime affairs of the President of the Departmental Council.

3. The Quarters of Maritime Affairs (Q.A.M.). The power of the Chief of the Quarter is very wide in scope, and this includes all maritime matters in the Department. He is under the control of several authorities, such as (a) the Port Admiral which he represents in the district; (b) the Prefect of the Department; (c) the Regional Direction; and (d) the Department Direction. However, when acting in maritime justice, his decisions are independent.

The Quarters are composed of several offices, such as the Office of the Secretary; the Navigation Office; the Seamen's Office; the outside "Stations" which are directed by Syndicates; the Order and Security Office; the Public Maritime Property, and the ENIM. Aside from these Offices, a Quarter usually has a maritime constabulary station and a seamen's medical service.

4. The Security Centers. These specialized centers

for maritime affairs are under the administrative control of the Administrative Center of Maritime Affairs, but are supervised by the Regional Direction (D.R.A.M.). They enforce regulations on safety of life at sea and on pollution prevention and control, on behalf of the Quarters of Maritime Affairs, which are principally responsible for such regulations.

The missions of the Security Centers are (a) to implement the government policy on safety of life at sea; (b) to supervise, control, and inspect ships, from construction to actual sea service of the vessels; (c) to determine infractions of the law; and (d) to conduct administrative, technical, or nautical inquiries, on the advice of the Quarters, after a marine casualty.

5. The Regional Security and Rescue Centers (C.R.O.S.S.). These centers are under the control of the Port Admiral, and are primarily responsible for rescue at sea and in coastal waters. They closely supervise and monitor navigation in the Channel, especially the crude oil carriers and ships with dangerous cargoes. They also supervise fisheries in the country's exclusive economic zone and coordinate police activities on behalf of the French Government and the European Economic Community. Apart from the foregoing functions, they are also in charge of pollution prevention and control at sea.

6. The Sea Department's Internal Schools. These institutions are located in Bordeaux and are under the supervision of the Inspector-General for Maritime Affairs. Training and development of the staff of the Sea Department is the major responsibility of these schools.

7. The Administrative Center of Maritime Affairs. The Center collects and processes data from the Quarters and central department's main card indices relating to ships, seafarers, pleasure boats, fisheries, trade, security, and department staff and returns them to the offices concerned after controlling and processing them.

8. Services Attached to the Sea Department. These attached services, like the Maritime Education and the French Institute for Research and Sea Exploitation (IFREMER), also have important roles to play in regional maritime administration in the country.

Under the Maritime Education are (a) the National Merchant Navy Schools which are in charge of the education and training of the officers of the merchant fleet; and (b) the Technical Maritime Colleges for petty officers of the merchant navy. These schools are owned by the State but are being managed by a private association with public aids or subsidies. Teaching and granting of degrees and certificates are under the control of the State, which is represented by the Chief of the Quarter where those institutions are located.

Meanwhile, the Research Institute is under the control of both the Ministers of the Sea and Scientific Research. It is primarily in charge of all research programs concerning fisheries and acts as the national center for research on and exploitation of the oceans, continental shelves and ocean beds, marine technologies, and coastal environment. It has three main branches and three divisions, and administers a local organization, composed of five centers and 25 stations in France and five overseas departments and territories.

Aside from research, the Institute also renders advice relating to fisheries and sea culture and quality control of fishery production which are required every day by the Sea Department.<sup>20</sup>

## NORWAY

The Shipping Department of the Ministry of Foreign Affairs has general responsibility for the shipping industry and related matters. It is headed by a Director-General, who is assisted by a Deputy Director-General and an Assistant Director-General. The Department has five divisions whose primary functions and responsibilities are as follows:

1. First Division:

(a) Licensing export of ships; (b) licensing of Norwegian shipping companies to register in other registries; (c) maritime transport contingency planning; and (d) administrative matters.

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<sup>20</sup>Prof. Gerald Bartholomew, "Maritime Administration in France." A Paper presented to the Students of the World Maritime University in connection with the celebration of the Maritime Administration Week on 20-24 August 1990. (Photocopied.)

2. Second Division:

(a) Maritime transport policy formulation in the context of international organizations, like OECD, UNCTAD, and EEC; (b) the UN Convention on the Conduct for Liner Trade Conferences; (c) general shipping policy relations with OECD countries; and (d) general issues regarding protectionism and flags of convenience.

3. Third Division:

(a) The affairs of the Maritime Directorate; (b) relations with IMO; (c) international conventions and other instruments of IMO; (d) relations with ILO concerning labour questions related to maritime transport; (e) Norwegian maritime legislation; (f) social conditions of seafarers and their families and conditions of work on-board ships; and (g) general questions regarding maritime safety.

4. Fourth Division:

(a) General economic assessments of maritime transport and related activities; (b) the economic and competitive strength of the Norwegian shipping industry; (c) prospects of the shipping markets; and (d) long-term programme assessments of the shipping industry and the oil drilling industry.

5. Fifth Division:

(a) Access to the shipping markets of developing countries and state trading countries; (b) shipping policy relations with the U.S.A.; (c) bilateral shipping

agreements; (d) protectionist legislation and similar restrictions in other countries; and (e) commercial cooperation and other projects to develop the shipping industry of developing countries.

It will be noted that the Third Division of the Shipping Department handles the affairs of the Maritime Directorate. The Directorate has five departments, namely, the Legal/Administrative Department; the Seamen's Department; the Technical Department; the Nautical Department; and the Inspection Department.

The major functions and responsibilities of the Directorate are the administration of ships, shipbuilding, and offshore facilities; seafarers' welfare; agreements; maritime safety and pollution prevention and control; and research.

Administration of shipping and related matters is primarily concentrated at the Directorate level, which has its main office in Oslo. However, there are six Ship Control Stations established in the district level with subordinate stations in several ports where they are needed, as well as in other countries, like Miami, Florida, in the US. Plans were also afoot late last year to put up one in Rotterdam in the Netherlands.

These Ship Control Stations are principally in charge of ship surveys to ensure that there is strict compliance with technical and operational standards of safety, not only of Norwegian ships, but also of foreign flag vessels in the various ports of Norway. Survey of foreign flags in the country's ports is also in accordance with the provisions of the Memorandum of Understanding on Port



State Control among 15 European countries, and Norway is one of the signatories thereto.

In those ship surveys, the surveyors of the Stations are being actively assisted by the Det Norske Veritas, the Norwegian classification society.

One of the several government ministries that performs some major maritime administration functions is the Ministry of Fisheries. For instance, the Ministry has a Directorate for Coastal Affairs which is responsible for ports, sea lanes, navigational aids, and pilotage. This office has also its headquarters in Oslo and has five district offices throughout the country.<sup>21</sup>

#### SWEDEN

The National Swedish Administration of Shipping and Navigation (NASAN) was created in 1956 under the Ministry of Transport and Communications. Since then, it has become the central authority on shipping administration when all government functions pertinent thereto which were being performed by other agencies were transferred to it.

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<sup>21</sup>Prof. Aake Os, "Introduction to Norwegian Maritime Administration." A Paper presented to the Students of the World Maritime University in connection with the celebration of the Maritime Administration Week on 20-24 August 1990. (Photocopied.)

Due to the significant developments that took place in the mid-50s and early 60s which brought about changes in the transport policy of Sweden, NASAN was reorganized in 1969. It had a Board which acted as the governing and policy-determining body, and the management of the Administration was vested in a Director-General. NASAN had five departments, namely, (1) the Operation and Planning Department, which had a division that took charge of icebreaking activities and maintained four Pilot Districts and 30 Pilot Stations; (2) the Hydrographic Department with a division that was responsible for hydrographic activities; (3) the Maritime Safety Inspectorate with seven Inspectorate Districts and one Inspection Office in Rotterdam, the Netherlands; (4) the Financial Department; and (5) the Administrative Department. Each Department was headed by a Director.

In 1988, NASAN was again reorganized. It still has a Board and a Director-General who exercises general administration and control over six Departments, instead of the five in the previous structure. Moreover, a Controller and Legal Office Staff has been created under the Office of the Director-General. The Operation and Planning Department has been divided into the Sea Traffic Department and the Technical Department, and its Icebreaking Division has been elevated to a department level and has become the Icebreaking Department. The Hydrographic Department has been retained; while the Maritime Safety Inspectorate now has only three, instead of seven, districts and one Inspection Office in Rotterdam. On the other hand, the former Financial Department and the Administrative Departments were merged and had become the Department of Finance and Administration.

At the regional and local levels, the major structural changes in 1988 were the following:

(a) the four Pilot Districts and the Pilot Attendance Organization have been increased to 12, and renamed Sea Traffic Areas, and

(b) the seven Maritime Safety Inspectorate Districts have been reduced to three districts only.

One of the main objectives of the 1988 reorganization was to further strengthen the local levels by delegating to them as much responsibilities as possible within the framework of Ordinance 1988:14.

The primary functions and responsibilities of NASAN, as stipulated in the aforesaid Ordinance are (a) the supervision of maritime safety; (b) pilotage; (c) marking of fairways; (d) search and rescue at sea; (e) icebreaking; (f) protection of the marine environment against pollution from ships; (g) marine surveying and production of navigation charts and other relevant publications; and (h) registration of pleasure crafts.

According to Paragraph Two of the said Ordinance, the activities of NASAN shall be directed mainly to commercial shipping, but the interest of the fishing industry and pleasure crafts owners shall also be taken into consideration.

One of the interesting features in the reorganization of the agency in 1988 is that it has started to operate as a similar but not as privately owned business enterprise. In line with its cost recovery policy, it has to cover all

its expenses from fees and shipping dues, except for icebreaking activities where the fuel consumption of the seven icebreakers continues to be borne by the government.

Essentially, in this system, NASAN borrows money from the central government to finance its planned activities during the year, and agrees to reimburse a certain percentage of its loan from the revenues it would generate during the same period. The costs must cover all the agency's activities and not just each department's activities, hence, those that failed to raise enough revenue to finance their activities during a given period will be subsidized. For example, regions in the western and southern coasts of the country which usually have high traffic volume, subsidize, to some extent, those in the eastern and northern coasts which have low incomes due to less traffic volume.

The sources of NASAN's revenues are (1) fairway dues for goods paid by the cargo owners on foreign trade. The fees are calculated on the basis of the fairways' length and on the volume of cargo. Dues for oil and oil products are twice as much as other types of goods; (2) light dues which are paid by shipowners engaged in foreign trade and are determined in relation to gross tonnage; (3) pilotage dues which are fixed, depending on the distance piloted and the ship's gross tonnage; (4) production and sale of nautical charts and other relevant publications; (5) pleasure crafts traffic; (6) inspection fees of vessels, except for unannounced inspections which are free of charge; (7) fees for tonnage measurement of ships; and (8) stamp duties which are paid when second-hand vessels are sold.

The regional or district and local field offices of NASAN perform two of the three major programs and activities of the head agency in their respective jurisdictions. These are (1) the fairway activities, and (2) the maritime safety activities, which are briefly described below:

(1) Fairway activities. The 12 Sea Traffic Areas throughout the Swedish coasts and the local stations and offices under them, are mainly responsible for discharging these type of activities, like pilotage; search and rescue; sea surveillance; maintenance of aids to navigation; hydrographic surveys; and icebreaking services and, where applicable, collecting fees and dues for such services.

In providing the said services, each Sea Traffic Area is assisted by the Hydrographic Department and the Technical Department and by other government agencies and private organizations, like the Swedish Coast Guard, Navy, and Air Force; the Civil Aviation Authority; the local police agencies; and the sea rescue society.

(2) Maritime safety activities. The three Maritime Inspectorate Districts in Stockholm, Malmö, and Gothenborg and the Inspection Office in Rotterdam are in charge of the survey and inspection of ships, tonnage measurement, and the collection of fees and dues for such services.

Aside from those services, the District Inspectorates are also actively involved in accident investigation in their jurisdictions and in international undertakings relating to maritime safety and protection of the marine environment.

Surveys and inspections of ships are conducted in determine the seaworthiness of ships and their suitability for the type of trade in which they are engaged; and to establish their respective permitted freeboards. Such surveys include those that pertain to safety and radio equipment, pursuant to applicable international conventions and national legislations.

Tonnage measurement, on the other hand, is conducted to determine the size of ships and the enforcement of relevant rules and regulations pertaining to the safety of the ship, manning level, pollution prevention, and calculation of the different shipping dues and port fees.<sup>22</sup>

#### THE UNITED STATES OF AMERICA

The United States Maritime Administration, hereinafter referred to as the US MARAD, is under the Department of Transportation. Prior to the U.S. Government's Reorganization Plan of 1950, it was under the Department of Commerce where it was originally established, pursuant to the Merchant Marine Act, 1936. In the said Act, it has been declared the policy of the Federal Government to foster the development, and

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<sup>22</sup>Claes, Hasselblad, "Maritime Administration in Sweden, With Emphasis on Maritime Safety Administration," Unpublished Master's project, World Maritime University, Malmö, Sweden, October, 1988, pp. 23-78.

encourage the maintenance, of a merchant marine which is necessary for its national defense and its foreign and domestic commerce.<sup>23</sup>

From the foregoing policy, the primary function of the US MARAD is the development and promotion of the shipping, shipbuilding, and other sectors of the maritime industry, and the maintenance and mobilization of the reserve fleet, for cases of national emergency. Other major maritime functions are being performed by separate agencies, notably the U.S. Coast Guard, which is responsible for prevention and control of marine pollution, search and rescue, marine casualty investigation, etc., and the Federal Maritime Commission, which is principally in charge of the regulation of the maritime industry, among others.

The management of the US MARAD is vested in the Maritime Administrator, the agency head, and is being assisted by two Deputy Maritime Administrators, one of whom is the Deputy Administrator for Inland Waterways and the Great Lakes. Aside from the Offices of the two Deputies, there are the Offices of the Maritime Subsidy Board, Executive Staffs, External Affairs, Chief Counsel, and Maritime Labor and Training, which are all directly under the Office of the Maritime Administrator.

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<sup>23</sup>United States Congress, The Merchant Marine Act, 1936, The Shipping Act of 1984, and Related Acts, as Amended (Washington, D.C.: U.S. Government Printing Office, 1987), pp. 1; 6; and 12-13.

Also directly under the Office of the Maritime Administrator are five Region[al] Directors and the Superintendent of the U.S. Merchant Marine Academy.

The day-to-day affairs of the agency is being managed by five Associate Administrators who individually take charge of each of the five departments, such as the Administration, Policy and International Affairs, Marketing, Shipbuilding and Ship Operations, and Maritime Aids. These Associate Administrators are assisted by the different Directors of Offices under their respective Departments.

Administration of the maritime programs and other related activities of field organizations of the US MARAD is the major responsibility of the five Region[al] Directors.

The five Region[al] Offices and their respective headquarters are (1) the Western Region in San Francisco, California; (2) the Central Region in New Orleans, Louisiana; (3) the Great Lakes Region in Des Plaines, Illinois; (4) the North Atlantic Region in New York, New York; and (5) the South Atlantic Region in Norfolk, Virginia. On the other hand, the U.S. Merchant Marine Academy is located in King's Point, New York.

Aside from the Maritime Development Offices in these region[al] headquarters, there are also such offices in Cleveland, Ohio; Long Beach, California; Seattle, Washington; Houston, Texas; and Portland, Oregon. In addition to those offices, there are also Ship Management Offices in New York and Port Arthur, Texas.



The Western Region covers 15 States; the Central Region, 12; the Great Lakes Region, 8; the North Atlantic Region, 9; and the South Atlantic Region, 7, including Puerto Rico, which is a U.S. trust territory.<sup>24</sup>

The purpose of optimum decentralization of functions and authority to Region[al] Directors to achieve maximum efficiency, as expressed by the Assistant Secretary for Maritime Affairs. This has been explicitly stipulated in Maritime Administrative Order No. 100-1, dated 24 June 1975. In this Order, the Region[al] Directors are responsible to the five Assistant Administrators and 21 Office Directors of the US MARAD in Washington, D.C. These officials act as representatives of the Assistant Secretary and his Deputy Assistant Secretary for Maritime Affairs at the U.S. Department of Transportation, in the administration and accomplishment of the programs that have been delegated to them in accordance with policies, determinations, procedures, and directives issued by the Maritime Administrator.

A copy of the said Maritime Administrative Order is hereto attached as Appendix A on pp. 146-148.

Meanwhile, the specific authority that has been delegated to Region[al] Directors is embodied in Maritime

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<sup>24</sup>U.S. Department of Transportation Maritime Administration, "MARAD '89," Annual Report of the Maritime Administration for Fiscal Year 1989, (Washington, D.C.: U.S. DoT Maritime Administration, April, 1990), pp. 1-72.

The term "redelegation" has been used because the general authorities are vested in the Assistant Secretary for Maritime Affairs, who, in turn, redelegated them to the Maritime Administrator. The latter also redelegated them to his Deputies, and then to the Assistant Administrators, then to the Office Directors, and finally, to the Region[al] Directors. The Region[al] Directors are also empowered to redelegate their authorities to their Deputy Region[al] Directors or to their other subordinates. However, they (the Region[al] Directors) remain fully responsible for the actions taken by those who have been redelegated such authorities.

The Order further provides that the Region[al] Directors, in exercising the authorities redelegated to them, are subject to (1) any conditions and limitations imposed by the Maritime Administrator and the Department of Transportation in other directives; (2) required legal clearances; and (3) compliance with national policies and programs, standard procedures, and technical directives of the appropriate US MARAD Office.

Due to the varying factors that give rise to regional peculiarities, the Region[al] Offices do not have uniform structural organization, programs, and activities, except those that pertain to administrative and financial matters. The US MARAD, therefore, has to specify in its orders to which office or offices it is redelegating such authorities.

The specific authorities that have been redelegated to the Region[al] Directors deal with ship operation activities and National Defense Reserve Fleets, including Ready Reserve Fleet and State Maritime School Training

Ships. They also cover civil rights, domestic shipping, market development and port and intermodal development activities; finance/budget activities; personnel activities; training activities, and other matters.

In order to enable the Region[al] Directors to act as independent as possible, the same Order specifically stipulated that there should be a minimum of referral by either Washington, D.C. or Region[al] officials of field operating problems to the Assistant Secretary and his Deputy. Such referrals should be made only as good judgment dictates and may be necessary to resolve serious differences of opinions. To make decentralization work well, the Order continues, there should be teamwork, good judgment, and cooperation between Washington, D.C. officials and Region[al] Directors.

Among the major functions assigned to each Region[al] Director, pursuant to the said Order, are the following:

1. Responsibility for activities in his Region directly related to the programs and functions described in Maritime Administrative Orders, including subsequent issuances, outlining the organization and functions of the Assistant Administrators, Offices, and other major components of the US MARAD, except ship construction, the U.S. Merchant Marine Academy, and the National Maritime Research Center;

2. Performance of the functions assigned to them in the Maritime Administrative Order, which prescribes policies, procedures, and responsibilities on specific subjects;

3. Development and execution of field programs in each functional area, in accordance with Section 1.03 of the Order and the authorities delegated in Maritime Administrative Order Nos. 100-2 and 720-250, and other Orders on specific subjects and establishment of regional policies, prescribing the manner in which the program is to be accomplished, providing directions, and inspecting and reviewing the program for accomplishment; and

4. Provisions of administrative support services to the Academy Training Representatives in their respective Regions, if any, including office space, office supplies and equipment, and communications services.

Due to space limitations, those specific authorities can not all be enumerated here. However, a copy of Maritime Administrative Order No. 100-2, can be found in Appendix B on pp. 149-153 further reference.

The former Assistant for Maritime Affairs likewise issued Maritime Administrative Order No. 800-1, dated 18 April 1974, dealing with emergency redelegation of authorities down to the Region[al] Directors, in case of Presidential declaration of a national emergency involving total mobilization of national resources or upon enemy attack on the United States. A copy of the said Order is attached here as Appendix C on pp. 154-160.

Copies of various Maritime Administrative Orders empowering the Region[al] Directors of Eastern Region, Great Lakes Region, Western Region, and Central Region to redelegate their authorities are likewise attached here as Appendices D, E, F, and G, respectively, on pp. 161-172.

*Good reflection*

**SOME IMPLICATIONS FOR THE REGIONAL MARITIME  
ADMINISTRATION IN THE PHILIPPINES**

Some of the major implications of the foregoing regional maritime administration practices for the Philippines are the following:

1. The need for MARINA to delegate more substantive functions and authorities to the Maritime Regional Offices to make them more effective and productive in developing, promoting, and regulating the industry in their respective regions.

It will be noted from the discussion that the federal or national maritime administrations of the Federal Republic of Germany, France, Norway, Sweden, and the United States have delegated substantial functions and authorities to their respective regional and district or local offices. In contrast to that of the Philippines, the Maritime Industry Authority has seemingly been very cautious in delegating functions and authorities, most especially the latter, to its regional offices. The Directors of the Maritime Regional Offices strongly feel that they have a very comprehensive responsibility to develop, promote, and regulate the maritime industry. However, the authorities that have so far been delegated to them are quite limited. For instance, they can not make major decisions without seeking the opinion and/or prior approval of the MARINA Central Office.

Unlike in the United States, the Region[al] Directors are advised to act as independently as possible. They may refer matters to the US MARAD as good judgment dictates

and to resolve serious differences of opinions only. On the other hand, in Germany, decisions on maritime matters affecting regional and State or local interests are largely entrusted to regional directorates and district or local offices concerned. The reason for this is that the said offices are the most competent ones to know what are best for the maritime industry in their respective jurisdictions.

**2. The need for the Maritime Regional Offices to continuously strengthen their coordination with relevant non-government organizations.**

Various private organizations in most of the countries presented here play very active roles in helping the regional and district or local maritime offices in the effective performance of some of their vital functions and activities. Some of the more important ones that may have significant bearing on the present and future maritime functions and activities of regional offices in the Philippines are the following:

a. Maritime Safety. The regional and district or local offices in the Federal Republic of Germany, France, Norway, and Sweden are responsible for the enforcement of laws and regulations on maritime safety and other matters related thereto. However, they are being assisted by private organizations in discharging those functions. In Germany, the Society for the Rescue of Shipwrecked Sailors maintains 36 search and rescue stations; the German Yachting and Sailing Association, with its Examination Committees, grants licenses to qualified pleasure boat owners. The Germanischer Lloyd's Classification Society's local surveyors work in close

coordination with the Sea Accidents Insurance Corporation which acts as the Safety Department. In Norway, the Det Norske Veritas' surveyors assist the Ship Control Stations of the national maritime administration in the surveys and inspections of Norwegian and foreign vessels that call at the country's ports. Meanwhile, in Sweden, the shipping companies pay NASAN fairway, light, and pilotage dues; survey and inspection fees of Swedish and foreign ships trading with the country, and tonnage measurement of ships. These functions and activities are being performed by the agency's regional, area, and district offices to maintain and enhance maritime safety and trade.

In the Philippines, the responsibility for maritime safety and related matters thereto, are vested in the Philippine Coast Guard (PCG) which is under the Department of National Defense. In view of the recent enactment of a law requiring the PCG to turn over all its non-military functions it is presently discharging to relevant civilian government agencies, maritime safety, marine accidents/incidents investigation, etc., will soon become the responsibility of MARINA and its regional offices. It would, therefore, be highly advisable now for the agency and its regional branches to start identifying non-government organizations concerned with maritime safety and establish good working relations with them.

b. Seafarers' Education and Training. The Agency for Training of Young Seamen in Germany helps maritime institutions in the on-board training of prospective German seafarers. Meanwhile, in France, a private association is in charge of the management of the National Merchant Navy Schools for the education and training of merchant marine officers and the Technical

Maritime Colleges for petty officers.

In the Philippines, there are over 40 government and private maritime schools and training centers and each one has its own governing body. For financial reasons, only one of those institutions and training centers has a training ship. Ironically, before a student of marine engineering or nautical studies can graduate and take the necessary government licensure examination, he is required by law to undergo a certain period of on-board apprenticeship prescribed for his course. The very few private shipping companies accepting apprentices simply can not cope with the yearly influx of maritime students desiring to undergo apprenticeship.

The contributions of the private sector to the regional and district or local maritime offices in the aforesaid countries in the performance of some of their vital functions are something MARINA and other government agencies concerned should mull over as soon as possible.

3. The need for shipping, shipbuilding, and ship repair companies to share in the costs of some of the developmental and promotional programs and projects of regional offices in which they will be the ultimate beneficiaries.

*Practically*  
MARINA should consider requiring in the near future the said companies to pay certain fees for some of the services it is rendering to them, as what the national maritime administrations of Norway, Sweden, etc., are doing. A certain percentage of the fees collected should be set aside for programs and projects to develop and promote the industry, especially in the regions.



## Chapter 3

### NATIONAL MARITIME ADMINISTRATION IN THE PHILIPPINES

This chapter discusses the historical background of the Maritime Industry Authority, the national maritime administration of the Philippines; its goals and objectives; major thrusts, plans, and programs for 1990-1994; organizational structure; management; and the major functions of the different line and staff offices under it.

#### BRIEF HISTORICAL BACKGROUND OF THE MARITIME INDUSTRY AUTHORITY

Maritime administration in the country, particularly the development, promotion, and regulation of domestic shipping; overseas shipping; shipbuilding and ship repair; and maritime manpower, is presently being discharged by the Maritime Industry Authority, hereinafter referred to as "MARINA" or the "Authority." This is a government agency which was established on 01 June 1974, pursuant to Presidential Decree No. 474, otherwise known as the "Maritime Industry Decree of 1974."

MARINA was formerly under the Office of the President of the Philippines, but by virtue of Executive Order No. 546, issued on 23 July 1979, it was transferred to the Department of Transportation and Communications where it

remains attached, up to now, primarily for policy and program coordination. It performed the same basic functions and responsibilities, as embodied in the aforesaid Decree, until the issuance of Executive Order No. 1011, dated 20 March 1985, which abolished the Board of Transportation. With such abolition, the quasi-judicial functions of that Board pertaining to water transportation was transferred to MARINA, thereby increasing its regulatory functions in the shipping industry.

In line with Pres. Corazon C. Aquino's "Integrated Reorganization Program" in the government, the Department of Transportation and Communications was reorganized in 1987, pursuant to Executive Order No. 125, issued on 30 January 1987, and later amended by Executive Order No. 125-A. The powers and functions of the Department and the agencies under it were redefined, and as a general outcome of that, MARINA's responsibility to the maritime industry has significantly increased.

#### GOALS AND OBJECTIVES

MARINA's mandate, pursuant to the aforesaid Maritime Industry Decree of 1974 and the Executive Orders, is to promote a favorable climate for economic activities through the provision and development of a safe, efficient, economical, adequate, reliable, and responsive water transport services to the public through the following objectives:

1. To create a healthy investment environment

through feasible incentives and technical assistance programs;

2. To encourage modernization and expansion of the Philippine merchant fleet engaged in both domestic and overseas trades;

3. To promote safety of life and property at sea through an effective regulatory system; and

4. To maintain a reservoir of trained manpower for the shipping and shipbuilding industry sectors.

#### MAJOR THRUSTS AND PROGRAMS

MARINA has jurisdiction over the development, promotion, and regulation of all enterprises engaged in the business of designing, constructing, manufacturing, acquisition, operating, supplying, repairing and/or maintaining vessels, or components thereof; of managing and/or operating shipping lines, shipyards, drydocks, marine railways, marine repair shops, shipping and freight forwarding agencies and similar enterprises.

As pointed out earlier, MARINA essentially deals with four sectors of the maritime industry, namely, (1) domestic shipping; (2) overseas shipping; (3) shipbuilding and ship repair; and (4) maritime manpower. (?) conflict with POEA, DGE

To attain the goals and objectives of the government in the maritime industry, MARINA has two major thrusts,

and these are (1) the adoption and implementation of a practicable and coordinated **Maritime Industry Development Program**, and (2) the provision of the different types of assistance and incentives.

For the first major thrust, MARINA has formulated a "**Five-Year Maritime Industry Development Plans and Programs**" for each of the sectors enumerated above which it plans to implement during the period 1990-1994, viz:

### **Domestic Shipping Sector**

1. Liberalization of route entry and pricing structure;
2. Replacement of obsolete/uneconomical vessels;
3. Modernization of the domestic fleet;
4. Improvement of safety record;
5. Improvement of the efficiency of economic regulation and supervision; and
6. Sourcing of feasible financing schemes and packaging of attractive investments.

### **Overseas Shipping Sector**

1. Creation of a favorable investment climate to encourage vessel acquisition;

2. Ensuring seaworthiness of the country's overseas merchant fleet;

3. Upholding the integrity and credibility of the Republic of the Philippines' registry;

4. Improvement of the competitiveness of RP-flag vessels in the carriage of foreign trade; and

5. Pursuing actively international commitment with respect to overseas shipping.

### Shipbuilding and Ship Repair Sector

1. Improvement of local shipbuilding, ship repair, and vessel design capability;

2. Development/Modernization of shipyard facilities and optimization of utilization of present resources; and

3. Promotion/Development of a shipbreaking industry.

### Maritime Manpower Sector

1. Development of an efficient and integrated manpower development system; and

2. Ensuring the competitiveness of Filipino seamen, through and effective system of education, training, and certification. (CHED-MTC)

The second major thrust requires MARINA to provide, or cause the provision, of the following:

1. Financial assistance to the industry through public and private financing institutions and instrumentalities;

2. Technical assistance;

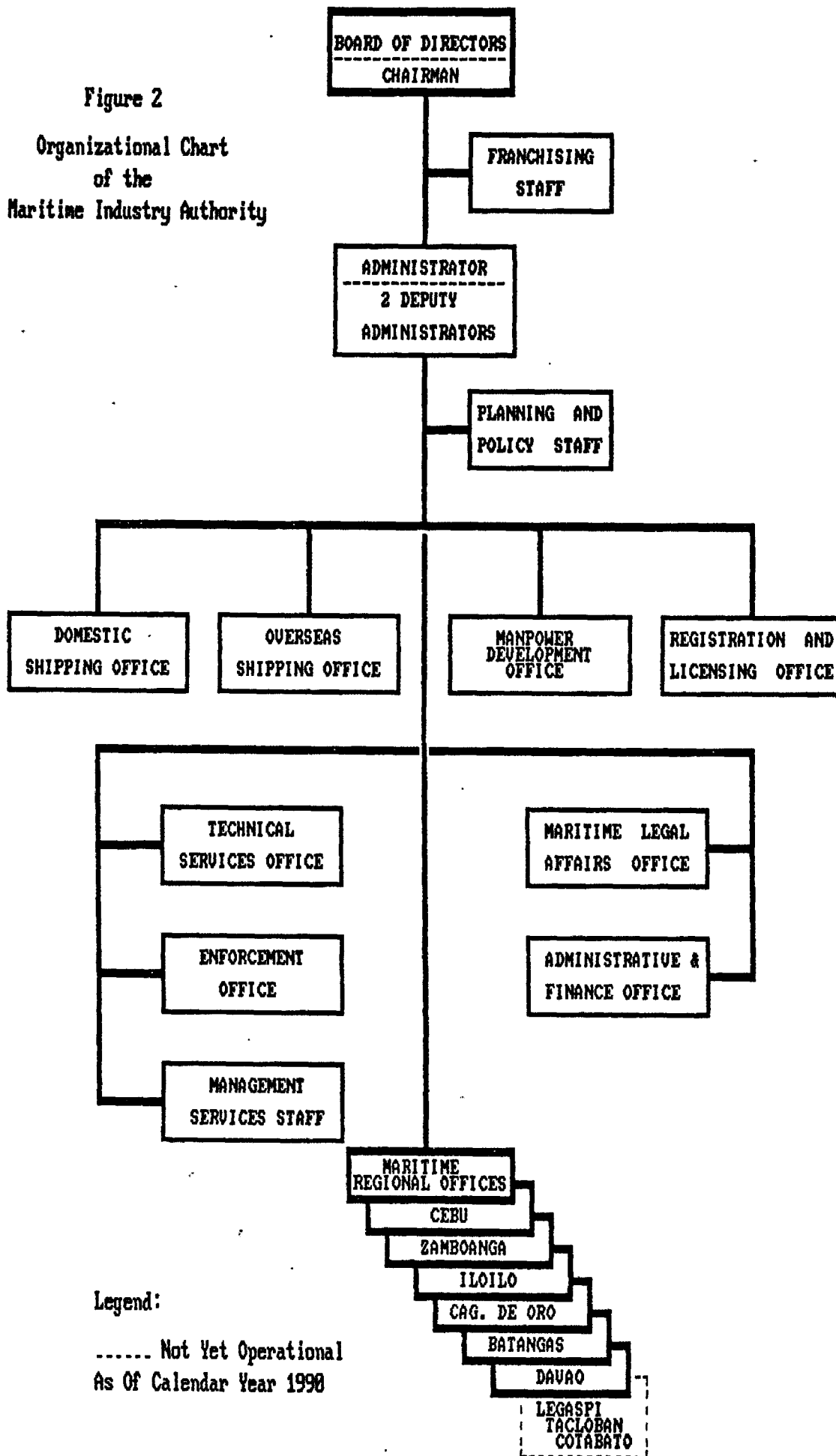
3. A favorable climate for the expansion of domestic and foreign investments in shipping enterprises; and

4. Effective supervision and rationalization of the organization, management, ownership, and operations of all water transport utilities and other maritime enterprises.

#### ORGANIZATIONAL STRUCTURE

MARINA's organizational structure is shown in Figure 2 on the next page.

Figure 2  
Organizational Chart  
of the  
Maritime Industry Authority



Legend:  
----- Not Yet Operational  
As Of Calendar Year 1998

It will be noted that in the foregoing Organizational Chart, MARINA has 11 line and staff offices and six Maritime Regional Offices which are all headed by Directors. Line offices are those units of the agency that perform directly developmental, promotional, and regulatory functions in the domestic shipping, overseas shipping, shipbuilding and ship repair, and maritime manpower sectors of the maritime industry. These are the Domestic Shipping Office, the Overseas Shipping Office, the Registration and Licensing Office, the Manpower Development Office, the Technical Services Office, and the Enforcement Office. On the other hand, the staff offices perform planning and research, policy review, administrative, financial, legal and quasi-judicial, and other supportive functions and activities. These offices are the Planning and Policy Staff, Management Services Staff, Maritime Legal Affairs Office, Franchising Staff, and the Administrative and Financial Office.

The six Maritime Regional Offices perform both line and staff functions.

#### MANAGEMENT

MARINA is governed by a Board, known as the **Maritime Industry Board**. It is composed of the Secretary of Transportation and Communications; the Secretary of Trade and Industry; the Secretary of National Defense; the General Manager of the Philippine Ports Authority; the Chairman of the Development Bank of the Philippines; and the Administrator of MARINA. These officials also comprise the Board of Directors, the Chairman of which is



the Secretary of Transportation and Communications.

The Board primarily provides (a) comprehensive policy guidelines for the promotion, development, regulation, and supervision of the maritime industry, and (b) decides quasi-judicial matters relative to water transportation.

Meanwhile, the management of the Authority is vested in the Administrator, who is directly assisted by two Deputy Administrators, i.e., the Deputy Administrator for Planning and the Deputy Administrator for Operations. They managed the affairs of the Authority in accordance with the policies and rules and regulations issued and prescribed by the Board and those that are provided for by laws by directly controlling and supervising the operations of MARINA's 11 line and staff offices and six regional offices.

#### MAJOR FUNCTIONS AND RESPONSIBILITIES OF THE DIFFERENT LINE AND STAFF OFFICES

The major functions and responsibilities of each of the line and staff offices are as follows:

1. The Domestic Shipping Office formulates, recommends, and implements policies and guidelines relative to the economic supervision and regulation of the domestic shipping sector to continually improve and stimulate the development of the industry.

2. The Overseas Shipping Office formulates, recommends, and implements policies, guidelines, and

criteria pertaining to the economic regulation of overseas shipping operations to enhance the country's competitive position in the carriage of foreign trade and cross trades.

3. The Registration and Licensing Office formulates, recommends, and implements the adoption of rules and regulations, procedures, and guidelines relating to the registration and documentation of all vessels owned or chartered by Philippine nationals, including the issuance of certificates incident to such registration and documentation. It also formulates, recommends, and implements policies and programs for the regulation and supervision of shipbuilding, ship repair, and shipbreaking.

4. The Manpower Development Office establishes, develops, and implements an effective manpower development system to support the current and future needs of the shipping and shipbuilding industry sectors.

5. The Technical Services Office undertakes technical evaluation of all shipping projects and research for the modernization of the Philippine fleet and development of the maritime industry. It also conducts vessel survey and inspection relative to safety and quality of shipping services. *(conflict with PCG funct.)*

6. The Enforcement Office enforces laws, rules and regulations, including penalties for violations affecting water transportation services through an effective monitoring system and stringent survey and inspection program.

7. The Franchising Staff hears applications for Certificates of Convenience; vessel re-routeing; petitions for rate increase and route allocation in the exercise of the Authority's quasi-judicial functions over all public water transportation services. It also performs all other functions of the defunct Board of Transportation over water transportation services under the Public Service Act.

8. The Maritime Legal Affairs Office provides legal advice and assistance to the Board and the various units of the Authority in the interpretation of laws and implementing rules and regulations; prosecutes violations of maritime and water transportation laws; represents MARINA in all quasi-judicial cases; and reviews Board Agenda.

9. The Planning and Policy Staff formulates, recommends, and continually evaluates and analyzes the broad policies and guidelines, plans and programs of MARINA for the promotion and development of the maritime industry, in coordination with the appropriate units of the Authority, government agencies, and the private sector. It also reviews, evaluates, coordinates, and monitors projects developed and undertaken by the various units of the Authority.

10. The Management Services Staff formulates, develops, and maintains information systems to support the promotion, development, regulation, and supervision activities of the Authority and monitoring systems on the implementation of plans, programs, policies, and guidelines. It also reviews and improves, if necessary, existing management systems and procedures to achieve

maximum efficiency in the Authority's operations.

11. The Administrative and Finance Office plans, directs, and supervises the general management and support services for all MARINA units, and formulates, develops, and implements administrative programs and activities related to budgetary and accounting services, human resources development and office administration.

12. The Maritime Regional Offices implement MARINA programs in the regions and perform delegated functions with respect to issuance of Provisional Authority to uncontested original applications for Certificate of Public Convenience, and issuance of Special Permits, under Sec. 12(D) of Presidential Decree No. 474.

The six regional offices are located in the cities of Cebu, Zamboanga, Iloilo, Cagayan de Oro, Batangas, and Davao. Under FY 1990 General Appropriations Act, three will be located, but not yet operational, in the cities of Legaspi, Tacloban, and Cotabato.<sup>25</sup>

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<sup>25</sup>Maritime Industry Authority, "The MARINA: Facing the Challenges of the Times," Manila, August, 1990.

## Chapter 4

### PRESENTATION AND INTERPRETATION OF FINDINGS

This chapter presents the findings of the researcher on regional maritime administration in the Philippines; the development administration policy thrusts and priorities of the government that are relevant to regional maritime administration. It also includes discussions of the measures taken by MARINA and its Maritime Regional Offices to implement those policy thrusts and priorities in the regions; the major activities and accomplishments of the regional offices and their difficulties and problems; and their priority programs for 1991, as well as his interpretations of such findings.

#### SOME BACKGROUND INFORMATION ABOUT THE MARITIME REGIONAL OFFICES

Regional maritime administration in the country is being performed by the six Maritime Regional Offices of MARINA. These Offices operate like the MARINA Central Office, and as such, they have general jurisdiction and control over all persons, corporations, firms or entities in the maritime industry, specifically domestic or coastwise shipping, shipbuilding and ship repair, and maritime manpower in their respective regions. Their functions, duties, responsibilities, and authorities emanate from the Administrator of MARINA, who delegates such functions, duties, responsibilities, and authorities

to them, usually with the approval of the agency's Maritime Industry Board.

1. Legal basis. The legal basis of the creation of the Maritime Regional Offices is Presidential Decree No. 474 (Sec. 4.3), which stipulates: "Regional or branch offices may be established at such other place or places within the Philippines as may be deemed necessary by the Board."

2. Organization and management. Each Maritime Regional Office is headed by a Maritime Industry Authority (MIA) Director II who has an administrative and technical staff. The administrative staff, which comprises the Office's Administrative Division, is composed of an Administrative Officer; an Accountant; a Cashier; two or more Clerks; a Utilityman; a Driver; and a Security Guard. On the other hand, the technical staff, which composes the Technical Division, are assigned to four sections, namely, the Domestic Shipping Section; the Overseas Shipping Section, (in two regional offices only, as of this writing); the Technical Shipping Operations Section; the Registration and Licensing Section; the Maritime Manpower Development Section; and the Franchising Section, also in some regional offices only. Each Section, has, on the average, two technical personnel. *under our*

A typical Organizational Structure of a Maritime Regional Office is shown in Figure 3 on the next page.

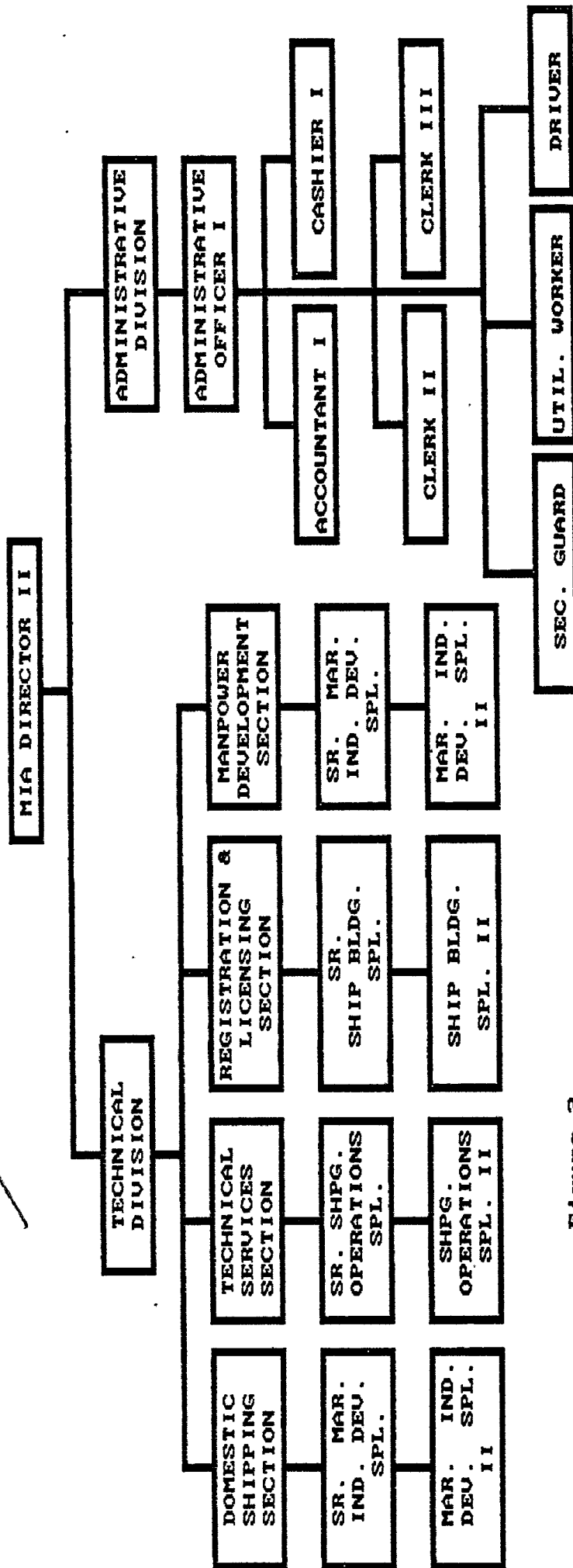


Figure 3  
 Typical Organizational Structure  
 of a  
 MARITIME REGIONAL OFFICE

3. Locations of the Maritime Regional Offices and their respective areas of jurisdiction. A Maritime Regional Office is usually situated in the city which has been designated by the President of the Philippines as the Regional Center. For purposes of facilitating public transactions, coordination, and harmonization of development plans and programs, all regional offices of line departments of the national government, including the Regional Development Council, have their regional headquarters or offices in the Center.

Pursuant to MARINA Administrative Order No. 01, Series of 1989, the following are the addresses of the different Maritime Regional Offices of the agency and their respective areas of jurisdiction:

**a. Batangas Maritime Regional Office**

- (1) Address: Second Floor, Ramirez Building  
Rizal Avenue Extension  
Batangas City
- (2) Geographical coverage: 13 provinces, namely, Batangas; Cavite; Laguna; Marinduque; Occ. Mindoro; Or. Mindoro; Palawan; Quezon; Camarines Norte; Camarines Sur; Albay; Sorsogon; and Catanduanes, including six cities therein.

**b. Cebu Maritime Regional Office**

- (i) Address: Bureau of Customs Building  
Port Area, Cebu City



- (2) Geographical coverage: Nine provinces, viz: Cebu; Negros Oriental; Bohol; Northern Samar; Western Samar; Eastern Samar; Leyte; Southern Leyte; and Siquijor, including 10 cities therein.

**c. Iloilo Maritime Regional Office**

- (1) Address: Third Floor, JBLCF-MLS Building, M.H. del Pilar St. Molo, Iloilo City

- (2) Geographical coverage: Seven provinces, comprising of Iloilo; Capiz; Aklan; Antique; Negros Occidental; Romblon; and Masbate, and nine cities therein.

**d. Cagayan de Oro Maritime Regional Office**

- (1) Address: Phase II, Port Area Cagayan de Oro City

- (2) Geographical coverage: Eight provinces, to wit: Misamis Oriental; Misamis Occidental; Camiguin; Agusan del Norte; Agusan del Sur; Surigao del Norte; Bukidnon; and Lanao del Norte; and eight cities therein.

**e. Davao Maritime Regional Office**

- (1) Address: Antilles Hotel Complex Km. 7, Lanang, Davao City

- (2) Geographical coverage: Six provinces which composed of Davao; Davao del Norte; Davao Oriental; Davao del Sur; South Cotabato; and Surigao del Sur, including two cities therein.

**f. Zamboanga Maritime Regional Office**

- (1) Address: PMO Building, Port Area  
Zamboanga City
- (2) Geographical coverage: Nine provinces, comprising of Zamboanga del Sur; Zamboanga del Norte; Sulu; Lanao del Sur; Maguindanao; Sultan Kudarat; Basilan; Tawi-Tawi; and North Cotabato, and five cities therein.

It will be noted that the regional subdivisions of the country, as shown in the map in Figure 1 on page 3, has not been strictly followed by MARINA. The main reason for this is that, at this time, not all regions have economically viable shipping and other maritime-related activities that warrant the creation of regional offices in those areas. Such regions, however, are presently being covered by the existing Maritime Regional Offices and the MARINA Central Office. Moreover, three additional regional offices will soon be established by the agency in Legaspi, Tacloban, and Cotabato, as earlier indicated.

4. Functions, duties, responsibilities, and authorities of Maritime Regional Offices. Three Administrative Orders have so far been issued by the previous and present MARINA Administrators defining and

delegating certain functions, duties, and responsibilities, and authorities to the Maritime Regional Offices. These Orders are (a) MARINA Administrative Order No. 2, Series of 1983; (b) MARINA Administrative Order No. 6, dated 07 June 1989; and (c) MARINA Administrative Order No. 01-10, issued on 10 January 1990.

(a) MARINA Administrative Order No. 2, Series of 1983. This Order stipulates the functions, duties, and responsibilities vested in the District Offices (now Maritime Regional Offices) and all others to be established and/or activated in the future in domestic shipping; overseas shipping; shipping operations; shipbuilding/ship repair; manpower training/development; management information systems; and administrative and finance.

Since all the specific functions, etc., are too numerous to be enumerated here, a copy of the Order is attached here as Appendix H on pp. 173-177.

(b) MARINA Administrative Order No. 6, dated 07 June 1989. This Order embodies the following authority and functions delegated to the Directors of Maritime Regional Offices only in shipping services/operations within their respective area of jurisdiction, as defined in MARINA Administrative Order No. 01, Series of 1989:

(1) Issuance of Provisional Authority (PA) to uncontested original applications for Certificate of Public Convenience (CPC);

(2) Issuance of Special Permits (SP) under Sec. 12(d) of Presidential Decree No. 474, for a period not

exceeding 15 days;

(3) Issuance of SP when necessary, but not exceeding 30 days, for temporary vessel replacement/substitution due to emergency/annual drydocking or other special conditions, such as, but not limited to fiestas, peak seasons or holidays;

(4) Hear all applications, petitions and complaints in the exercise of MARINA's quasi-judicial functions for submission to the Franchising Staff and/or MARINA Board for final disposition/decision; and

(5) Issuance of authority to import marine engines, spare parts, and other vessel appurtenances.

A copy of this Order is also attached as Appendix I on p. 178 for further reference.

(c) MARINA Administrative Order No. 01.90, dated 10 January 1990. Pursuant to this Order, the following duties and responsibilities were delegated to the Directors/Officers-In-Charge of Maritime Regional Offices:

(1) Implement laws, policies, rules and regulations within the responsibility of the MARINA in the region;

(2) Implement MARINA programs in the region;

(3) Exercise the management functions of planning, organizing, directing, and controlling;

(4) Approve sick, vacation and maternity leaves

of absence with or without pay, for a period not beyond one year;

(5) Prepare and submit budget proposals for the region to the Central Office; administer the budget of the Regional Office; authorize disbursement of funds, pursuant to financial and work program approved by higher authorities; and administer the budget control machinery in the region;

(6) Approve requisition for supplies and materials, as well as books and periodicals, and other items for the region, in accordance with the supply procurement program approved by the Administrator;

(7) Negotiate and enter into contracts for lease of office space, services or furnishing supplies, materials and other items involving an amount not exceeding Fifty Thousand Pesos (P50,000.00) within a given quarter;

(8) Approve claims for benefits under existing laws;

(9) Promote coordination among the Regional Offices, and between his Regional Office and local government units in the region;

(10) Provide housekeeping services for the Regional Office;

(11) Approve application of regional personnel for permission to teach, exercise a profession, or engage in business outside of office hours in accordance with

standards and guidelines of the Office of the President and/or the Civil Service Commission;

(12) Issue travel vouchers authorizing regional employees to travel on official business within the region for a period not exceeding thirty (30) days;

(13) Approve attendance of regional personnel in conferences, seminars and non-degree training programs within the region; and

(14) Perform such other duties and functions as may be provided by law or further delegated by the Administrator.

A copy of this Order can be seen in Appendix J on pp. 179-180.

#### REGIONAL MARITIME ADMINISTRATION IN THE PHILIPPINES

The foregoing information laid the groundwork for a better understanding and appreciation of the regional maritime administration in the country which will be discussed in more details under this sub-topic.

Regional maritime administration is used here in the context of maritime administration at the national level, i.e., the development, promotion, and regulation of the shipping, shipbuilding and ship repair, and maritime manpower sectors of the industry in the region.

Basic policies and guidelines to develop, promote, and regulate the aforementioned industry sectors are formulated at the MARINA Central Office, and these are disseminated to the Maritime Regional Offices for their information, guidance, and implementation. In the past, it is only the relevant line offices at the Central Office which formulate such policies and guidelines. Recently, however, Maritime Regional Offices are being given increasingly active roles in policies and guidelines formulation.

#### a. Domestic Shipping

The Domestic Shipping Office of MARINA formulates, recommends, and implements, in coordination with the Maritime Regional Offices, where applicable, policies and guidelines for the economic supervision and regulation of the domestic shipping sector to continuously improve and stimulate the development of the industry. As mentioned earlier, it is these policies and guidelines that the Maritime Regional Offices, through the functions, duties, responsibilities, and authority that have been delegated to them, utilize in the development, promotion, and regulation of the shipping industry in their respective regions.

In each regional office, there is a Domestic Shipping Section, usually with two staff members, whose major responsibility is to develop, promote, and regulate the shipping industry in the region. Since this Section is undoubtedly understaffed, other sections of the office are usually instructed by the Regional Director to assist the

said unit, especially when the volume of work increases or there are urgent reports and other matters that have to be given preferential attention.

Some of the developmental and promotional functions and activities of the said Section are the following:

1. Tertiary route development studies. In order to create new and additional investment opportunities for the shipping industry in every region, and at the same time provide urgently needed efficient and safe public water transportation system, or improve the services of existing ones, to uplift the socio-economic conditions of the people in the countryside, the Section, with the assistance of other staff members of the regional office, conducts tertiary route development studies. Tertiary routes are minor routes, usually between islands and islets, that are being serviced by small wooden-hull boat or wooden banca operators without the certificates or permits required by the government.

The Section conducts actual ocular and data-gathering surveys to determine the volume of passenger and cargo traffic; the type, frequency, and quality of existing service or services; existing freight rates, etc., in the route. Aside from those surveys, they get additional data and information from other government agencies, like the Philippine Coast Guard, the Philippine Ports Authority, local government units, and relevant private organizations.

The results of such studies will be one of the bases of the Maritime Regional Office in determining the market and economic viability of such routes and in evaluating



the applications for franchises therein.

2. Legalization of colorum operators. "Colorum" or illegal operators refer to the existing operators of water transportation services in tertiary routes, or any other routes for that matter, who do not have the franchise to operate. Such operators are encouraged by the regional offices to apply for franchise to legalize their operations. They are usually given orientation on the benefits that they, themselves, the people in the routes they are servicing, and the government, may derive from legalizing their operations; the procedures on how to apply; the necessary documents that they have to submit; the required fees, etc., when they finally decide to apply.

After an applicant has complied with all the requirements, the said Section evaluates the economic and market feasibility of the route, based on the feasibility study made by the applicant and also on the study earlier conducted by the Office. The Shipping Operations Section, on the other hand, conducts the technical evaluation of the applicant's vessel/s. After these thorough assessments, the Regional Director submits all the documents, together with his comments and recommendations, among others, to the Franchising Staff of MARINA for further evaluation.

If a hearing is required, as in the case of more than one applicant in the same route, such hearing may be done at the MARINA Central Office in Manila, or a Hearing Officer from the Franchising Staff, if a regional office does not have one yet, is sent to the region concerned, to conduct the hearing.

In uncontested cases, as when there is no other applicant except the present operator, the Regional Director is authorized to grant him the required Provisional Authority (PA) to operate, or continue operating, pending the issuance of his Certificate of Public Convenience (CPC).

3. Other developmental and promotional projects and activities. Some of the major projects developed by the Domestic Shipping Office to continuously enhance the growth of the domestic shipping sector, and in which the Maritime Regional Offices participated, are (a) Research Project on the Philippine Coastwise Trade, developed in 1977; (b) Inter-island Freight Study (1980); (c) Standard Ship Design on Philippine Coastal Fleet Renewal Project (1980); (d) Ministry of Public Highways' Ferry Project (1981); (e) Legalization of Colorum Domestic Vessels (1986); (f) Inter-island Shipping Service Standard Project (1986); (g) Nationwide RoRo System Development Study (1987); (h) National Riverine Transport Development Study (1988); (i) Inter-island Rate Rationalization Study (1989); (j) Maritime Safety Improvement Project (1990); (k) Project to Improve the Efficiency of the Philippine Coastal Fleet Operations; and (l) Project to Improve Maritime Safety (Pilot Project on Deregulation).

Meanwhile, the policy issuances that are being used to supervise and regulate the domestic shipping industry in the regions are the following:

(a) Memorandum-Circular (MC) Nos. 1 and 2 - Generation of Data on Domestic Shipping;

(b) MC No. 9 - Registration of Domestic Shipping

Companies;

(c) MC Nos. 10, 17, 21, 21-A, 24-A, 25-A to D, 34, and 34-A - Age and Size Limitations/Guidelines for Importation and Chartering;

(d) MC Nos. 11, 16, 26, 26-A, 40, and 40-A - Rationalization of the Inter-island Shipping Operations;

(e) MC Nos. 39, 44, and 53 - Guidelines in the Exercise of the Inter-island Shipping Operations;

(f) MC Nos. 46 and 57 - Rate Adjustments;

(g) MC No. 51 - Incentives for Domestic Shipping Companies; and

(h) MC 50 - Punitive Measures for Violators.

**b. Overseas Shipping**

Formulation, recommendation, and implementation of policies, guidelines, and criteria for the economic regulation of overseas shipping operations to enhance the country's competitive position in the carriage of foreign trade and cross trades is the primary function of the Overseas Shipping Office of MARINA. Development, promotion, and regulation of this sector of the industry is largely being performed by that Office due to the fact that most of the shipping companies engaged in foreign trade are based in Metro Manila. So far, only the regional offices in Cebu and Zamboanga have one staff each

for overseas shipping. The Port of Cebu, being the second busiest to the Port of Manila, has a growing number of foreign-going vessels calling at it. The overseas shipping activity in the Port of Zamboanga, on the other hand, is primarily focused on the barter trade of Filipino Muslim traders with Malaysia and Singapore.

The Maritime Regional Offices, therefore, have minimal participation, if at all, in the development, promotion, and regulation of this sub-sector of the industry. Nevertheless, the MARINA Administrator identified some functions, duties, and responsibilities for district/regional offices to perform in overseas shipping development, promotion, and regulation, as embodied in MARINA Administrative Order No. 2, Series of 1983, a copy of which can be found in Appendix H on pp. 174-178.

Some of the major development projects that were undertaken by the Overseas Shipping Office were (a) Cargo Sharing Project Under Executive Order No. 769 (1983); (b) ASEAN Liner Service Project (1985); and (c) Comprehensive Study on Philippine Overseas Shipping Industry.

The major policy issuances of MARINA relative to supervision and regulation of the overseas shipping sector are as follows:

(a) MC Nos. 17, 20, 22, 27, 27-A to C, 28, 30, 38, 42, and 42-A - Guidelines for Importation and Chartering;

(b) MC Nos. 9, 33, and 33-A - Registration and Accreditation of Overseas Shipping Companies; and

(c) MC No. 51 - Incentives for Overseas Shipping Enterprises/Companies.

### c. Shipbuilding and Ship Repair

The Registration and Licensing Office of MARINA formulates, recommends, and implements, with the assistance of the Maritime Regional Offices, policies and programs for the development, promotion, and regulation of the shipbuilding, ship repair, and shipbreaking industry sectors in the country.

In every regional office, there is a Registration and Licensing Section which is responsible for the implementation and monitoring of the policies and programs formulated and recommended by the said office of MARINA. In the performance of such functions, duties, and responsibilities, the staff of the Section are guided by the duties and responsibilities vested in them by MARINA Administrative Order No. 2, Series of 1983, which is hereto attached as Appendix H on pp. 174-178.

Some of the development and promotional functions and activities being undertaken by Maritime Regional Offices for the industry are enumerated hereunder:

1. Legalization of colorum shipyard operators. The staff of the Section concerned conducts an inventory of all shipyards, including those engaged in sub-contracting jobs for shipbuilding and ship repair, in the region to identify those that are operating without the necessary registration and license. The staff then conducts

meetings and dialogues with these operators to encourage them to comply as soon as possible with MARINA requirements.

After an applicant has complied with all the necessary requirements, the staff conducts a technical survey and evaluation of the facilities of the shipyard and other pre-registration requirements and then prepares the required reports therefor for submission to the Director. After reviewing the staff report, the Director prepares his comments and recommendations and transmits same, together with all the documents submitted by the applicant, to MARINA Central Office for appropriate action.

2. Conducting seminars and other types of training programs, both for management and skilled manpower of shipyards. In the past three years, the Maritime Regional Offices have been conducting seminars and other training programs to develop and/or enhance the management skills of middle-level managers and the operative skills of workers in shipyards. These were done in coordination with the Registration and Licensing Office and the Shipyard Manpower Division of the Manpower Development of MARINA. The seminar speakers and/or instructors come from classification societies, like the American Bureau of Shipping, Lloyds Register of Shipping, etc., the National Manpower and Youth Council of the Department of Labor and Employment, the National Science and Technology Authority, the Development Bank of the Philippines, the Philippine Shipbuilders' and Repairers' Association, Inc., and other government and private entities.

3. Other developmental and promotional programs.

Among the other programs undertaken by both the Registration and Licensing Office and the Maritime Regional Offices were (a) Financial Study of the Shipbuilding Industry (1980); (b) Shipbreaking Study (1983); (c) Project Study on Local Manufacturing of Ship Components (1983); (d) Manpower Development for the Shipbuilding and Ship Repair Industry in the Philippines; and (e) Ferrocement Application for the Local Shipbuilding Industry.

Meanwhile, the policy issuances of MARINA that are being used for the regulation of the industry are the following:

1. MC Nos. 7, 7-A, and 14 - Registration and Licensing of Shipyards;
2. MC No. 12 - Regulation of Shipyards;
3. MC No. 35 - Drydocking;
4. MC No. 55 - Legalization of Colorum Shipyards;
5. MC No. 50 - Punitive Measures for Violators; and
6. MC No. 51 - Incentives for the Shipbuilding/Ship Repair Industry.

#### **d. Maritime Manpower**

The Manpower Development Office of MARINA establishes, develops, and implements an effective

manpower development system to support the current and future needs of the shipping and shipbuilding industries, with the assistance of the Maritime Regional Offices.

Among the development and promotional functions and activities of Maritime Regional Offices to develop and promote the shipping and shipbuilding industry sectors are as follows:

1. Endorsement of applicants for shipboard apprenticeship of deck and engine cadets to shipping companies. Graduates of maritime courses from maritime institutions in every region who need apprenticeship onboard domestic or coastal ships to enable them to comply with graduation and/or licensure examination requirements submit their applications to the Maritime Regional Offices for further assessment. These applicants may be required to undergo interviews and/or written tests and physical/medical examinations to determine their fitness for sea training. Qualified applicants are then recommended by the Regional Director to the shipping companies in their area of jurisdiction.

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In 1990, MARINA has entered into an agreement with the Maritime International Cooperation Centre (MICC) of Japan to accommodate Filipino apprentices on board Japanese vessels. The applicants for this apprenticeship program are likewise required to undergo and pass more rigid screening procedures before they are recommended for training.

2. Other types of development programs for both shipping and shipyard manpower. Some of the other major types of programs that the Manpower Development Office and



Maritime Regional Offices have conducted include (a) shipyard Manpower Development Program (1981); (b) Project to Improve Maritime Training for Philippine Coastal Fleet; (c) Training and Technical Assistance for the Inter-island Shipping Sub-sector; (d) Manpower Development System for the Shipbuilding and Ship Repair Industry of the Philippines (1991).

In addition to the above programs, regional offices have been initiating and conducting yearly training programs, in coordination with the Manpower Development Office, for seafarers and shipyard workers in their respective regions.

With regard to the regulatory functions, the following policy issuances of MARINA are being implemented by the regional offices:

1. MC No. 3 - Shipboard Apprenticeship of Deck and Engine Cadets;
2. MC Nos. 41 and 41-A - Issuance of Endorsements of Certificates for Marine Officers and Ratings (pursuant to STCW Convention 1978);
3. MC Nos. 47 and 54 - Enforcement of the International Convention on STCW 1978; and
4. MC No. 50 - Punitive Measures for Violators.

Another equally important regulatory function of regional offices is the periodic inspection of maritime schools and training centers in their respective jurisdictions to ensure these institutions' compliance with the

minimum education and training standards set by the ~~Maritime Training Council~~, of which MARINA is one of the members. *mtc here: No. 2, p. 174-178*

To implement and monitor the development programs and policy issuances, the staff of the Manpower Development Section of each Maritime Regional Office are guided by the functions, duties, and responsibilities vested in them by MARINA Administrative Order No. 2, Series of 1983. A copy of the Order can be found in Appendix H on pp. 174-178.

An example may be needed to recapitulate and illustrate more clearly how regional maritime administration in the country works. In the domestic shipping sector, for instance, one developmental and promotional project developed by the Office of Domestic Shipping of MARINA which was approved for implementation is "Tertiary Route Development Studies." (Refer to Table 4, "MARINA Integrated Annual Plan for Calendar Year 1991," under the column "Regional Operations" on p. 125.)

A tertiary route, as earlier pointed out, is a minor route, usually between islands and islets, that is being serviced by small wooden-hull vessels that are owned and/or operated by operators without the required certificates or permits from the government. The Domestic Shipping Section and the Technical Services Section of the Maritime Regional Office who has jurisdiction over such route will conduct ocular surveys and gather data on passenger and cargo volumes (both outward and inward bound) per month; the types, number, and quality of vessels servicing the area; the owners and/or operators of such vessels; the existing freight rates, etc. From the data gathered, the regional office will prepare a feasibility study to

determine the economic and technical viability of developing or improving that route. If the result of the study will indicate that the route is worth developing or improving, based on MARINA guidelines, then the office will take the necessary measures, like incorporating the project in its "Regional Maritime Industry Development Plan" for a given period. Since, it is probable there are no adequate port infrastructures and facilities in the route concerned, the Director of the Maritime Regional Office will refer that problem to the District Port Manager of the Philippine Ports Authority in the region. The same process is done with all the other problems related to the development and/or improvement of that route, so that the relevant government agencies can also plan for whatever financial and technical assistance are, or will be, required of them. On the other hand, the private or non-government sector will also be consulted from time to time to elicit from them whatever advice or assistance they can offer, from the planning to the implementing and monitoring stages of the project.

During the first year of the project, the Maritime Regional Office will advise the "colorum" or illegal operator/s to register their vessels/s with MARINA and apply for franchise to operate in that route. If the present operator/s can not comply with the requirements, may be because they are not financially capable, the Office may advise him/them to go to the Development Bank of the Philippines or other financial institutions and apply for soft loans for the acquisition of new vessels or in improving existing ones. If the present operator/s are not interested, the regional office may allow other interested investors or operators to apply for the franchise to operate in that route.

In the course of the development and promotion of the project, there may be other problems that will likely arise. One probable problem is the need for bigger vessels, either new or second-hand, that may require the services of shipyards in the region. Another one is that the crew of the present, or even future, vessels operating in that route may not yet have the proper training and certificates on maritime safety. In both problems, the shipbuilding and ship repair and maritime manpower sectors of MARINA and the Maritime Regional Office concerned will also be involved in the development of that route.

Although this is seemingly a simple project, when implemented, supervised, and regulated as planned, will bring about healthy investment climate in domestic shipping, modernized and expanded number of domestic fleet, improved safety of life and property at sea, and highly trained and competent shipping manpower.

#### **DEVELOPMENT ADMINISTRATION POLICY THRUSTS AND PRIORITIES RELEVANT TO REGIONAL MARITIME ADMINISTRATION**

The development administration policy thrusts and priorities of the national government that are relevant to regional maritime administration in the Philippines are the following:

- A. Streamlining the administrative machinery by**
- (1) accelerating administrative decentralization, and**
  - (2) strengthening the coordination of development efforts at all levels.**

The first policy thrust involves such measures as (a) defining the sequence and milestones of administrative decentralization by identifying the specific functions, responsibilities, and authorities to be progressively delegated by the head agency to its regional or field offices; (b) synchronizing those delegated powers and authorities to harmonize with local autonomy initiatives; (c) improving the support system capabilities of regional offices; and (d) setting up a process for monitoring and evaluating the extent and impact of administrative decentralization efforts.

The second policy thrust requires strengthening linkages with other relevant government agencies, local government units, and non-government organization/private sector. This necessary to improve coherence in policy formulation, decision-making, and coordination in program planning, implementation, evaluation, and monitoring at the national, regional, and local levels.

**B. Wielding the bureaucracy by energizing it to enable it to meet public expectation of more effective and responsive frontline services.**

Aside from revitalizing the bureaucracy, the other measures that must be taken are (a) improving processes and procedures in program/project preparation, implementation, monitoring, and evaluation; (b) professionalization of the civil service; (c) strengthening the management of the Official Development Assistance (ODA); and (d) improving government capacity to respond to national calamities and disasters, among others.

**C. Instituting reforms towards ethics-oriented bureaucracy.**

Two of the most important measures to be taken are (a) instilling ethics- and service-oriented culture in the government, and (b) enhancing public accountability.

**D. Making effective use of development communications.**

The implementation of this policy thrust calls for a number of processes, like (a) improving press relations; (b) increasing the effective use of information networks among government agencies and the private sector; and (c) institutionalizing a two-way flow of communication through feedback/feedforward mechanisms to feel the pulse of the people and strengthening the communications resources at the regional, provincial, and "barangay" or village levels.

**MEASURES TAKEN BY MARINA AND ITS MARITIME  
REGIONAL OFFICES TO IMPLEMENT THE  
DEVELOPMENT ADMINISTRATION POLICY  
THRUSTS AND PRIORITIES**

The following measures have been taken by MARINA, and where applicable, its Maritime Regional Offices, to carry out the development administration policy thrusts and priorities enumerated in the preceding section:

1. Accelerating administrative decentralization.

MARINA started regionalizing its operations as early as 1975 by establishing a number of ad hoc district offices throughout the country, primarily to encourage owners of colorum vessels and shipyards to register them with the agency to legalize their operations. After this legalization campaign, the district offices were abolished and recalled to the central office in Manila, with the exception of the Cebu District Office. This field office, as earlier mentioned, is situated in Cebu City in the Central Visayas region, the second busiest port in the country, next to the Port of Manila.

In 1983, another district office was created in Zamboanga City in Southern Philippines.

The geographical coverage of the Cebu District Office was the entire Visayan Islands; the Zamboanga District Office, the whole of the Island of Mindanao; and the MARINA Central Office, the Luzon Island.

The functions, duties, and responsibilities that have been delegated by the Administrator of MARINA, including the conditions that they have to strictly observe in discharging them are embodied in MARINA Administrative Order No. 2, Series of 1983, which is attached here as Appendix H on pp. 174-178.

When the Department of Transportation and Communications, to which Department MARINA is one of the attached agencies, was reorganized in 1987, pursuant to Executive Order Nos. 125 and 125-A, MARINA established four more field units the following year. These field offices are called "Maritime Regional Offices," with the

name of the city where they have their respective headquarters prefixed to each of them. The existing District Offices in Cebu and Zamboanga were subsequently renamed "Cebu Maritime Regional Office," with its office in Cebu City, the regional center for Region VII or the Central Visayas, and "Zamboanga Maritime Regional Office," in Zamboanga City, the regional center for Region IX or Western Mindanao, respectively.

The four new regional offices are the **Batangas Maritime Regional Office**, with headquarters in Batangas City, the regional center for Region IV which covers the Southern Tagalog provinces; the **Iloilo Maritime Regional Office**, based in Iloilo City, the regional center for Region VI or Western Visayas; the **Cagayan de Oro Maritime Regional Office** in Cagayan de Oro City for Region IX or Northern Mindanao; and **Davao Maritime Regional Office** in Davao City for Region XI or Southern Mindanao.

The other regions where there are no Maritime Regional Offices are being serviced by the Offices that are geographically adjacent to them. For instance, Region V (the Bicol Provinces) is under the jurisdiction of the Batangas Maritime Regional Office; Region VIII (the Eastern Visayas), by the Cebu Maritime Regional Office; Region XII (the Central Mindanao Provinces and the Autonomous Region in Muslim Mindanao), by the Davao and Zamboanga Maritime Regional Offices.

On the other hand, the National Capital Region, or the Metro Manila Area, and the rest of the regions in the Island of Luzon, are being covered by the MARINA Central Office in Manila.



The exact locations of the aforesaid regions can be seen in the Map of the Philippines in Figure 1 on page 3.

The functions and authority that were delegated to the six Maritime Regional Offices which were stipulated in MARINA Administrative Order No. 6, dated 07 June 1989, may be read in Appendix I on p. 178.

Aside from the aforementioned functions and authority, the regional offices have been empowered to implement the policies and programs of the MARINA in their respective areas of jurisdiction.

On administrative and financial matters, the duties and responsibilities of each regional office has been spelled out in MARINA Administrative Order No. 01-90, dated 10 January 1990, a copy of which is attached here as Appendix J on pp. 179-180.

2. Strengthening the coordination of development efforts at all levels. It will be noted that one of the duties and responsibilities of a Regional Director, as provided for in MARINA Administrative Order No. 01-90, is to "promote coordination among the Regional Offices, and between his Regional Office and local government units in the region."

The value of effective coordination in the maritime industry, especially with at least eight different government agencies performing maritime functions that sometimes overlap with each other and with scarce resources, can not be overemphasized. Cognizant of this fact, Presidential Decree No. 474, which created MARINA, provides:

Sec. 18. Coordination With Other Agencies.

The Authority shall coordinate with the Department of Labor, the Department of Education and Culture, and the National Manpower and Youth Council in the exercise of its pertinent functions that have relation to the functions of the above agencies, particularly as these pertain to the development of trained and qualified seamen for Philippine vessels.

In order to strengthen its coordinative functions, the Authority shall hire and train appropriate technical personnel which may be assigned to other government agencies involved in the implementation of laws, rules and regulations relative to maritime affairs.

To carry out that provision of the Decree in the regions, MARINA Administrative Order No. 2, Series of 1983, stipulates that in manpower training/development, Maritime Regional Offices (formerly District Offices) shall coordinate with the members of the Inter-agency Technical Committee in the periodic inspection and evaluation of the standards, facilities, and performance of maritime educational training programs and institutions in the regions. They shall also coordinate and monitor implementation of plans, projects, and programs to upgrade qualifications and capabilities of seafarers and standardization/upgrading of shipyard's manpower trades and skills.

In the survey conducted by the researcher/writer, the Directors of the different Maritime Regional Offices

reported that the extent to which they have established and strengthened their coordinative efforts in implementing their major programs and projects have been very satisfactory.

Table 1 on p. 99 shows some of the major programs and projects of each Maritime Regional Office that have been coordinated with both government and non-government agencies and organizations.

Table 1: Coordination Of Major Regional Maritime Programs & Projects (As of 1989-1990)

Name of Regional Office	Programs/Projects	Coordinating Government / Private	Assistance Given
1. Batangas MRO	Franchising; manpower development; registration & licensing of ship-repairing & shipbuilding/ship repair companies/enterprises	PCG, PPA, BOC, BAI, BOQ, CI, PWAC, BPI, POC, RMC, POC, PPA	Statistical data/information; enforcement of MARINA rules/regulation & technical expertise
2. Cebu MRO	Legalization of colorum vessel operation; implementation of ship board apprenticeship of deck & engine cadets; & seminars	PCG, PPA	Technical expertise & financial assistance
3. Cagayan de Oro MRO	Port traffic statistical survey; legalization of colorum vessels; vessel inspection & monitoring; seminars & conferences; investigation of maritime accidents	PPA, PCG, BOC, BPI, NTC	Statistical data/information; law enforcement technical expertise; & financial assistance
4. Iloilo MRO	Inter-agency Committee on Maritime Safety; technical seminars; Operation "Kaligtasan Sa Kororaton" (Maritime Safety)	PPA, PCG, BOC, DOT, BOQ	Technical expertise & funding assistance
5. Davao MRO	Seminar on "STCW" 1978; selection of shipboard apprentice for NICC	PCG, PPA	Technical expertise & funding assistance
6. Zamboanga MRO	Legalization of colorum vessels; implementation of shipboard apprenticeship of deck & engine cadets; inspection of maritime schools & training centers; & seminars/conferences	PPA, BOC, PCG, NTC, BOQ	Technical expertise; funding assistance; enforcement of MARINA Rules & Regulations

It will be noted that during the period 1989-1990, four major programs and projects were coordinated with nine government agencies, five government and semi-government organizations, and 26 non-government entities. The programs and projects were (a) franchising activities, which include legalization of colorum water transportation operators and vessels; (b) registration and licensing of shipbuilding and ship repair companies and ancillary industries; (c) <sup>PLG</sup> ~~maritime~~ safety, which involves vessel inspections and monitoring, preliminary investigations of marine accidents and a couple of projects of local application; and (d) maritime manpower development, which includes shipboard apprenticeship of deck and engine cadets, conduct of seminars and conferences, and inspection of maritime schools and training centers. MTC-CUB

The complete names of the different cooperating government, semi-government, and non-government agencies and organizations are listed in Appendix K on pp. 181-182.

The types of assistance given by the aforesaid agencies and organizations range from sharing or providing shipping, shipbuilding and ship repair data and other kinds of maritime statistical information to enforcement of MARINA policies, programs, and regulations. In some instances, it also includes the provision of technical and financial assistance in the planning, implementation, and monitoring of the major programs and projects enumerated in the Table.

In the past, non-government organizations or the private sector have not been actively harnessed by government agencies in their development programs and projects. It has been realized lately that these

organizations can be very effective partners in development and their participation can be readily harnessed by establishing harmonious working relations with them. These working relations can be sustained by increasingly strengthening coordination with them from as early as project conceptualization, to the later stages of planning, implementation, evaluation, and monitoring of such projects.

Efforts of Maritime Regional Offices in that direction can be readily seen in the Table where more non-government organizations than government agencies have actively participated in some of their major programs and projects in 1989 and 1990.

With the view of seeking the meaningful and productive participation of non-government organizations/private sector in the development efforts of Maritime Regional Offices, MARINA has identified as one of its program thrusts for 1991 the continuing inter-agency/private sector consultations and dialogues.

(Refer to Table 4, "MARINA Integrated Annual Plan for Calendar Year 1991" on pp. 124-127.)

3. Improving the support system capabilities of the Maritime Regional Offices. The support system referred to calls for the deployment of sufficient number of employees to the regions with the desired qualifications.

As of December, 1989, MARINA has deployed to the six Maritime Regional Offices 86 permanent and five casual or temporary employees. These 91 employees have met all the minimum pre-employment qualifications set by the agency in

its Qualifications Standards, which is approved by the Civil Service Commission of the Philippines.

All these employees have undergone the necessary orientation and on-the-job training conducted by MARINA Central Office before they were fielded to their respective regional offices. In order to continually increase their competencies in their respective jobs, these regional personnel will undergo in-service training, non-degree, and degree scholarship programs whenever opportunities arise, provided that they can comply, inter alia, with the qualification requirements of such programs and other requisites set by MARINA in its Human Resources Development Program.

In support of this policy thrust of both MARINA and the national government, Regional Directors have been authorized to approve attendance of regional personnel in conferences, seminars, and non-degree training programs within the region, as provided for in MARINA Administrative Order No. 01-90, dated 10 January 1990. (See Appendix J for a copy of the Order.)

The writer noted with interest that of the six Regional Directors, four were previous recipients of various fellowships abroad, the latest of which earned his Masters degree in Maritime Law from the International Maritime Law Institute in Malta in 1990; one graduated with a Master in Public Administration degree from the University of the Philippines, and one is currently working on his M.Sc. degree in General Maritime Administration (Class 1992) at the World Maritime University.

Of the present regional staff, there are at least three who have already undergone various non-degree training fellowships in Japan, Norway, and Belgium. One is also presently enrolled at the World Maritime University in Port and Shipping Administration (Class 1992).

4. Setting up a process for monitoring and evaluating the implementation of administrative decentralization. This policy thrust calls for the establishment of appropriate standards and criteria for measuring the extent and impact of administration decentralization efforts.

Although MARINA has not yet formally established the standards and criteria to measure the extent and impact of its administrative decentralization efforts, its present efforts are leading toward that direction. For instance, it has been the practice of the agency since its creation to establish key performance or result indicators in each of the on-going programs and projects of all the offices under it during any given Plan period. Essentially, these indicators are expressed in terms of percentage over the previous year's actual performance for any given project. These result indicators enable the agency to evaluate quantitatively the performance of the office concerned in its programs and projects.

Other strategies that are being used by the agency are the periodic management audit improvement program and the internal financial audit of Maritime Regional Offices and the continuing inter-agency and private sector consultations and dialogues in the regions. These evaluation techniques often yield valuable information,



although perhaps indirectly, but nonetheless, indicative of the extent and impact of the agency's scope and effect of its administrative decentralization program.

MARINA is looking forward to utilizing, where applicable, statistical methods, like cost-benefit analysis and other econometric tools in measuring the extent and impact of its administrative decentralization efforts.

5. Strengthening of the management of Official Development Assistance (ODA). This policy thrust particularly refers to the provision of continuing support to technical assistance projects which are oriented toward institution-building, consultancy, and research.

One concrete example of this is the project proposal of this writer which was submitted by MARINA to the National Economic and Development Authority, the socio-economic planning and development agency of the country which is in charge of ODA programs. The project, entitled "Manpower Development System for the Shipbuilding and Ship Repair Industry of the Philippines," was endorsed by that agency to the Singapore Trade Development Board, through the Embassy of Singapore in Manila. It was approved for implementation in 1991 and 1992, with a total budget of Singaporean \$390,931.00 (US\$229,007.37) as part of the technical assistance program of the Government of Singapore to the Government of the Republic of the Philippines. The project has training and development and consultancy components, among others, and will be participated in by the Manpower Development Staff from all Maritime Regional Offices. The Philippine Government, through the Department of Budget and Management and

MARINA, will provide the local counterpart funds for office space and equipment to be used by six Singaporean consultants and for the necessary supplies and materials, domestic traveling expenses, and honoraria for the Project Staff during the two-year period.

6. Effective use of development communications. This policy thrust requires the effective dissemination of information, through the print and broadcast media, on government development programs and accomplishments, primarily to inform the masses what the government is doing for them and to generate views in support of such programs.

In that respect, Maritime Regional Offices have already established and sustained a very good rapport with media people, hence, they have ready access to local and national dailies, radio, and television for the dissemination of information on their major programs and projects and accomplishments.

Moreover, the continuing consultations and dialogues with other government agencies and the private sector of the Maritime Regional Offices, as earlier pointed out, also serve as a tool for development communications.

#### MAJOR ACTIVITIES AND ACCOMPLISHMENTS OF MARITIME REGIONAL OFFICES

The four Maritime Regional Offices were established in the last quarter of 1988, while those in Cebu and Zamboanga, in 1975 and 1983, respectively. For the four

regional offices, the remaining three months of 1988 were primarily spent for organizing their offices and staffs, and the whole of 1989, for orientation, for on-the-job training, for establishing rapport with other government agencies, local government units, and the industry, and for gathering of baseline data on the different sectors of the maritime industry. The new regional offices, therefore, actually started their major activities in 1990. Their main accomplishments in the performance of the functions, duties, responsibilities, and authority that have been delegated to them, as enumerated in the next table, were for that year only.

In 1990, MARINA Central Office released for regional operations a total amount of Philippine P6,665,623.50. The total amount spent by the six Maritime Regional Offices during that period was P6,524,378.30 or 98.03% of the total amount disbursed to them. The unexpended amount was savings generated from personal services or salaries for unfilled positions. Of that amount, P5,432,275.80 or 83.26% was spent for personal services, and P1,092,102.50 or 16.74%, for maintenance and other operating expenses.

With a total number of 91 employees, as of the end of December, 1989, and an expenditure of P6,524,378.30 for 1990, the six Maritime Regional Offices were able to accomplish the following, as shown in Table 2 on pp. 107-108.

Table 2

Major Activities and Accomplishments  
of Maritime Regional Offices  
(Actual and Estimate, 1990-1991)

Activities/Programs	1990 Actual	1991 Estimate
<b>I. Domestic Shipping Sector</b>		
<b>A. <u>Quasi-judicial Activities:</u></b>		
1. Certificates of Public Convenience (CPC)/Provisional Authority (PA) issued. . . . .	338	1,637
2. Special Permits (SP) issued. . . . .	775	882
3. Hearings conducted. . . . .	99	1,084
4. Adjudication of complaints/cases . . . . .	37	70
<b>B. <u>Vessel Inspections for:</u></b>		
1. Technical evaluation. . . . .	142	490
2. CPC/Service Standards . . . . .	263	806
3. Operational Readiness/SOLAS . . . . .	61	144
<b>II. Shipbuilding and Ship Repair Sector</b>		
<b>A. Renewal of shipbuilding and ship repair companies'</b>		

Table 2 (continued)

Activities/Programs	1990 Actual	1991 Estimate
licenses. . . . .	25	52
B. Shipbuilding and ship repair companies' pre- qualification inspections. .	20	53
<b>III. Maritime Manpower Sector</b>		
<b>A. <u>STCW Endorsements:</u></b>		
1. Authentication of Cer- tificates of Domestic Seafarers . . . . .	2,086	2,725
<b>B. <u>Apprenticeship Placements:</u></b>		
1. Number of maritime graduates endorsed for shipboard train- ing . . . . .	416	199
2. Number of apprentice- mates accommodated by shipping companies. . . .	196	103
<b>3. Maritime Facilities Inspections:</b>		
a. Maritime schools . . .	13	29
b. Maritime training centers. . . . .	3	8

Source: MARINA

The major activities and accomplishments of the Maritime Regional Offices in 1990, as indicated in Table 2, are categorized under domestic shipping, shipbuilding and ship repair, and maritime manpower sectors.

Under the **domestic shipping sector** are the quasi-judicial and vessel inspection activities. The first activity relates to the quasi-judicial functions of MARINA, like issuing Certificates of Public Convenience (CPC), Provisional Authority (PA), and Special Permits (SP); conducting hearings; and adjudication of complaints and cases, pursuant to the country's Public Service Act, in which the agency is responsible for the water transportation sector.

During the year under review, 99 hearings were conducted, leading to the issuance of 338 CPC and PA and 775 SP by the Maritime Industry Board of MARINA, through its Franchising Staff and Maritime Regional Offices. Aside from those, there were 37 complaints and cases adjudicated.

In connection with the plan of the regional offices for 1991, they estimated that during that year, they will be able to issue 1,637 CPC and PA, or an increase of 384.32% over last year's figure of 338. They also expect to issue during the period 882 SP, representing an increase of about 13.81%. On hearings to be conducted, the 1990 figure of 99 will increase to 1,084, or 994.95% more in 1991. Some 70 complaints and cases will be adjudicated this year, or an increment of 89.19% over that of the previous year.

In vessel inspections, 142 technical evaluations were

made in 1990. An estimated 490 of such evaluations will be conducted in 1991, which number represents an increase of 245.07%. The 263 inspections to determine shipping companies' compliance with CPC and service standards in 1990 will be increased to 806 or 206.46%. For operational readiness/SOLAS, 61 vessels were inspected and tested last year. In 1991, 144 vessels are expected to undergo inspection and testing, an increase of 136.06%.

Under the shipbuilding and ship repair sector, the 25 licenses of shipbuilding and ship repair companies renewed in 1990 will increase by 108.0% or 52 this year. Meanwhile, in the pre-qualification inspections of companies engaged in shipbuilding and ship repair works, only 20 were conducted in 1990. In 1991, 53 are expected to be inspected, which increase is about 165.0%.

In the maritime manpower sector, there were 2,086 certificates of competencies of domestic seafarers authenticated by the Maritime Regional Offices in 1990. With the projected 2,725 authentications in 1991, the increase would be about 30.63%.

Meanwhile, the 1991 figures in apprenticeship placements of graduates of maritime courses/degrees indicate a sharp decrease over those in 1990. Where there were 416 graduates endorsed for shipboard training last year, there will be 199 only in 1991, or a decrease of 52.16%. In 1990, only 196 of those who applied for apprenticeship were accommodated by shipping companies. This year, only 103 are expected to be taken in for shipboard training, a decrease of about 47.45%.

The expected downtrend can be attributed to a number

of factors, like (1) the decreasing number of enrollees in the various maritime schools and colleges in the regions, (2) the increasing number of private maritime institutions whose government recognition are not expected to be renewed by the Department of Education, Culture, and Sports (DECS) because they can not comply with prescribed standards on maritime education and training, and (3) the increasing number of shipping companies which indicated that they will not accommodate apprentices for the time-being.

In the inspection of maritime schools' facilities, only 13 were conducted in 1990. For this year, it was estimated to increase to 29 or 123.08%. Only three maritime training centers were inspected in the previous year. This year, eight are expected to be inspected, which figure indicates 166.67% increase.

The number of inspections is expected to rise in the coming years as DECS, MARINA, FCG, and other member-agencies of Maritime Training Council intensify their drive to clamp down on sub-standard maritime schools and training centers in the regions. Although the drive will decrease the number of schools and training centers in the regions, it will, on the other hand, improve the quality of maritime education and training nationwide.

From the foregoing activities and accomplishments, the Maritime Regional Offices were able to generate revenues amounting to a total of Philippine Peso (P) 1,539,136.62. The breakdown of the total amount collected by each region and in comparison with those in 1989 is reflected in Table 3 on p. 112.



Table 3

Total Revenue Collections of Maritime Regional Offices  
(As of 30 October 1989 and 1990)

Office	Total revenue collected		Increase/(Decrease)	
	1990	1989	Amount	%
BMRO P	146,269.29	P 34,062.20	P 112,207.09	329.42
CMRO	923,302.60	694,653.79	228,648.81	32.92
COMRO	54,552.33	12,633.95	41,918.38	331.79
DMRO	46,154.71	40,188.38	5,966.33	14.85
IMRO	105,922.15	124,642.17	(18,720.02)	(15.02)
ZMRO	262,935.54	226,695.32	36,240.22	15.99
	P1,539,136.62	P1,132,875.81	P 406,260.81	35.86

Source: AFO, MARINA

The Maritime Regional Offices, as shown in the Table were able to generate revenues amounting to P1,132,875.81 in 1989 and P1,539,136.62 in 1990, increasing by P406,260.81 or 35.86%.

By region, Cagayan de Oro Maritime Regional Office (COMRO) posted the highest increase in collection in 1990 with P54,552.33 or 331.79% over that of 1989 when it collected only P12,633.95. Batangas Maritime Regional Office (BMRO) followed closely with P146,269.29 in 1990, but P34,062.20 only the previous year or an increase of 329.42%. Trailing the two with only two-digit percentage increase in their revenue collections were the Maritime Regional Offices in Cebu, Zamboanga, and Davao, in that order.

Cebu MRO, however, had the biggest revenue collection in both 1989 and 1990 (P694,653.79 and P923,302.60, respectively, or an increase of 32.92%), while Zamboanga MRO collected P226,695.32 in 1989 and P262,935.54 in 1990, also increasing by 15.99%. Meanwhile, Davao MRO was able to increase its collection of P40,188.38 in 1989 to 14.85% or P46,154.71.

Iloilo MRO, on the other hand, posted a negative revenue collection in 1990 with P105,922.15 only, whereas it was P124,642.17, a decrease of 15.02%, in 1989. The reason for this was that it mounted an intensive revenue collection in 1989 and generated the highest amount, as compared to the three other newly established offices. In 1990, its collection naturally dwindled because not all the certificates and licenses issued by MARINA are usually renewed every year.

**MAJOR DIFFICULTIES AND PROBLEMS  
OF MARITIME REGIONAL OFFICES  
AND RECOMMENDED SOLUTIONS**

Despite the foregoing accomplishments of the Maritime Regional Offices, they were beset with persistent internal and external difficulties and problems, as reported by the Directors in the survey conducted by the researcher/writer in January, 1991. In the order of their effects on regional maritime administration, the difficulties and problems were prioritized by the Directors in the following manner:

**A. Internal difficulties and problems.** These difficulties and problems refer to those factors that are inherent in the organization, such as:

**1. Lack of budget for maintenance and other operating expenses and for office equipment.**

Maintenance and other operating expenses is that portion of the government annual budget that is earmarked for the purchase of office supplies and materials; travelling expenses of personnel; power, light, water, and telephone bills; office space rentals, etc. In 1989, MARINA released to the regional offices P489,503.27 for their respective maintenance and other operating expenses. The amount was inadequate, so an additional amount of P500,972.62 was released. The additional amount was 102.34% more than the original amount granted. The following year, P923,921.09 was given to them, but this was subsequently increased by 54.87%, with a supplementary release of P506,926.94.

In both years, it can be deduced that the problem had profound negative effects on regional maritime administration, especially if the supplementary amounts requested by the regional offices are not released early enough.

**2. Limited decentralization of functions, duties, responsibilities, and authorities.**

As mentioned earlier in this chapter, the functions, duties, responsibilities, and authorities that have been delegated by MARINA to the regional offices, are embodied in MARINA Administrative Orders No. 2, S. of 1983, No. 6, dated 07 June 1989, and No. 01-90, issued on 10 January 1990. If analyzed critically in the context of the offices' mandate to develop, promote, and regulate the maritime industry in their respective areas of coverage, one can readily conclude how limited such functions and authorities are.

**3. Inadequate number of personnel.**

On the average, each Maritime Regional Office has about 22 personnel only. Each section under the Administrative and Technical Divisions of every office has only two staff members. With the growing volume of work, the rising expectations of the industry for better service, and the wide areas of jurisdiction, it is rather amazing how these offices can really function effectively and efficiently.

**4. Lack of in-house training for regional staff, especially technical personnel.**

The Directors of the four newly established regional offices reported that their respective personnel have not received adequate information and training during their orientation and on-the-job training at the MARINA Central Office. Most of them do not know what to do exactly when they are given some assignments in the office or in the field, and these often give rise to problems, like loss of manhours, supplies and materials, travelling expenses, etc.

**5. Areas of coverage which are too large for effective administration.**

Most of the regional offices cover as much as two regions, each one comprising the basic political subdivision of the country, as shown in the Map of the Philippines on page 3. The island-provinces are widely dispersed and rather difficult and, at times risky, to reach when services are required in those areas.

**B. External difficulties and problems.** The factors that are causing these difficulties and problems are outside of MARINA, and these are:

**1. Indifference of some shipping/ferry operators to MARINA policies.**

The indifference of these operators primarily springs from two factors, like (a) their failure to fully comprehend how such policies work for their benefit and that of the government, as well as the general public, and corollarily, (b) their feeling that they are being regulated by MARINA rather too much than desired.

2. Uncooperative Philippine Coast Guard. ?!

*overlap*

In some regions, the staff of the Maritime Regional Offices concerned do not get the desired quality of cooperation from the Philippine Coast Guard in the implementation of some MARINA policies and regulations. In cases where there is need to apprehend vessels that have violated certain provisions of their CPC/PA/SP and other matters relating to safety of life and property at sea, the PCG claims that it has its own policies and regulations to enforce to resolve such issues or problems.

3. Lackadaisical support of some local government officials and other government agencies to MARINA programs.

Although the lukewarm support of some local government executives and other government agencies can be principally attributed to their lack of knowledge on MARINA programs, others simply do not care at all for reasons that they only keep to themselves. When staffs of regional offices concerned approach them to coordinate their programs, they will either not be attended to right away or are referred to persons who are not competent enough to make the appropriate decisions and actions.

4. Limited knowledge of the industry and the public on MARINA's role as a quasi-judicial body.

This problem is closely related to Problems 1 and 3 above. Due to their lack of knowledge on the transfer of the quasi-judicial functions of MARINA, by virtue of Executive Order No. 1011, they can not extend as much cooperation to the Maritime Regional Offices concerned.

This lack of knowledge of the industry and the general public of such function of MARINA somehow impairs the effectivity of regional offices in regulating the industry.

**5. Difficulty in compelling some individuals/companies to comply with MARINA requirements, like documentary and other pre-registration and registration requisites.**

Such individuals and companies are of the opinion that MARINA is requiring them to submit too many documents to support their applications for CPC/PA/SP and licenses and other requirements to legitimize their business operations. Others who find it extremely difficult to comply with such requirements continue to operate illegally.

In order to solve or remedy the aforesaid difficulties and problems, the Regional Directors strongly recommend the following measures:

**A. Internal difficulties and problems:**

1. Increase of annual budgetary allocation for the implementation of on-going programs and projects. This will enable them to meet the increasing demands of the industry and the public for better delivery of frontline services; *when to get the increase?*

2. Further decentralization of functions, duties, responsibilities, and authorities;

3. Employment of additional personnel to

strengthen the present staff in shipping, shipping operations, franchising, shipbuilding and ship repair, and maritime manpower, as well as those in the administrative staff. Priority in hiring must be delegated to the Regional Directors so that they can choose those that are most appropriate for the jobs from among the regional applicants;

4. Evolvement of a comprehensive administrative and technical training program for new entrants and implementation of said program; and

5. Establishment of sub-regional offices in important homeports in every region, especially in the areas that are too far from regional offices and access thereto is difficult, expensive, and too time-consuming.

**B. External difficulties and problems:**

1. Intensification of public information campaign about MARINA;

2. Hold top-level talks between MARINA and the Philippine Coast Guard to thresh out the conflicts in policies which can not be solved at the regional and local levels; and

3. Further reduction of MARINA's documentary and other requirements for registration.

In the face of the difficulties and problems brought to the fore by the Maritime Regional Offices and their recommendations to solve them, one might be interested to know what MARINA Central Office has done so far.



On the problem of inadequate budgetary allocation, not much can really be done about it because MARINA is only granted so much annual budget for its operations. Such annual budget is usually far below than that which is proposed every year. While MARINA generates revenues from some of its functions, it can not readily utilize such incomes for its operations. Due to centralized budgeting system, the agency has to remit all the revenues it has collected during a given period to the National Treasury and then request the Department of Budget and Management for supplementary budget. However, requests for supplementary budget are not readily approved, and if ever, approved funds are usually released by the said department at the time when the calendar year is about to end already. This situation, however, is expected to improve soon by the full implementation in 1991 of the "Synchronized Planning, Programming, and Budgeting System" of the national government. This is one of the policy thrusts and priorities of the government, as embodied in its updated Medium-Term Philippine Development Plan, 1990-1992.

In the meantime, solutions of the problems related to inadequate funds would, therefore, require Maritime Regional Offices to think of and use innovative and, perhaps, non-traditional approaches, like seeking the assistance of non-government organizations, but such approaches should be within the purview of existing laws and rules.

On the clamor of the Regional Directors for further decentralization of functions and authorities, the MARINA Administrator instructed them during the preparation of the Maritime Industry Plan for 1991 to identify those

additional functions and authorities that they would like to have delegated to them and prepare their group or collective position paper as justification.

In that regard, the Regional Directors recommended that the following additional functions and authorities be granted to them:

A. Franchising Functions/Authorities:

1. Issue Certificates of Public Convenience (CPC) to uncontested original applications;

2. Investigate and/or issue Show Cause Order, hear cases and/or issue Cease and Desist Order, if warranted, for violations of CPC/Provisional Authority (PA)/Special Permit (SP) terms and conditions and other pertinent MARINA rules and regulations;

3. Decide and impose fines and penalties on cases involving violations of CPC/PA/SP terms and conditions, pursuant to Memorandum Circular No. 50; and

4. Issue SP under Sec 12(d) of Presidential Decree No. 474, for a period not exceeding thirty (30) days.

B. Manpower Development Functions/Authorities:

1. Issue STCW Endorsement Certificate to Officers and Ratings of inter-island/coastwise vessels, under Memorandum Circular Nos. 41 and 41-A; and

2. Enforce the pertinent provisions of STCW

1978 Convention for seafarers.

C. Registration and Licensing Functions/Authorities:

1. Issue original (Class B and C) Licenses and renew Shipbuilding and Ship Repair Licenses under Presidential Decree No. 666.

In support of the development administration policy thrusts and priorities of the government, it is likely that the MARINA Administrator will recommend to the Maritime Industry Board that the said functions and authorities be granted to the Maritime Regional Offices.

On the difficulties and problems caused by external factors, it seems that the real problem lies in the need for the regional offices to intensify their public information campaigns and improve their existing rapport with the industry, other government agencies, local government officials, and the general public.

**MAJOR PRIORITY PLANS AND PROGRAMS  
OF MARITIME REGIONAL OFFICES  
FOR 1991**

In its Five-Year Maritime Industry Development Plan, 1990-1994, MARINA has outlined its major program thrusts by sector, as indicated on pages 58-61.

From the said Plan, MARINA and its Maritime Regional Offices will derive their yearly plan. For 1991, for example, the Integrated Annual Plan of both the Central

Office and Regional Offices of the agency are shown in Table 4 on pp. 124-127.

It is hereby underscored that in the planning process, each Maritime Regional Office determines first its major program/project thrusts, taking into consideration the needs of and the prevailing and future trends of the industry in the region, among other vital factors. It is at this stage where the regional office holds a series of dialogues and consultative meetings with other regional offices, the Regional Development Council, local government units, industry leaders, and private or non-government organizations concerned. The main objective for holding such dialogues and consultations is to identify and prioritize the programs and projects to be implemented during a given period. The priority programs and projects thus identified are then submitted to MARINA Central Office for consideration and approval. Those approved are integrated to the agency's national plan and to the Maritime Regional Office's regional plan.

The planning process at the regional level continues with the preparation of the "Maritime Industry Development Plan" for the region. The approved regional Plan is then submitted to the Regional Development Council, which integrates all sectoral plans and comes up with the "Regional Development Plan" for a given period.

The "MARINA Integrated Annual Plan for Calendar Year (CY) 1991," which includes that of the Maritime Regional Offices, follows.

Table 4

MARITIME INDUSTRY AUTHORITY  
 INTEGRATED ANNUAL PLAN  
 FOR CY 1991

MANDATE/MISSIONS	STRATEGIES	DOMESTIC SHIPPING	OVERSEAS SHIPPING	MANPOWER DEVELOPMENT	SHIPBUILDING/SHIPREPAIR	REGIONAL OPERATIONS
: 1. EFFECTIVE, STREAMLINED AND EFFICIENT REGULATORY/SUPERVISORY REGIME	: REGULATE/PRICING : LIBERALIZATION : REGULATORY/SUPERVISORY REGIME	: CONTINUING ECONOMIC-HARVEST (ARMC) EVALUATIONS : INCENTIVES AVAILABLE : STREAMLINING QUASI-JUDICIAL AND VESSEL ACQUISITION PROCEDURES : BANNER REVISION : MANDATORY VESSEL CLASSIFICATION REQUIREMENT : CONTINUING ONBOARD VESSEL INSPECTIONS : SERVICE STANDARDS PHASED IMPLEMENTATION : AIMS TO NAVIGATION IMPROVEMENT	: MANDATORY VESSEL CLASSIFICATION : CONTINUING ONBOARD VESSEL INSPECTIONS : SERVICE STANDARDS PHASED IMPLEMENTATION : AIMS TO NAVIGATION IMPROVEMENT	: STRICT STCW ENFORCEMENT PROGRAMS : SHIPBOARD APPRENTICESHIP PROGRAMS : UPGRADING SEAFARERS' SKILLS THRU TRAINING PROGRAMS : REVISIONS OF MARITIME EDUCATION CURRICULA	: POLICY DEVELOPMENT ON VESSEL REPLACEMENT/RETIREMENT : XC 25-D REVISION : ESTABLISH OPERATIONAL STANDARDS OF SBR FACILITIES	: ADDITIONAL RECENTRALIZATION PROGRAM - UNCONTESTED CASES - TRAMPERS - LGUs/ARMA : LEGALIZATION OF FOREIGN OPERATIONS : ASSISTANCE IN VESSEL INSPECTION : STCW ENFORCEMENT : ISSP IMPLEMENTATION

P R O G R A M T H R U S T S / G U I D E P O S T S

MANDATE/MISSIONS :	STRATEGIES :	DOMESTIC SHIPPING :	OVERSEAS SHIPPING :	MANPOWER DEVELOPMENT :	SHIPBUILDING/SHIPREPAIR :	REGIONAL OPERATIONS :
2. ACCELERATED REGIONAL AND DEVELOPMENTAL ACTIVITIES :	PROVIDE VIABLE, HEALTHY OR COMPETITIVE ENVIRONMENT FOR THE MARITIME INDUSTRY :	ROUTE/RATES DEREGULATION : STUDIES :	PASSAGE OF THE PHILIPPINE OVERSEAS SHIPPING DEVELOPMENT/ AMENDED SHIP MORTGAGE ACTS :	INTERAGENCY COOPERATION : IN: (A) MARITIME SCHOOLS FACILITIES UPGRADING/ ACCREDITATION (B) CURRICULUM DEVELOPMENT :	FLEET REPLACEMENT POLICY : DEVELOPMENT :	TERTIARY ROUTE DEVELOPMENT STUDIES :
:	SHIP FINANCING PROGRAM :	POST-EVALUATION OF MC 42/42-A RULES AND REGULATIONS :	CONDUCT/FORMULATION OF TRAINING/STAFF DEVELOPMENT PROGRAMS :	PASSAGE OF HOUSE BILL NO. 31532 ON SPSR INCENTIVES :	PROMOTE SHIPBREAKING INDUSTRY THRU HOUSE BILL NO. 3645 :	LEGALIZATION OF COLORUM : (A) DOMESTIC SHIPPING SERVICES (B) SHIPYARDS :
:	ROAD/RIVERINE TRANSPORTATION STUDIES :	REGULATIONS :	INTRA-ASEAN REGIONAL COOPERATION :	LEGALIZATION OF COLORUM SHIPYARDS :	ALTERNATIVE INSURANCE FOR SMALL WATERCRAFTS :	:
:	FLEET REPLACEMENT POLICY : DEVELOPMENT :	CONFIRMATORY EXAMS FOR STCW APPLICANTS :	MANPOWER PRODUCTIVITY IMPROVEMENT PROGRAM :	OPTIMIZATION OF BILATERAL TECHNICAL ASSISTANCE PROGRAMS :	:	:

MANDATE/MISSIONS	STRATEGIES	PROGRAM THESIS / GUIDELINES
	DOMESTIC SHIPPING	OVERSEAS SHIPPING ; MANPOWER DEVELOPMENT ; SHIPBUILDING/SHIPREPAIR ; REGIONAL OPERATIONS
3. RESPONSIVE ORGANIZATIONAL STRUCTURE	IMPROVED ORGANIZATIONAL EFFICIENCY AND MANPOWER PRODUCTIVITY	INSTITUTE MANAGEMENT AUDIT PROGRAM
		INTERNAL AUDIT OF MARITIME REGIONAL OFFICES
		CONTINUING SUPPORT TO PERSONNEL DEVELOPMENT PROGRAMS
		STRICT ENFORCEMENT OF SERVICE GUIDE PARTICULARLY STANDARD PROCESSING TIME (SPT)
		CONTINUING INTERAGENCY/PRIVATE SECTOR CONSULTATIONS AND DIALOGUES
		CODIFIED MARITIME RULES AND REGULATIONS
		CONTINUING REVIEW OF EXISTING OFFICE SYSTEMS AND PROCEDURES, VIS-A-VIS FUNCTIONAL RELATIONSHIPS
		MARITIME DATA BANK IMPLEMENTATION
		PREPARATORY ACTIVITIES TOWARDS DISCHARGE OF ADDITIONAL/EXPANDED EO 125/125-A FUNCTIONS

**Note:**

**ABBREVIATIONS USED:**

1. ARMM - Autonomous Region for Muslim Mindanao
2. ISSSP - Interisland Shipping Service Standards Project
3. LGU - Local Government Unit
4. RMC - Route Measured Capacity
5. ROKO - Roll-on/Roll-off
6. RPHRR - Revised Philippine Merchant Marine Rules and Regulations
7. SSSR - Shipbuilding and Shiprepair
8. SICW - Standards for Training, Certification and Watchkeeping for Seafarers



## Chapter 5

### SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

This chapter presents the summary of the first four chapters and the conclusions and recommendations derived from the findings of the writer.

#### SUMMARY

The socio-economic development of a archipelagic country, like the Philippines which is composed of over 7,100 islands and islets, has always been a major challenge in the past and present. Perhaps, this will continue even future. In an effort to group the country's 74 provinces and 61 cities into more manageable socio-economic units, the government subdivided them into 13 regions in 1974. It also made a State policy to promote regional balance in economic opportunities by providing each region the infrastructure support, appropriate incentives, and selective administrative prescriptions that it needs.

In the government's Five- and Ten-Year Philippine Development Plans, 1978-1982 and 1978-1987, respectively, regional development administration has been adopted as one of the major strategies to bring about the desired balanced growth of the regions. Fundamentally, the regional development administration requires the national government to decentralize its operations by establishing

regional or field offices of line departments in the regions and delegating to them some of their major functions, duties, responsibilities, and authorities. Simultaneous with such administrative decentralization is the granting of more autonomy to local government units so that, together with the regional offices, they can coordinate and harmonize the planning, implementation, evaluation, and monitoring of their development programs and projects.

With the change of national leadership in the Philippines in 1986, the present Administration, under Pres. Corazon C. Aquino, pursued more vigorously the regional development administration policy and program in its Medium-Term Philippine Development Plan, 1987-1989.

Once again, in the updated Medium-Term Philippine Development Plan, 1990-1992, the government underscored its development administration policy thrusts and priorities to further facilitate the decentralization process and the granting of greater autonomy to local government units so that they can accelerate regional development.

In the light of the foregoing, it is incumbent upon the Maritime Industry Authority (MARINA), the country's national maritime administration, to establish its regional offices and decentralize some of its operations by delegating to such offices the necessary functions, duties, responsibilities, and authorities to enable them to effectively and efficiently deliver required frontline services.

This study, therefore, endeavors to present maritime

regional administration in the Philippines in the context of the said development administration policy thrusts. The writer has identified which of those policy thrusts and priorities of the national government are relevant to regional maritime administration and the measures taken by MARINA and its Maritime Regional Office to operationalize those policy thrusts and priorities. This study likewise points out the major activities and accomplishments, as well as the difficulties and problems of the Maritime Regional Offices in discharging the functions, duties, responsibilities, and authorities that have earlier been delegated to them by MARINA Central Office. It also includes the major priority program thrusts which those offices planned to implement in 1991.

In conducting this study, the writer made use of the normative and descriptive methods of research because it involves the collection and verification of data and other types of information on regional maritime administration and the descriptive interpretation of same.

The primary sources of data and other types of information used in this study were those given and reported by the Regional Directors of the six Maritime Regional Offices in the survey questionnaire which the writer formulated and sent to those respondents, through the Offices of the MARINA Administrator and the Deputy Administrator for Planning in January, 1991.

The writer's secondary sources of data and other information were books, official documents, and other printed materials which were collected during field study programs and lectures/seminars/conferences, etc., in the course of his study at the World Maritime University.

Regional development as a strategy to narrow down the social and economic disparities in the different regions of advanced countries, like the United Kingdom, France, the United States, Canada, etc., are likewise presented and discussed in this paper to lend relevance to the on-going regional development program in the Philippines.

Regionalization of maritime functions has long been a practice in countries with well-established maritime administrations, like the Federal Republic of Germany, France, Norway, Sweden, and the United States. In this study, the functions, duties, responsibilities, and authorities delegated to regional or district offices of the said federal or national maritime administrations and how such offices exercise them were discussed. This will enable officials and the rank-and-file of MARINA and other interested parties to compare them with regional maritime administration in the Philippines.

From such comparisons, MARINA, etc., may draw upon the eclectic ideas and practices of the aforementioned maritime nations to improve regional maritime administration in the country. Some of the major implications of the regional maritime administration practices presented here for the Philippines are the following:

1. The need for MARINA to delegate more substantive functions and authorities to its regional offices to make them more effective and productive in attaining their mandated goals and objectives;

2. The need for the Maritime Regional Offices to continuously strengthen their coordination with existing

non-government organizations and to enlist their assistance in performing some of their functions on maritime safety, seafarers' and shipyard workers' education and training, and other related activities; and

3. The need for the industry to share in the costs of some of the developmental and promotional programs and projects of regional offices.

Although the development and promotional programs and projects are generally formulated at the MARINA Central Office, this does not pre-empt the Maritime Regional Offices from developing their own to be able to cater to the peculiar need of the industry in their respective regions. However, these regional office-initiated programs and projects have to be submitted first to the MARINA Central Office for further review and funding, if approved, before they are implemented.

The Maritime Regional Offices are, as a rule, not empowered to formulate their own policies relative to the regulation of the industry in their jurisdiction, but they are generally, given the freedom to bring to the attention of the MARINA Administrator, through the Deputy Administrator for Planning and/or the Director(s) of the MARINA offices concerned, provisions of policies, either existing or those about to be issued for implementation, which they have found, or may find, to be extremely difficult, if not impractical, to implement in the industry. Such comments, if found valid, are usually made the bases for the amendments of existing and/or proposed policies.

Some of the major developmental and promotional

programs and regulatory policies being used in regional maritime administration are listed in the previous chapter.

The development administration policy thrusts and priorities of the national government which are embodied in the updated Medium-Term Philippine Development Plan, 1990-1992, that are relevant to regional maritime administration are (1) accelerating administrative decentralization; (2) strengthening the coordination of development efforts at all levels; (3) improving the support system capabilities of regional offices; (4) setting up a process for monitoring and evaluating the implementation of administrative decentralization; (5) strengthening the management of Official Development Assistance (ODA) programs; and (6) effective use of development communications.

Among the major activities and accomplishments of Maritime Regional Offices in 1990 were as follows:

1. In the domestic shipping sector, particularly in quasi-judicial activities, 1,113 Certificates of Public Convenience, Provisional Authorities, and Special Permits were issued to the industry, and 99 hearings of franchising cases were conducted; and in vessel inspections, 466 technical evaluations, CPC/Service Standards, and operational readiness/SOLAS inspections were conducted.

2. In the shipbuilding and ship repair sector, 25 licenses were renewed and issued to shipyards and 20 shipbuilding and ship repair pre-qualification inspections were made.

3. In the maritime manpower sector, 2,086 Certificates of Competency of domestic seafarers were authenticated, in compliance with STCW 1978 Convention; 416 maritime graduates were endorsed for shipboard apprenticeship of deck and engine cadets, 196 of which, or 47.11% of the total, were accommodated onboard domestic vessels; 13 maritime schools and three maritime training centers were inspected.

From the aforementioned major activities, the Maritime Regional Offices were able to generate a total revenue of Philippine P1,539,136.62 during the year, or about 35.86% over 1989's P1,132,875.81. The 1990 figure represents about 23.59% of the total amount of budget that was disbursed to the regional offices during the period.

Meanwhile, the major internal difficulties and problems encountered by the Maritime Regional Offices since they were established were (1) lack of budget; (2) limited decentralization of functions, duties, responsibilities, and authorities; (3) inadequate personnel; (4) lack of in-house training for technical, and to some extent, administrative staff; and (5) jurisdictional areas too large for effective administration.

The external difficulties and problems were (1) indifference of some shipping/ferry operators to MARINA policies; (2) uncooperative Philippine Coast Guard; (3) half-hearted support of some local government officials and other government agencies to MARINA programs; (4) limited knowledge of the industry and the general public on MARINA's role as a quasi-judicial body; and (5) difficulty in compelling individuals/companies

concerned to comply with pre-qualification and registration requirements.

In order to solve the said difficulties and problems, the Regional Directors recommended the following measures:

1. Increase of annual budgetary allocation to each office;

2. Further decentralization of functions, duties, responsibilities, and authorities;

3. Employment of additional personnel to complement each region's existing staff;

4. Evolvement of a comprehensive administrative and technical staff training program and implementation of same;

5. Establishment of sub-regional offices in important homeports in every region;

6. Step up efforts in public information campaign about MARINA;

7. Hold top-level talks between MARINA and Philippine Coast Guard to resolve conflicts in policies; and

8. Further reduction of MARINA's pre-qualification and registration requirements.

The list of the additional functions and authorities being requested by the Regional Directors can be found on



pp. 121-122.

Meanwhile, the program thrusts of Maritime Regional Offices for 1991 are principally focused on (1) effective streamlined and efficient regulatory/supervisory regime; (2) accelerated promotional and developmental activities; and (3) responsive organizational structure, all geared to the development administration policy thrusts and priorities of the government.

### CONCLUSIONS

From the foregoing findings in the preceding chapter, the following conclusions were drawn:

1. Regional maritime administration in the Philippines is still in its developmental stage, but the activities and accomplishments of the Maritime Regional Offices, despite their difficulties and problems, are laudable and encouraging;

2. MARINA and its six Maritime Regional Offices are satisfactorily implementing the development administration policy thrusts and priorities of the government that are relevant to regional maritime administration in the country;

3. The functions, duties, and responsibilities vested in the Maritime Regional Offices are very comprehensive, but the authority delegated to them, as well as the wherewithal, are very limited to enable them to effectively carry out such duties, functions, and

responsibilities;

4. The coverage or areas of jurisdiction of Maritime Regional Offices are too large for them to effectively serve, especially so because they are chronically saddled by lack of personnel and budget; and

5. It seems that most of the Maritime Regional Offices have not been coordinating with their respective Regional Development Council. Thus far, only Batangas Maritime Regional Office has indicated in the survey report that it has been regularly attending the meetings and other activities of the Council in Region IV.

#### RECOMMENDATIONS

In the context of the aforementioned findings and conclusions, the following recommendations are hereby offered:

1. MARINA should set up a monitoring and evaluation process and tools for measuring the extent and impact of its administrative decentralization program;

2. More substantive functions and authorities should be granted to the Maritime Regional Offices to enable them to more effectively develop, promote, and regulate the industry in their respective jurisdictions;

3. The proposed Maritime Regional Offices in Legaspi, Tacloban, and Cotabato should be made operational as soon as budget therefor is made available so that the

shipping, shipbuilding and ship repair, and maritime manpower sectors of the industry in those areas could be properly developed, promoted, and regulated;

4. Maritime Regional Offices whose present areas of jurisdiction will not be reduced by the opening of the three additional regional offices should be allowed to establish district or sub-regional offices in far-flung island provinces with viable shipping, shipbuilding and ship repair, and other maritime-related industries; and

5. The development administration policy thrusts and priorities of the government should be incorporated to the training program of personnel of Maritime Regional Offices so that they may be guided accordingly of their very vital roles in regional development, particularly as regards regional maritime administration.

6. MARINA should study further the regional maritime administration practices of the Federal Republic of Germany, France, Norway, Sweden, and the United States. It should consider the implications of those practices, some of which are enumerated in this study, to improve and strengthen regional maritime administration in the Philippines.

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APPENDICES

APPENDIX A

<p>U.S. DEPARTMENT OF COMMERCE MARITIME ADMINISTRATION</p>	<p>MARITIME ADMINISTRATIVE ORDER</p>	
<p>MANUAL OF ORDERS</p>	<p>REVOKES MAO 100-1 dated 4/29/74; Amdt. 1, dtd. 8/9/74</p>	<p>NO. 100-1 EFFECTIVE DATE June 24, 1975</p>
	<p>SUBJECT REGION DIRECTORS</p>	
<p><u>Section 1. Decentralization Principles:</u></p>		
<p>1.01 It is the view of the Assistant Secretary for Maritime Affairs (the "Assistant Secretary") and the Deputy Assistant Secretary for Maritime Affairs (the "Deputy Assistant Secretary") that maximum efficiency will be achieved through optimum decentralization of functions and authority to the Region Directors.</p>		
<p>1.02 In the Maritime Administration, the Assistant Administrators and Office Directors in Washington are responsible to the Assistant Secretary and the Deputy Assistant Secretary, with respect to field activities paralleling their Washington assignments, for the development of policies and programs and definition of program objectives; for the promulgation of standard procedures; for directives of a technical nature necessary to carry out their responsibilities for national policies, programs or standard procedures, that do not violate the delegated authorities and responsibilities of Region Directors; for the inspection, review, and evaluation of program accomplishment; and for taking remedial action where deficiencies in the above areas are concerned. In connection with the above responsibilities, the Assistant Administrators and Office Directors serve as the representatives of the Assistant Secretary and the Deputy Assistant Secretary in dealing directly with the Region Directors.</p>		
<p>1.03 The Region Directors are responsible to the Assistant Secretary and the Deputy Assistant Secretary, and are counterparts of the Deputy Assistant Secretary in their respective Regions. In this capacity they are responsible for program accomplishment and administration consistent with the policies, determinations, procedures, and directives of the headquarters offices as established in accordance with Section 1.02 above.</p>		
<p>1.04 There should be a minimum of referral by either Washington or Region officials of field operating problems to the Assistant Secretary or the Deputy Assistant Secretary. Such referrals should occur only as good judgment dictates and as may be necessary to resolve a serious difference of opinion. To make decentralization work well requires teamwork, good judgment, and cooperation between Washington officials and Region Directors, and compliance with the spirit as well as the wording of this order.</p>		
<p><u>Section 2. Organization:</u></p>		
<p>2.01 Department Organization Order 25-2 describes the field organization of the Maritime Administration, consisting of an Eastern Region, Great Lakes Region, Central Region, and Western Region, and shows the geographic areas of responsibility of each Region.</p>		

2.02 The Eastern, Great Lakes, Central, and Western Regions shall each be under the direction and supervision of a Region Director, who shall report to the Assistant Secretary and the Deputy Assistant Secretary.

2.03 The Eastern, Central, and Western Region Directors shall each be assisted by a Deputy Region Director who shall act for the Region Director in his absence or preoccupation and perform such other specific duties as are assigned by the Region Director. In the Great Lakes Region, the Region Director shall designate an official to act for him in his absence, when required.

2.04 The organization structure for each Region shall be developed by each Region Director in accordance with the needs of his assigned programs, and to the extent feasible shall be uniform as between the several Regions and the Washington organization. Each Region organizational structure, including a brief description of functions to be assigned to each component, shall be submitted for the approval of the Assistant Administrator for Policy and Administration, and shall be issued as appendixes to the Maritime Administrative Orders referred to in Section 2.05.

2.05 Each Region Director shall develop Maritime Administrative Orders setting forth the functions of the several organizational components of his Region, in conformance with Section 2.04 above, and the redelegations of authority to his subordinate officials. Such Orders shall be prepared in accordance with the provisions of Maritime Administrative Order 200-1.

### Section 3. Functions:

3.01 Each Region Director is hereby assigned the responsibility for all activities in his Region directly related to the programs and functions described in Maritime Administrative Orders, including subsequent issuances, outlining the organization and functions of the Assistant Administrators, Offices, and other major components of the Maritime Administration, except ship construction, the U.S. Merchant Marine Academy, and the National Maritime Research Center. In addition, the Region Directors shall perform the functions assigned to them in other Maritime Administrative Orders, which prescribe policies, procedures, and responsibilities on specific subjects. Under these responsibilities the Region Directors shall develop and execute the field programs in each functional area in accordance with Section 1.03 above and the authorities delegated in Maritime Administrative Orders 100-2 and 720-250, and other orders on specific subjects, and shall establish region policies, prescribe the manner in which the program is to be accomplished, provide direction, and inspect and review the program for accomplishment.

3.02 The Region Directors shall provide administrative support services to the Academy Training Representatives in their respective Regions, if any, including office space, office supplies and equipment, and communications services.

3.03 The Eastern Region Director shall be responsible for auditing the non-appropriated funds of the U.S. Merchant Marine Academy, annually, and for submitting reports of such audits to the Superintendent, U.S. Merchant Marine Academy and the Assistant Administrator for Policy and Administration.

Section 4. Procedural Requirements:

4.01 Region Directors shall have the opportunity to review and comment on all proposed orders, procedural manuals or other directives affecting field operations, to be issued by Washington in accordance with Maritime Administrative Order 200-1. Coordination of this procedure shall be provided by the Office of Management and Organization.

4.02 Region Directors shall submit to the Office of Management and Organization, copies of all orders, procedural manuals or other directives issued by the Regions. The Office of Management and Organization shall submit these orders to the Washington officials concerned so that they will have the opportunity to review and comment on any matters which would concern, affect or be of interest to them.


4.03 The Office of Ship Construction and other Washington Offices, as appropriate, shall furnish the Region Directors with all information necessary to keep them advised of program objectives and determinations concerning ship construction activities within their Regions. This would include basic budgetary proposals on future shipbuilding, proposed bid invitations, contract award decisions and related major matters. Similarly, the Region Director shall furnish comments and recommendations in these same areas to the Office of Ship Construction.

4.04 All correspondence on policy and program determinations originating outside the region shall be addressed to Region Directors; copies of correspondence, instructions, reports, etc., on all other matters addressed to any member of their staff shall also be directed to the Region Directors.

4.05 Region Directors shall forward to the appropriate staff official in Washington (budget, personnel, management, etc.), copies of communications from region officials to Washington operating officials on staff matters and vice versa. Similarly, Washington operating and staff officials shall mutually exchange copies of their communications to the field on staff matters.

*Robert J. Blackwell*  
ROBERT J. BLACKWELL  
Assistant Secretary  
for Maritime Affairs

APPENDIX B

 <p>US Department of Transportation Maritime Administration</p>	<p><b>MANUAL OF ORDERS</b></p>		<p><b>MARITIME ADMINISTRATIVE ORDER</b></p>	
	<p>REVOKES MAO 100-2, dtd. 7/2/75 &amp; Amdt. 1, dtd. 11/13/80</p>		<p>NO. 100-2</p>	
			<p>EFFECTIVE DATE September 30, 1982</p>	
<p>SUBJECT</p> <p style="text-align: center;">REDELEGATION OF AUTHORITIES TO REGION DIRECTORS</p>				
<p><u>Section 1. Redelegation of Authorities:</u></p> <p>1.01 The authorities set forth in section 2 of this order are redelegated to Region Directors as specified with respect to activities assigned to their jurisdictions by Department of Transportation Order 1100.69 and Maritime Administrative Order 100-1. Other redelegations of authorities are set forth in other directives on specific functions.</p> <p>1.02 This order includes certain authorities covering ship operations activities which are not currently active or assigned to one or more Regions. These authorities are redelegated on a standby basis to be exercised, if needed, in the event of future program changes or developments.</p> <p>1.03 Region Directors may, at their discretion, redelegate authorities to subordinate personnel in accordance with Maritime Administrative Order 200-1. The Region Director retains full responsibility for actions taken by subordinates under any authority redelegated to them.</p> <p>1.04 In exercising the authorities redelegated in this order, each Region Director shall be subject to any conditions and limitations imposed by the Maritime Administrator and the Department in other directives, required legal clearances, and compliance with the national policies and programs, standard procedures, and technical directives of the appropriate Washington Office.</p> <p><u>Section 2. Specific Authorities Redelegated to the Region Directors:</u></p> <p>2.01 <u>Ship Operations Activities (Central and Western Regions).</u> Authority to:</p> <ol style="list-style-type: none"> <li>1 Determine terms of, execute, administer, interpret, and terminate towage and stevedoring contracts, and approve changes in such contracts.</li> <li>2 Determine terms of, execute, administer, interpret, and terminate agreements for stripping and outfitting ships, and related local agreements.</li> <li>3 Administer agreements for the preparation, operation, and charter out of ships, including chartering agreements with subsidized operators.</li> <li>4 Enter into, execute, administer, and interpret master lump sum repair contracts authorized by 46 CFR Part 338, including the receipt and review of applications for such contracts and the</li> </ol>				

approval of applicant's qualifications to perform; and to terminate such contracts when termination is not caused by unusual circumstances which might affect national policy.

- 5 Award and execute job orders and supplemental job orders under master lump sum repair contracts authorized by 46 CFR Part 338, or other repair contracts, for ship reactivations and deactivations in the United States, and approve changes thereto; subject to prior clearance with the Office of Ship Operations when the total contract amount exceeds \$350,000 per ship.
- 6 Award and execute job orders and supplemental job orders under master lump sum repair contracts authorized by 46 CFR Part 338, or other repair contracts, for ship voyage and other repairs in the United States, and approve changes thereto; subject to prior clearance with the Office of Ship Operations when the total contract amount exceeds \$115,000 per ship.
- 7 Approve requests of ship operators for the deferment of the contractual requirements for drydocking and repair of ships under Trade-In and Use Agreements.
- 8 Negotiate settlements with, or make unilateral determinations against, and bill charterers of ships for the estimated cost of performing work (including charter hire and ship expenses) which is determined to be the charterer's obligation when a ship is redelivered and the work is not performed by the charterer.
- 9 Approve costs incurred by General Agents for taking ship inventories pursuant to 46 CFR Part 318.
- 10 Deliver and accept redelivery of ships, in accordance with approved contracts or agreements.
- 11 Approve the employment of masters and chief engineers and disapprove the employment of other licensed officers, including radio officers, for general agency ships. (Formal approval of licensed officers other than masters and chief engineers is not required.)
- 12 Require bareboat charterers of Maritime Administration-owned ships to remove masters and chief engineers if their employment is considered prejudicial to the interests of the United States.
- 13 Determine the value of metallic ballast aboard scrap ships and effect settlement thereof with the purchaser.
- 14 Invoke and collect liquidated damages for delay in accepting delivery of scrap ships, in accordance with the terms of the sales contract.
- 15 Review and submit to the Office of Marine Insurance seaman's claims of crew members of Maritime Administration-owned ships not covered by usual forms of marine insurance.
- 16 Review ship casualties and make recommendations to the Offices of Marine Insurance and Chief Counsel for fixing of responsibilities.

- 17 Determine subsidizable items of expense necessary for the maintenance, preservation, repair, or husbanding of a subsidized ship during and under the circumstances of an idle status period.
- 18 Require the operator to establish to the Region Director's satisfaction that any period of idleness could not have been prevented in whole or in part through efficient and economical operation.
- 19 Determine whether and to what extent there should be recovery of any payment of subsidy for any item of expense allocable to a period of idleness which in the opinion of the Region Director could have been avoided by efficient and economical operation.
- 20 Establish voyage termination dates where, in the opinion of the Region Director, (a) voyages as a general practice should terminate at the home or terminal port rather than at the last port of discharge, or (b) a voyage should terminate on the day prior to commencement of an idle status period, or (c) a voyage would have terminated had strikes not interfered with normal operations; provided that, idle status periods shall be identified separately, whether occurring during or between voyages, with a separate accounting period created to cover each idle status period.
- 21 When constituted and appointed by, and pursuant to the provisions of, properly executed power of attorney, sign and swear to any document and perform any act that may be necessary or required by law or regulation in connection with the documenting, entering, clearing, lading, unloading, or operation of any vessel owned or operated by the Maritime Administration and generally transact at the custom houses in the respective Regions and all custom business, except making, signing, and filing of protests under section 514 of the Tariff Act of 1930.

2.02 National Defense Reserve Fleets (Including Ready Reserve Fleet) and State Maritime School Training Ships (Central and Western Regions). Authority to:

Direct and carry out program activities related to custody, maintenance, and preservation of ships in reserve fleets, and the maintenance and repair of training vessels assigned to state maritime schools.

2.03 Civil Rights, Domestic Shipping, Market Development, Port and Intermodal Development Activities (All Regions). Authority to:

Direct and carry out program activities related to civil rights, domestic shipping, market development, and port and intermodal development within their respective areas.

2.04 Supply Support Activities (All Regions): Authority to:

- 1 Approve requisitions for supplies, materials, equipment, books, publications, printing, binding, advertising in written media, and repairs to Maritime Administration-owned property, provided the costs thereof do not exceed \$100,000, and provided that any obligation incurred in filling the requisition will be charged against the allotments made to the Region Director, as appropriate.



- 2 Issue Government Bills of Lading.
- 3 Assign, transfer, withdraw, and maintain custody of all motor vehicles under the Regions' jurisdictions.

2.05 Procurement Activities (All Regions). Authority to:

- 1 Issue and sign orders against local term contracts of another agency; utilize Departmental blanket purchase arrangements and General Services Administration Federal Supply Schedules for supplies, equipment, or services, without monetary limitations but subject to fund availability.
- 2 Issue and sign purchase orders for supplies, equipment, or services (including advertising in written media) from open market sources in an amount not to exceed \$10,000 per individual order.
- 3 Initiate Imprest Fund small purchases not to exceed \$250 for any one transaction, or \$500 under emergency conditions.

2.06 Finance Activities (Eastern, Central, and Western Regions). Authority to:

- 1 Administer special bank accounts required for operations under Agency (Service) Agreements.
- 2 With respect to contracts executed by the Region Directors or their subordinates, within their delegated authorities, determine the financial qualifications and limitations of contractors, approve the financial (excluding insurance) provisions, determine performance under such financial provisions, and execute release agreements or effect final settlements based on determinations of contract performance.
- 3 With respect to contracts executed by the Region Directors or their subordinates, within their delegated authorities: (1) maintain custody of the official contract or counterpart, good faith deposits, and bid performance, and payment bonds; and (2) determine the financial security of a personal bond, provided that (a) clearance is obtained from the Chief Counsel as to the form of bonds, if other than a standard form is used, (b) clearance is obtained from the Treasury Department, when required, and (c) the contracting representative is advised of such clearances.
- 4 Pay to General Agents, consistent with the provisions of 46 CFR Part 318 and supplemental actions of the Director, National Shipping Authority, interim payments in advance upon application by a General Agent if they are deemed to be earned.
- 5 Determine allowable vessel operating expenses under service agreements with National Shipping Authority pursuant to 46 CFR Part 322.
- 6 Review dividend declarations for conformity with Maritime Administration standards.
- 7 Administratively verify, approve, and certify vouchers for payment of construction-differential subsidy and operating-differential subsidy, pursuant to the provisions of Maritime Administrative Orders 510-2 and 560-5 and other related issuances.

8 Represent the Maritime Administration as specifically directed by the Office of the Chief Counsel in providing services related to Federal Ship Financing contract closings.

2.07 Personnel Activities (All Regions). Authority to:

Act on personnel matters as prescribed by Maritime Administrative Order 720-250.

2.08 Budget Activities (All Regions). Authority to:

Incur obligations against funds allotted to the Region.

2.09 Training Activities (All Regions). Authority to:

Issue official Maritime Administration certificates of completion for Region conducted or sponsored training programs.

2.10 Specific Redelelegation (Western Region only). Authority to:

Execute documents for lease or loan of personal property to maritime-related industries, except all new leases or loans shall be subject to the concurrence of the Accountable Property Officer.

  
H. E. SHEAR  
Maritime Administrator

APPENDIX C

<p>U.S. DEPARTMENT OF COMMERCE MARITIME ADMINISTRATION</p>	<p>MARITIME ADMINISTRATIVE ORDER</p>	
<p>MANUAL OF ORDERS</p>	<p>REVOKES MAO 800-1 dtd. 12/15/71 &amp; Amdt. 1 dtd. 8/2/72 (formerly AO-65)</p>	<p>NO. 800-1</p>
		<p>EFFECTIVE DATE April 18, 1974</p>
<p>SUBJECT</p> <p>EMERGENCY REDELEGATION OF AUTHORITIES</p>		
<p><u>Section 1. Purpose:</u></p> <p>The purpose of this order is to provide for a redelegation of certain authorities which are considered essential to the efficient and expeditious discharge of the Maritime Administration's responsibilities and to assure continuity of executive and administrative direction immediately upon Presidential declaration of a national emergency involving total mobilization of national resources or upon enemy attack on the United States.</p> <p><u>Section 2. Basic Authorities:</u></p> <p>All authorities, functions, and duties vested in the Maritime Administration with respect to the construction, operation, acquisition through purchase, charter or requisition, allocation and use, insurance and repair of merchant ships, and the control of utilization of ocean port facilities, equipment, and services under emergency conditions, by the provisions of the Merchant Marine Act, 1936, as amended; Merchant Ship Sales Act of 1946; Merchant Marine Act of 1920; Shipping Act of 1916; Defense Production Act of 1950, as amended; Reorganization Plan No. 21 of 1950; Reorganization Plan No. 7 of 1961; Intercoastal Shipping Act of 1933; Executive Orders 10480 and 11490, and any other provision of law or Executive Order related to or inherent to the aforementioned authorities, functions and duties, shall continue to be exercised and performed by the Maritime Administration, unless otherwise modified or rescinded by subsequent law, Executive Order, or administrative action.</p> <p><u>Section 3. Redelegation of Authorities - General:</u></p> <p>3.01 Department Organization Order 10-8 and other Department Orders and issuances on specific matters, establish the authority of the Assistant Secretary for Maritime Affairs and give him the authority to redelegate such authorities and to prescribe necessary limitations, restrictions, and conditions on the exercise of such authority.</p> <p>3.02 Delegations of authorities made by the Maritime Administration's Manual of Orders, or other official actions which are in existence at the time of mobilization, shall continue to be exercised, to the extent and within the limitations prescribed, by the officials or organization units to whom such delegations were made, unless otherwise revised or rescinded.</p> <p>3.03 In addition, the authorities set forth in Sections 4 through 13 of this order are delegated by the Assistant Secretary for Maritime Affairs to the officials designated, to be exercised by such officials after mobilization.</p>		

3.04 The officials designated shall exercise the authorities redelegated herein in a manner consistent with established policy and/or in accordance with the dictates of the national interest.

3.05 The officials designated shall, to the greatest extent possible, plan for the redelegation of their authorities to subordinate personnel of their offices, such redelegations to be documented in emergency manuals of operation to be effective upon mobilization. The designated official retains full responsibility for actions taken by his subordinates under any authority redelegated to them.

Section 4. Redlegation of Authorities to the Assistant Administrator for Operations:

4.01 Authority to act as Director, National Shipping Authority, and to exercise all authorities of that position.

4.02 Authority to formulate, establish, direct and administer the programs for the: (a) determination of requirements for and allocation of oceangoing merchant shipping; (b) operation, including cargo movement activities, and the maintenance and repair of ships owned or acquired by the Maritime Administration and operated under General Agency Agreements; (c) maintenance of reserve fleets and reactivation of vessels therefrom; (d) administration of industry's Voluntary Plan for the Contribution of Tanker Capacity.

4.03 Authority to determine terms of, execute, administer, interpret, and terminate agreements for preparation, operation, repairing, stripping, and outfitting of merchant ships, and employment of agents, and to assign and deliver ships to agents.

4.04 Authority to determine terms of, execute, administer, interpret, and terminate agreements to charter out merchant ships; to deliver ships to and withdraw ships from charterers.

4.05 Authority to prescribe transportation charges for cargo or passengers carried on, and for other services rendered by, ships operated by or for the Maritime Administration, consistent with the provisions of international agreements where applicable.

4.06 Authority to issue National Shipping Authority Orders under the Administrative Procedure Act, to General Agents and others outside of the Government, relating to the external aspects of functions assigned to the Office with respect to ship operations, repair, and custody; but not orders relating to the internal aspects of such functions, which orders are subject to issuance under the provisions of Maritime Administrative Order 200-1.

4.07 Authority to purchase, charter in, or requisition merchant ships for Government use.

4.08 Authority to award or approve the award of repairs under individual ship repair contracts or under Master Ship Repair Contracts when the contract price is in excess of \$500,000 with respect to the reactivation of reserve fleet ships and in excess of \$200,000 for other repairs.

4.09 Authority to determine terms of, execute, administer, interpret, and terminate contracts for towage in excess of \$100,000, for bunker fuel, and other services required for the physical operation of ships.

4.10 Authority to approve changes in contract plans and specifications of ships constructed, reconstructed, converted, reconverted or reconditioned under construction-type contracts with the Maritime Administration and for its account, and authority to approve changes in cost and delay in delivery, if any, provided such changes do not result in a total cost change in excess of \$500,000 in any one instance for each ship.

4.11 Authority to effect cost settlements pursuant to approved changes to contract plans and specifications of ships constructed, reconstructed, converted, reconverted, or reconditioned under ship construction-type contracts with the Maritime Administration involving costs in excess of \$500,000 in cases where the actual cost does not vary more than ten percent from the estimated cost upon which the Assistant Secretary for Maritime Affairs based his approval of the change.

4.12 Authority to determine and negotiate amount of contractor's liability for final guarantee survey items and for delay in delivery of ships, provided that the determination made does not exceed \$500,000.

4.13 Authority to negotiate with shipbuilding companies, in anticipation of the award of ship construction contracts for Maritime account, and to authorize necessary preliminary planning work on the part of the companies' personnel including plant and construction scheduling, development of material requirements, engineering services, and administrative detail, provided that such commitments will not obligate the agency in excess of \$500,000 in any one shipyard.

4.14 Authority to initiate the establishment of and to give direction to Regional Construction Offices for the Eastern, Central, Western Regions and the Great Lakes area.

Section 5. Redlegation of Authorities to the Assistant Administrator for Commercial Development:

5.01 Authority to establish and execute national programs and policies for the control, utilization and allocation of ports and port facilities, as provided in the Maritime Administration "Manual for the Emergency Utilization and Control of United States Ports."

Section 6. Redelelegation of Authorities to the Assistant Administrator for Maritime Aids:

6.01 Authority to negotiate and settle claims of a marine and marine war risk insurance nature (including but not limited to general and particular average, salvage, collision, P&I and seamen's claims), except claims in litigation and claims in favor of or against the Government in excess of \$500,000, and to approve or execute releases incident to such settlements.

Section 7. Redelelegation of Authorities to the Assistant Administrator for Policy and Administration:

7.01 Authority, within availability of funds, to approve requisitions and effect purchases for marine supplies, materials and equipment, administrative equipment, materials and services, and acquisition, construction, and repair of real property and facilities upon request of authorized program and staff officials.

7.02 Authority to serve as the Claimant Agent for the Maritime Administration with the appropriate agency of the Government responsible for the administration of the national materials allocation and priorities plan. In such capacity, to coordinate the establishment of Maritime Administration requirements and the issuance of priority notices to contractors, subcontractors, and others incident to the procurement of materials, supplies, equipment and components for the construction, operation, maintenance, repair and conversion of ships, construction, maintenance, and operation of shipyards, operation, maintenance and repair of installations and maintenance of office facilities.

7.03 Authority to negotiate and settle loss or damage claims arising from freight shipments and real estate claims, not to exceed \$500,000.

7.04 Authority to negotiate and effect the repricing of procurement contracts.

7.05 Authority to effect settlements, not to exceed \$500,000 with any one agent, of accounts relating to Service (Agency) Agreements executed by the National Shipping Authority except matters in litigation and matters disputed by general agents; to direct the closing of financial accounts; and to determine the date subsequent to which records and documents of a financial nature are not required to be retained by agents.

Section 8. Redelelegation of Authorities to the General Counsel:

8.01 Authority to negotiate and settle admiralty claims, just compensation claims, and claims referred to the Office for litigation, in behalf of or against the Government, provided the amount of the settlement does not exceed \$500,000.

Section 9. Redelelegation of Authorities to the Region Directors:

9.01 Authority to determine terms of, execute, administer, interpret, and terminate towage and stevedoring contracts not in excess of \$100,000, and to approve changes in such contracts provided such changes do not exceed the initial contract price by more than 10%.

9.02 Authority to award work and execute job orders under Master Ship Repair Contracts, subject to prior approval from Washington when the initial job awards exceed \$500,000 per ship (including both dry-docking and topside repairs) for reactivation of reserve fleet ships or \$200,000 for voyage and other repairs (exclusive of reactivation and improvement).

9.03 Authority to execute prescribed programs for the control and utilization of ports and port facilities within their respective regions, as provided in the Maritime Administration "Manual for the Emergency Utilization and Control of United States Ports," except that: (1) the authority to allocate port facilities, equipment and services in excess of 30 days and (2) the final determination of the necessity for the restoration or improvisation of non-military ports and port facilities, shall be subject to prior approval of Headquarters, Maritime Administration.

9.04 In addition, each Region Director is hereby redelegated all authorities which have been (a) delegated to the Assistant Secretary for Maritime Affairs by law or by proper administrative authority, and (b) redelegated to Assistant Administrators and Office Directors in Washington, D.C., to determine and to take action upon any matters under the jurisdiction of the Maritime Administration falling within their respective geographic areas during a state of mobilization and upon a severance of communications with the Assistant Secretary for Maritime Affairs, Deputy Assistant Secretary for Maritime Affairs, and the responsible staff and program officials.

Section 10. Redelelegation of Authorities to Area Representatives (All Activities):

10.01 Upon complete severance of communications with their respective Region Directors and with the Assistant Secretary for Maritime Affairs, Deputy Assistant Secretary for Maritime Affairs, and headquarters program and staff officials, the Area Representatives are redelegated authority to determine and take action upon any matter of immediate importance and requiring immediate resolution, under the jurisdiction of the Agency falling within their respective geographic areas.

Section 11. Redelelegation of Authorities to Federal Port Controllers, Area and Local:

11.01 Authority to exercise, within assigned geographic areas, the authorities contained in the Maritime Administration "Manual for the Emergency Utilization and Control of United States Ports." This authority is effective upon the reporting for official duty of Federal Port Controllers, both Area and Local. They shall represent the authority of the

United States in ocean port areas and shall take action to assure the free flow of traffic within the framework of this authority.

Section 12. Redlegation of Authorities for Personnel Management Activities During National Defense Emergency Period:

12.01 Upon the beginning of a national defense emergency period involving an emergency relocation of the Department of Commerce activities and unless otherwise ordered by competent authority (i.e., officials of the Department of Commerce, the Assistant Secretary for Maritime Affairs, the Deputy Assistant Secretary for Maritime Affairs, the Assistant Administrator for Policy and Administration, the Maritime Administration Personnel Officer and in the field the Region Directors, the Superintendent, U.S. Merchant Marine Academy, or persons acting in such capacities) the authority to administer personnel activities delegated by Department of Commerce Administrative Order 202-250, as provided by Department of Commerce Administrative Order 202-910, to the official in charge of each activity of the Maritime Administration in each local commuting area and to such employee or employees as he may designate for the purpose is limited to the following extent: The Region Directors, Deputy Region Directors, Superintendent, U.S. Merchant Marine Academy, Field Personnel Officers and Representatives; Chiefs of Regional Construction Offices; Area Representatives; and such employee or employees as such officials may designate, are authorized to administer personnel activities.

Section 13. Delegation of Authorities and Responsibilities in the Absence or Non-Availability of the Assistant Secretary for Maritime Affairs, Assistant Administrators, Office Directors, or Region Directors:

13.01 In the event of mobilization and in the absence or non-availability of the Assistant Secretary for Maritime Affairs, his personally reserved authorities and responsibilities shall be assumed by the incumbents of the positions in the numerical sequence indicated:

- 1 Deputy Assistant Secretary for Maritime Affairs
- 2 General Counsel
- 3 Assistant Administrator for Policy and Administration
- 4 Assistant Administrator for Maritime Aids
- 5 Assistant Administrator for Operations
- 6 Eastern Region Director
- 7 Western Region Director
- 8 Central Region Director

13.02 In the event of mobilization and non-availability of Washington Assistant Administrators, Office Directors, or Region Directors, their delegated authorities and responsibilities (except those set forth in Section 13.01 of this order) shall be assumed by the incumbents of the positions in the numbered sequence indicated as follows:



MAO 800-1

- 1 For Washington Assistant Administrators or Office Directors -  
Their authorized deputies or other officials so designated.
- 2 For Eastern Region Director
  - (1) Deputy Region Director
  - (2) Region Finance Officer
  - (3) Region Ship Management Officer
- 3 For Western Region Director
  - (1) Deputy Region Director
  - (2) Region Counsel
  - (3) Region Finance Officer
- 4 For Central Region Director
  - (1) Deputy Region Director
  - (2) Region Ship Management Officer
  - (3) Region Finance Officer

*Robert J. Blackwell*

ROBERT J. BLACKWELL  
Assistant Secretary  
for Maritime Affairs

APPENDIX D

U.S. DEPARTMENT OF COMMERCE MARITIME ADMINISTRATION	MARITIME ADMINISTRATIVE ORDER <i>WAG</i>	
	REVOKES MAO 120-1, dated 6/7/74	NO. 120-1 EFFECTIVE DATE October 12, 1979
MANUAL OF ORDERS		

SUBJECT  
REDELEGATION OF AUTHORITIES BY THE EASTERN REGION DIRECTOR

Section 1. General:

1.01 Maritime Administrative Orders 100-1 and 100-2, and other directives on specific matters in the Manual of Orders establish the functions and authorities of the Region Director and give the Region Director authority to redelegate such authorities and to prescribe necessary limitations, restrictions, and conditions on the exercise of such authorities.

1.02 The authorities set forth in Section 3 of this Order, which can be redelegated, are hereby redelegated to designated officials. These officials may, in turn, redelegate their authorities.

Section 2. Organization:

2.01 Exhibit 1 to this Order describes the organization structure of the Eastern Region.

Section 3. Redlegation of Authorities:

3.01 Immediate Office of the Eastern Region Director:

- 1 The Deputy Eastern Region Director is authorized to exercise all of the authorities of the Region Director and to act for the Director during the Director's preoccupation or absence.
- 2 The Region Personnel Representative is authorized to exercise all of the authorities of the Region Director with respect to the personnel functions assigned by the Manual of Orders, and specifically Subsection 2.05 of Maritime Administrative Order 100-2.

3.02 Region Administrative Services Office. The Region Administrative Services Officer is authorized to exercise all of the authority of the Region Director with respect to administrative services, property control, purchase and disposal functions assigned by the Manual of Orders, and specifically Sections 2.02, 2.08 1, and 2.08 4 of Maritime Administrative Order 100-2.


3.03 Region Finance Office. The Region Finance Officer is authorized to exercise all of the authority of the Region Director with respect to the accounting, financial studies and approvals, and other finance functions assigned by the Manual of Orders, and specifically Sections 2.03 and 2.04 of Maritime Administrative Order 100-2. The Region Finance Officer is also authorized to exercise all of the authority of the Region Director with respect to the civil rights and minority business enterprise functions assigned by the Manual of Orders.

3.04 Region Market Development Office. The Region Market Development Officer is authorized to exercise all of the authorities of the Region Director with respect to the market development functions assigned by the Manual of Orders.

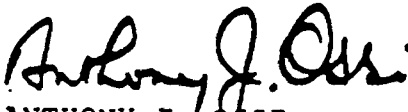
3.05 Region Port and Intermodal Development Office. The Region Port and Intermodal Development Officer is authorized to exercise all of the authorities of the Region Director with respect to the port and intermodal development functions assigned by the Manual of Orders.

3.06 Region Ship Operations Office. The Region Ship Operations Officer is authorized to exercise all of the authorities of the Region Director with respect to the ship operations, maintenance and repairs and other ship management functions assigned by the Manual of Orders, and specifically Sections 2.01 and 2.07 of Maritime Administrative Order 100-2.

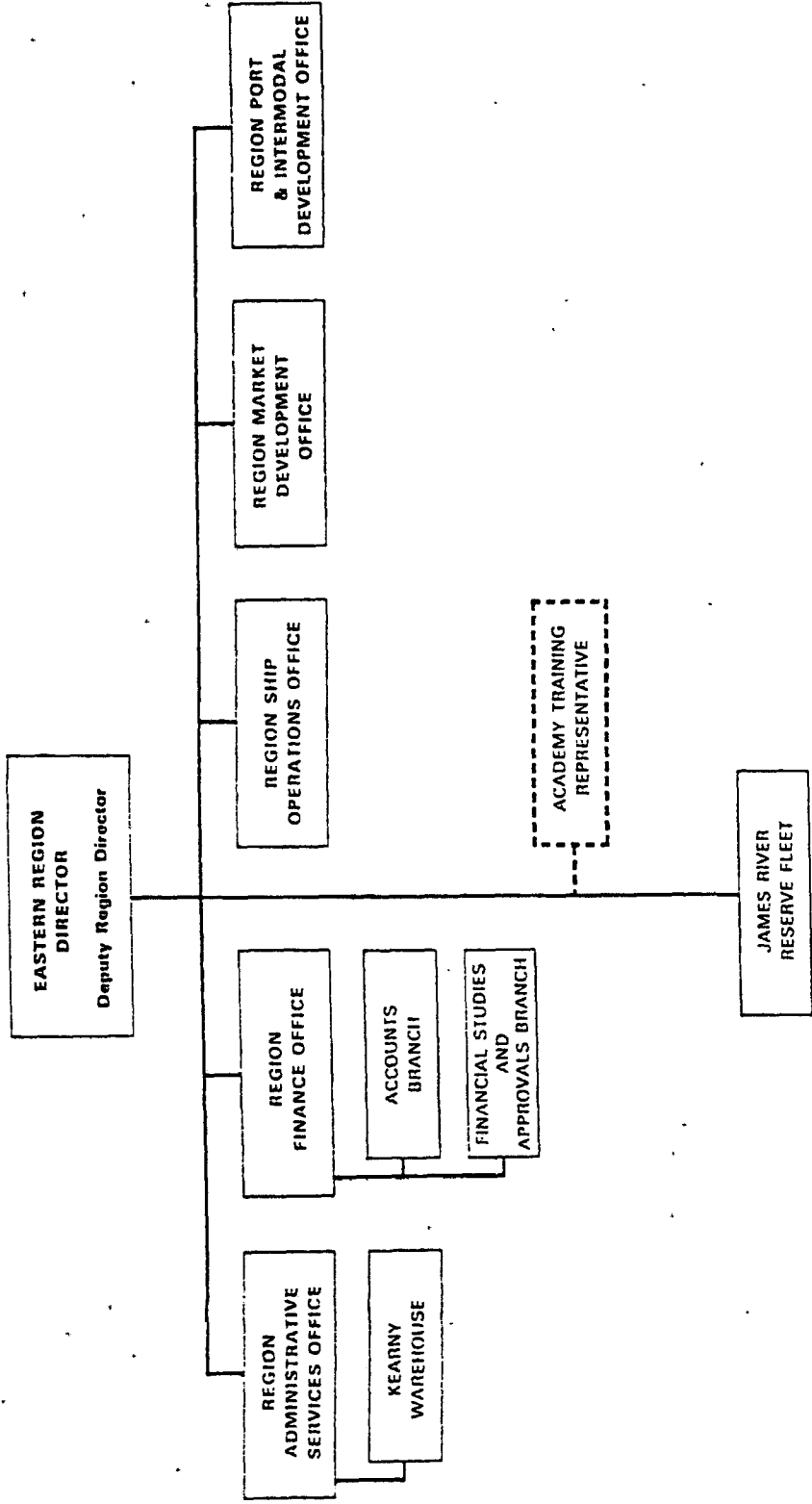
3.07 James River Reserve Fleet. The Fleet Superintendent is authorized to exercise all of the authorities of the Region Director relative to reserve fleet functions assigned by the Manual of Orders.

  
THOMAS A. KING  
Eastern Region Director

Concurrence:

  
ANTHONY J. OSSI  
Director, Office of  
Management and Organization

Organization Chart  
U.S. Department of Commerce  
MARITIME ADMINISTRATION  
EASTERN REGION



Submitted By: *Walter O'Connell*  
EASTERN REGION DIRECTOR

Approved By: *Russell Fitzhugh*  
ASSISTANT ADMINISTRATOR  
FOR POLICY AND ADMINISTRATION  
OCTOBER 1979

APPENDIX E

U.S. DEPARTMENT OF COMMERCE MARITIME ADMINISTRATION	MARITIME ADMINISTRATIVE ORDER	
	REVOKES	NO. 160-1
MANUAL OF ORDERS	EFFECTIVE DATE October 24, 1979	

SUBJECT

REDELEGATION OF AUTHORITIES BY THE GREAT LAKES REGION DIRECTOR

Section 1. General:

1.01 Maritime Administrative Orders 100-1 and 100-2 and other directives on specific matters in the Manual of Orders establish the functions and authorities of the Region Director and give the Region Director authority to redelegate such authorities and to prescribe necessary limitations, restrictions, and conditions on the exercise of such authorities.

1.02 The authorities set forth in Section 3 of this Order, which can be redelegated, are hereby redelegated to designated officials. These officials may, in turn, redelegate their authorities.

Section 2. Organization:

Exhibit 1 to this Order describes the organization structure of the Great Lakes Region.

Section 3. Redlegation of Authorities:

3.01 Immediate Office of the Region Director:

- 1 The Deputy Great Lakes Region Director is authorized to exercise all of the authorities of the Great Lakes Region Director and to act for the Director during the Director's preoccupation or absence.
- 2 The Immediate Office of the Region Director shall also contain personnel responsible for the civil rights, minority business enterprise and administrative support functions of the Region.

3.02 Region Finance Officer. The Region Finance Officer is authorized to exercise all of the authorities of the Region Director with respect to the finance functions assigned by the Manual of Orders, and specifically Section 2.04 of Maritime Administrative Order 100-2.

3.03 Region Market Development Office. The Region Market Development Officer is authorized to exercise all of the authorities of the Region Director with respect to the market development functions assigned by the Manual of Orders.

3.04 Region Port and Intermodal Development Office. The Region Port and Intermodal Development Officer is authorized to exercise all of the authorities of the Region Director with respect to the port and intermodal development functions assigned by the Manual of Orders.


MAO-160-1

3.05 Region Ship Operations Office. The Region Ship Operations Officer is authorized to exercise all of the authorities of the Region Director with respect to the ship operations and other ship management functions assigned by the Manual of Orders, and specifically those set forth in Sections 2.01 and 2.07 of Maritime Administrative Order 100-2.



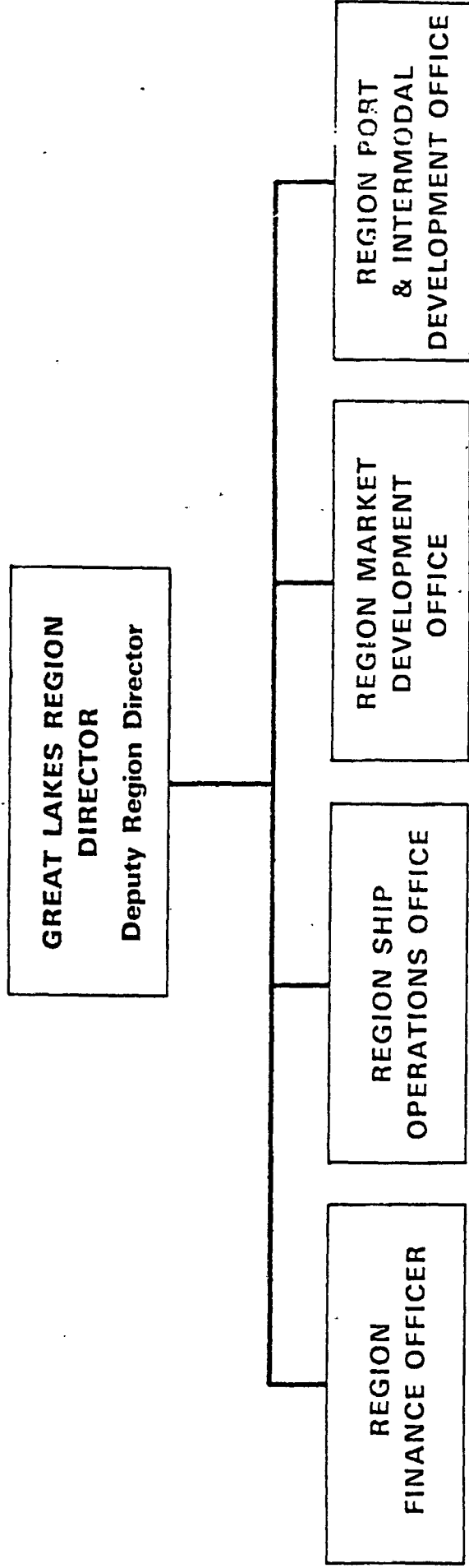
GEORGE J. RYAN  
Great Lakes Region Director

Concurrence:



ANTHONY J. OSSY  
Director, Office of  
Management and Organization

**Organization Chart**  
**U.S. Department of Commerce**  
**MARITIME ADMINISTRATION**  
**GREAT LAKES REGION**



Submitted by: *George J. Simon*  
GREAT LAKES REGION DIRECTOR

Approved by: *Russell F. W. Taylor*  
ASSISTANT ADMINISTRATOR  
FOR POLICY AND ADMINISTRATION

APPENDIX F



US Department  
of Transportation  
Maritime  
Administration

MANUAL OF ORDERS

MARITIME ADMINISTRATIVE ORDER

REVOKES

MAO 140-1  
dated 10-12-79

NO.

140-1

EFFECTIVE DATE

July 17, 1987

SUBJECT

REDELEGATION OF AUTHORITIES BY THE WESTERN REGION DIRECTOR

Section 1. General:

1.01 Maritime Administrative Orders 100-1 and 100-2, and other directives on specific matters in the Manual of Orders establish the functions and authorities of the Region Director and give the Region Director authority to redelegate such authorities and to prescribe necessary limitations, restrictions, and conditions on the exercise of such authorities.

1.02 The authorities set forth in section 3 of this order, which can be redelegated, are hereby redelegated to designated officials. These officials may, in turn, redelegate their authorities.

Section 2. Organization:

Exhibit 1 to this order describes the organization structure of the Western Region.

Section 3. Redelegation of Authorities:

3.01 The Immediate Office of the Western Region Director includes the Region Personnel Representative authorized to exercise all of the authorities of the Region Director with respect to the personnel functions assigned by the Manual of Orders and specifically subsection 2.07 of Maritime Administrative Order 100-2.

3.02 Region Finance Office. The Region Finance Officer is authorized to exercise all of the authorities of the Region Director with respect to the finance functions assigned by the Manual of Orders, and specifically section 2.06 of Maritime Administrative Order 100-2.

3.03 Region Maritime Development Staff. The Region Maritime Development Staff is authorized to exercise all of the authorities of the Region Director with respect to the domestic shipping, market development, and port and intermodal development functions assigned by the Manual of Orders.




3.04 Region Ship Operations and Maintenance Office. The Region Ship Operations and Maintenance Officer is authorized to exercise all of the authorities of the Region Director with respect to the ship operation, maintenance and repair, oversight of the reserve fleet, and other ship management functions assigned by the Manual of Orders, and specifically sections 2.01, 2.02 and 2.09 of Maritime Administrative Order 100-2.

- 1 The Region Ship Operations Officer is authorized to exercise all of the authorities of the Region Ship Operations and Maintenance Officer with respect to the ship operations, maintenance and repair, and other ship management functions assigned by the Manual of Orders except for the reserve fleet functions.
- 2 The Superintendent, Suisun Bay Reserve Fleet, is authorized to exercise all of the authorities of the Region Ship Operations and Maintenance Officer with respect to the reserve fleet functions assigned by the Manual of Orders.



SAMUEL W. GALSTAN  
Western Region Director

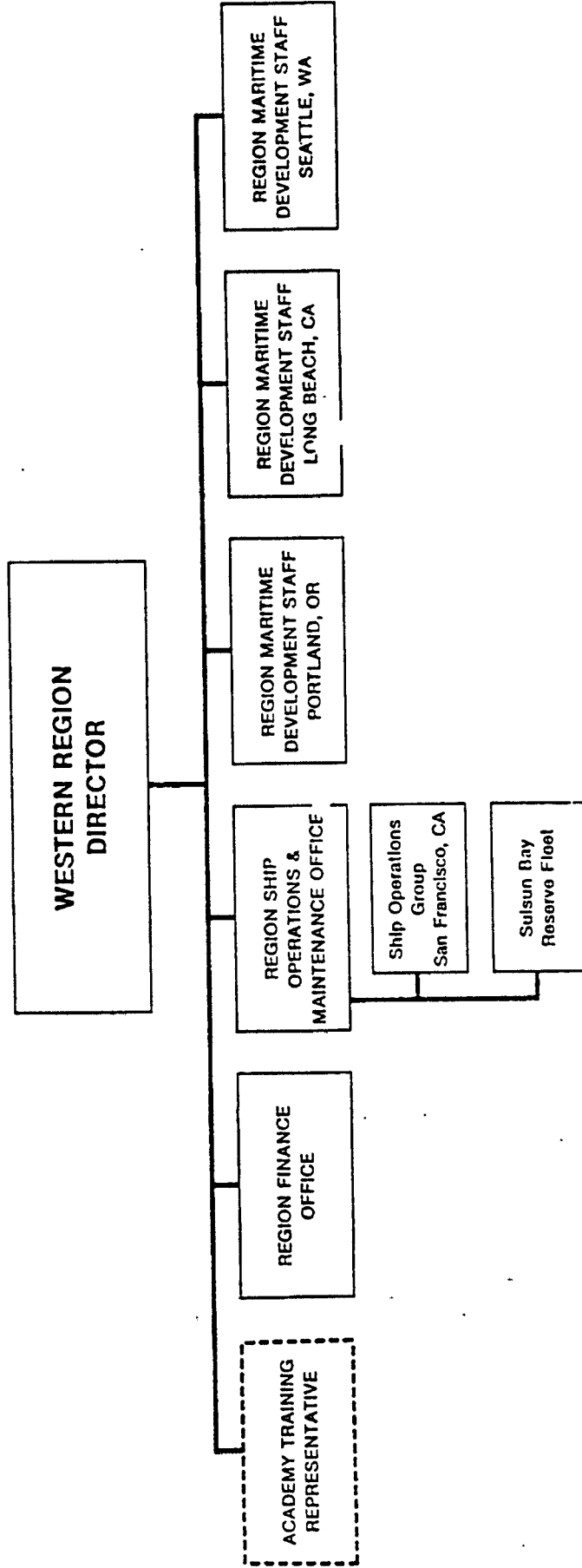
Concurrence:



EARNEST HAWKINS  
Associate Administrator  
for Administration

Organization Chart  
U.S. Department of Transportation

**MARITIME ADMINISTRATION**  
**Western Region**



APPENDIX G

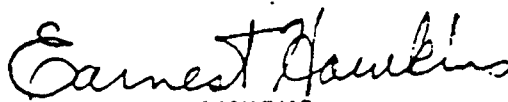
MAR-830 Room 7201	MARITIME ADMINISTRATIVE ORDER	
	REVOKES	NO. 130-1
	MAO 130-1 dated 10-12-79	EFFECTIVE DATE July 17, 1987
SUBJECT		
REDELEGATION OF AUTHORITIES BY THE CENTRAL REGION DIRECTOR		
<p><u>Section 1. General:</u></p> <p>1.01 Maritime Administrative Orders 100-1 and 100-2, and other directives on specific matters in the Manual of Orders establish the functions and authorities of the Region Director and give the Region Director authority to redelegate such authorities and to prescribe necessary limitations, restrictions, and conditions on the exercise of such authorities.</p> <p>1.02 The authorities set forth in section 3 of this order, which can be redelegated, are hereby redelegated to designated officials. These officials may, in turn, redelegate their authorities.</p> <p><u>Section 2. Organization:</u></p> <p>Exhibit 1 to this order describes the organization structure of the Central Region.</p> <p><u>Section 3. Redelegation of Authorities:</u></p> <p>3.01 <u>The Immediate Office of the Central Region Director</u> includes the personnel authorized to exercise all of the authorities of the Region Director with respect to the administrative services, property, and purchasing functions assigned by the Manual of Orders and specifically sections 2.04 and 2.05 of Maritime Administrative Order 100-2.</p> <p>3.02 <u>Region Finance Office.</u> The Region Finance Officer is authorized to exercise all of the authorities of the Region Director with respect to the finance functions assigned by the Manual of Orders, and specifically section 2.06 of Maritime Administrative Order 100-2.</p> <p>3.03 <u>Region Maritime Development Staff.</u> The Region Maritime Development Staff is authorized to exercise all of the authorities of the Region Director with respect to the domestic shipping, market development, and port and intermodal development functions assigned by the Manual of Orders.</p>		
170		

3.04 Region Ship Operations and Maintenance Office. Region Ship Operations and Maintenance Officer is authorized to exercise all of the authorities of the Region Director with respect to the ship operation, maintenance and repair, oversight of the reserve fleet, and other ship management functions assigned by the Manual of Orders, and specifically sections 2.01 and 2.02 of Maritime Administrative Order 100-2.

- 1 The Region Ship Operations Officers (Port Arthur, Texas and New Orleans, Louisiana), within their respective areas, are authorized to exercise all of the authorities of the Region Ship Operations and Maintenance Officer with respect to the ship operations, maintenance and repair, and other ship management functions assigned by the Manual of Orders except for the reserve fleet functions.
- 2 The Superintendent, Beaumont Reserve Fleet, is authorized to exercise all of the authorities of the Region Ship Operations and Maintenance Officer with respect to the reserve fleet functions assigned by the Manual of Orders.

  
F. X. McNERNEY  
Central Region Director

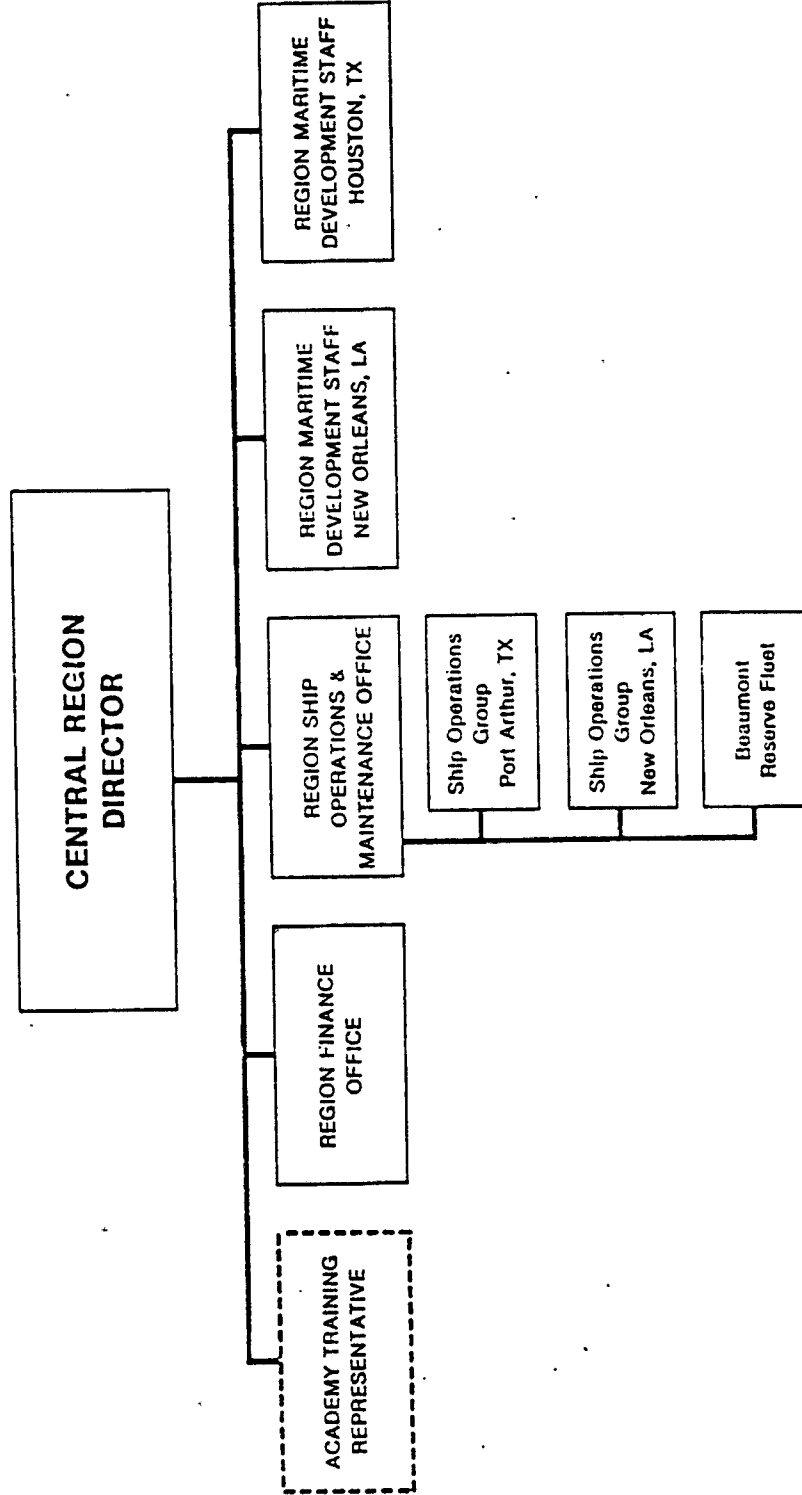
Concurrence:

  
EARNEST HAWKINS  
Associate Administrator  
for Administration

Organization Chart  
U.S. Department of Transportation

# MARITIME ADMINISTRATION

## Central Region



1 June 1983

## ADMINISTRATIVE ORDER

No. .... 2  
 Series of ..... 1983

**SUBJECT: Functions, Duties and Responsibilities of District Offices**

To accelerate the promotion and development of the maritime industry in the countryside and in order to provide a general framework of reference in the operation of MARINA field units and thus, strengthen their structure and capability, the following functions, duties and responsibilities are hereby vested in all MARINA District Offices already in operation and all others to be established and/or activated in the future, to wit:

**1. Domestic Shipping**

- 1.01 Assist in the market evaluation/survey of routes that are contested, problematical or developmental.
- 1.02 Assist in the evaluation of the quality of service provided by liner vessels in accordance with established standards.
- 1.03 Support data gathering on passenger and commodity flow and origin-destination surveys for project evaluation.
- 1.04 Monitor compliance by liner vessels with authorized routes of schedules, freight and passenger rates.
- 1.05 Investigate, upon instruction of the Administrator, all complaints, petitions or resolutions from civic, religious or cultural groups, committees or organizations to improve domestic shipping services.
- 1.06 Accept applications and verify compliance with requirements on:
  - a. Availment of the First Public Utilities Priorities Plan (PUPP).
  - b. Incorporation of maritime enterprises prior to SEC registration.
  - c. Vessel acquisition thru importation, local construction, charter or lease-purchase.
  - d. Registration of maritime enterprises.
  - e. Application of vessel re-routing.
  - f. Temporary change of vessel utilization.
  - g. Request to DOT for the issuance of CPC or PA.

For submission to, and approval by, the MARINA Central Office.

- 1.07 Perform such other duties and responsibilities as may be necessary in relation to the supervisory, regulatory, developmental and promotional functions of MARINA in domestic shipping as may be directed or desired by the Administrator from time to time.

## 2. Overseas Shipping:

- 2.01 Accept and verify compliance with requirement of applications on:

- a. Incorporation of maritime enterprises prior to SEC registration.
- b. Temporary conversion of vessel utilization.
- c. Registration of shipping enterprises.

For submission to, and approval by, the MARINA Central Office.

- 2.02 Assist in the recommendation, formulation and development/ amendment/implementation of MARINA policies, rules and regulations in relation to its role in overseas shipping principally the operation of barter trade and other trade routes.

- 2.03 Perform such other duties and responsibilities and undertake coordinative, liaison and consultative services with concerned agencies of the government and the private sector in relation to MARINA's role in overseas shipping as may be directed or desired by the Administrator from time to time.

## 3. Shipping Operations

- 3.01 Inspection of vessels newly acquired by Filipino nationals prior to the release of the vessel from the custody of the Bureau of Customs.
- 3.02 Inspection of vessels of local construction.
- 3.03 Processing of request for tax exemption of imported spare parts, machineries and equipment under P.D. No. 215.
- 3.04 Processing of request for authority to import marine engines and spare parts.
- 3.05 Processing of requests for exemption from the fifty percent (50%) marginal deposit.

#### 4. Shipbuilding/Shiprepair

- 4.01 Conduct annual survey and inspection of shipbuilding/ship-repair plants and facilities to determine the ~~maximum~~ capacity of MARINA-registered shipyards.
- 4.02 Make general assessment of the accomplishments and progress of MARINA-registered shipyards in their expansion programs.
- 4.03 Undertakes the approval of plans for shipbuilding and/or shiprepair and the establishment of shipyards.
- 4.04 Accepts/processes applications and verify compliance with requirements on:
- a. Requests for emergency/drydocking of vessels abroad under P.D. No. 1221.
  - b. Requests for importation of shipbuilding/shiprepair materials, parts and equipments.
  - c. Applications for incorporation of maritime enterprises prior to SEC registration.
  - d. Authority to import marine engines and spare parts.
  - e. Process/evaluate applications for disbursement of Shipyards Development Fund (SDF).
  - f. Registration/licensing of shipyards, shiprepair shops and marine repair shops.
- For submission/instrument to, and approval by, the MARINA Central Office.

#### 5. Manpower Training/Development

- 5.01 In coordination with the members of the IATC, inspect and evaluate periodically the standards, facilities and performance of maritime educational training programs and institutions.
- 5.02 Assist in the conduct of assessments, surveys and studies on manpower training needs and demands, including equipment, facilities and installations.
- 5.03 Initiate the formulation and development of plans, programs and projects designed to:
- a. Upgrade the qualifications and capabilities of Filipino seafarers.
  - b. Standardization and upgrading shipyards manpower grades and skills.
- For submission to, and approval by, the MARINA Central Office.



5.04 Coordinate/monitor implementation of plans, projects and programs to upgrade qualifications and capabilities of seafarers and standardization/upgrading of shipyards manpower trades and skills.

5.05 Performs such other duties and responsibilities as may be necessary in relation to MARINA's role in maritime manpower training and development as may be directed or desired by the Administrator from time to time.

## 6. Management Information Service System

6.01 Assist the MISS in the collection of maritime data, information and statistics.

6.02 Assist, in coordination with maritime enterprises, the MISS in the conduct of surveys, assessments and studies in relation to its role in providing MARINA adequate reports/references.

6.03 Preparation/accomplishment of the Standard Format and Reporting System for District Offices which will be submitted to the MISS monthly, cc: The Deputy Administrator for Operations.

6.04 Perform such other duties and responsibilities as may be necessary in relation to the gathering, collation and conversion of surveys, assessments, studies and reports into economic inputs as aid to MARINA in policy-formulation and decision-making as may be directed or desired by the Administrator from time to time.

## 7. Administrative and Finance

7.01 Exercises administrative supervision and control over the personnel of the District Office.

7.02 Directs and supervises the management and control of the finances of the District Office.

7.03 Directs and manages the obligation, collection and disbursement of funds, allotted or otherwise, in accordance with accounting rules and regulations.

7.04 Directs and supervises the procurement system, storage, issuance and movement of supplies, materials and equipment of the District Office.

7.05 Directs and supervises the preparation of budget estimates for the District Office.

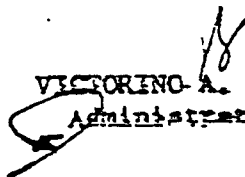
7.06 Directs and supervises the keeping and management of a systematic records and filing system.

7.07 Represents MARINA in regional groups, committees or organizations and participates in meetings, consultations or conferences thereof.

- 7.08 Directs and manages preparation of financial reports relative to the operation of the District Office for submission to the MARINA Central Office.
  - 7.09 Study, evaluate and recommend appropriate guidelines/measures for the effective management and operation of the District Office.
  - 7.10 Assist in the conduct of studies and formulation of recommendations for the effective supervision, regulation and rationalization of the maritime industry in the region.
  - 7.11 Assist in the development and administration, in accordance with MARINA policies, of an information and public relations program.
  - 7.12 Perform such other acts inherent to the administrative supervision, management and control of the District Office, subject to existing policies, rules and regulations.
8. In the discharge of the foregoing functions, duties and responsibilities, the following constraints shall be strictly observed;
- 8.01 Secure clearance from the Administrator before making public pronouncements/press releases involving MARINA policies and decisions.
  - 8.02 Contact MARINA Central Office by fastest means on urgent matters requiring policy/decision of top management.
  - 8.03 Submit monthly reports of accomplishments/activities. However, cases requiring immediate resolution/decision should be brought before the attention of the Administrator.
  - 8.04 All reports/requests shall be coursed thru the Deputy Administrator for Operations, or in his absence, the Chairman of the Executive Committee, MARINA.

This Order supersedes all other orders, circulars or memoranda issued for the purpose and shall remain in force until rescinded, modified or repealed.

DAO *[Signature]*  
 AFMS *[Signature]*  
 ZMDO *[Signature]*  
 CMDO *mailed*  
 Mgt. *[Signature]*

  
 VICTORINO A. BASCO  
 Administrator

ANNEX 1

## MARITIME INDUSTRY AUTHORITY

**ADMINISTRATIVE ORDER**

No. 6

TO: All MIA Directors/OIC, Maritime Regional Offices  
and others Concerned

DATE: 07 June 1989

SUBJECT:

DELEGATION OF AUTHORITY TO MIA DIRECTORS, MARITIME REGIONAL OFFICES

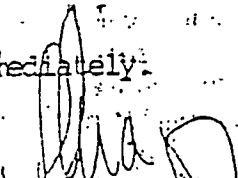
The Maritime Industry Board, upon recommendation of this Office, approved delegation of the following authority/functions to the MIA Directors of the Maritime Regional Offices:

1. Issuance of Provisional Authority (PA) to uncontested original applications for CPC;
2. Issuance of Special Permit (SP) under Sec. 12(d) of Presidential Decree 474, for a period not exceeding 15 days;
3. Issuance of SP when necessary, but not exceeding thirty (30) days, for temporary vessel replacement/substitution due to emergency/annual drydocking or other special conditions, such as, but not limited to fiestas, peak seasons or holidays;
4. Hear all applications, petitions and complaints in the exercise of MARINA's quasi-judicial functions for submission to the Franchising Staff and/or the MARINA Board for final disposition/decision; and
5. Issuance of authority to import marine engines, spare parts and other vessel appurtenances.

The above authority shall be limited to shipping services/operations whose area of service is within the delineated areas of jurisdiction of the regional offices as defined in Administrative Order No. 01, s. 1989. Likewise, the herein delegation of authority may be revoked or withdrawn at any time by the Administrator and/or the MARINA Board, taking into account the paramount interest of public service.

There is hereby prescribed a Manual of Operations for the delegated authority to ensure uniformity and consistency in the exercise thereof.

This Order shall take effect immediately.

  
PHILIP S. TUAZON  
Administrator

APPENDIX J

January 10, 1990

ADMINISTRATIVE ORDER NO. 01-90

TO : ALL DIRECTORS/OFFICERS-IN-CHARGE OF MARITIME  
REGIONAL OFFICES AND ALL OTHERS CONCERNED  
Subject : DUTIES AND RESPONSIBILITIES OF DIRECTORS/OFFICERS-  
IN-CHARGE, MARITIME REGIONAL OFFICES

Pursuant to Executive Order No. 292 (The Administrative Code of 1987), as amended, which has been declared effective as of 23 November 1989 under Presidential Proclamation No. 495 dated 23 November 1989, and in accordance with Presidential Memorandum Order No. 82-A dated 24 November 1989, and considering further that funds/allotments for regional operations are now directly released to the Maritime Regional Offices, the following shall be the duties and responsibilities of the Directors/Officers-In-Charge, Maritime Regional Offices:

- (1) Implement laws, policies, rules and regulations within the responsibility of the MARINA in the region;
- (2) Implement MARINA programs in the region;
- (3) Exercise the management functions of planning, organizing, directing and controlling;
- (4) Approve sick, vacation and maternity leaves of absence with or without pay, for a period not beyond one year;
- (5) Prepare and submit budget proposals for the region to the Central Office; administer the budget of the Regional Office; authorize disbursement of funds pursuant to financial and work programs approved by higher authorities; and administer the budget control machinery in the region;
- (6) Approve requisition for supplies and materials as well as books and periodicals, and other items for the region, in accordance with the supply procurement program approved by the Administrator;
- (7) Negotiate and enter into contracts for lease of office space, services or furnishing supplies, materials and other items involving an amount not exceeding fifty thousand pesos (P50,000.00) within a given quarter;

- (8) Approve claims for benefits under existing laws;
- (9) Promote coordination among the Regional Offices, and between his Regional Office and local government units in the region;
- (10) Provide housekeeping services for the Regional Office;
- (11) Approve application of regional personnel for permission to teach, exercise a profession, or engage in business outside of office hours in accordance with standards and guidelines of the Office of the President and/or the Civil Service Commission;
- (12) Issue travel vouchers authorizing regional employees to travel on official business within the region for a period not exceeding thirty (30) days;
- (13) Approve attendance of regional personnel in conferences, seminars and non-degree training programs within the region;
- (14) Perform such other duties and functions as may be provided by law or further delegated by the Administrator.


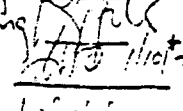
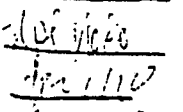
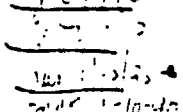
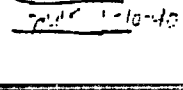
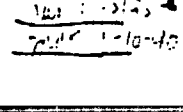
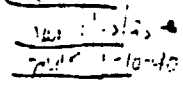
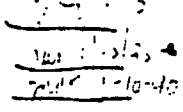
It shall, however, be understood that all financial transactions covered under this Order shall be subject to availability of funds, the usual accounting and auditing requirements, the provisions of the General Appropriation Act and Presidential Decree No.1177, and that appropriate reports on said transactions shall be submitted to the Central Office (Attention: The Director, Administrative & Finance Office) on the 15th and 30th day of each month.

Nothing in this Order shall be construed as a limitation on the power of the Administrator to review and modify, alter, reverse any action of the Maritime Regional Director and/or the duly designated Officer-In-Charge.

Finally, it is understood that exercise of the foregoing duties shall be in accordance with existing laws and rules and violations thereof shall be the responsibility of the Director/Officer-In-Charge of the region.

This Order shall take effect immediately.

  
 PHILIP S. TUAZON  
 Administrator

Teching.   
 Auditing   
 HSS   
 PPS   
 RLO   
 TSO   
 DSO   
 GSO 

HDO PEA 11/10/90  
 HDO PEA 11/10/90  
 E.O. 11/10/90  
 PS 11/10/90  
 6 Regional Offices 11/10/90  
 EHL 11/10/90

## APPENDIX K

### NAMES OF THE COOPERATING AGENCIES ENUMERATED IN TABLE 1:

#### A. Government Agencies and Organizations:

1. Bureau of Animal Industry (BAI)
2. Bureau of Customs (BOC)
3. Bureau of Plant Industry (BPI)
4. Bureau of Quarantine (BOQ)
5. Commission on Immigration (CI)
6. Department of Tourism (DOT)
7. National Telecommunications Commission (NTC)
8. Philippine Coast Guard (PCG)
9. Philippine Ports Authority (PPA)
10. Others: Government and Semi-Government  
Organizations
  - a. Maritime Development Steering Committee (MDSC)
  - b. Peace and Order Council (POC)
  - c. Port Management Advisory Council (PMAC)
  - d. Regional Development Council (RDC)
  - e. Regional Management Council (RMC)

#### B. Non-government Organizations:

1. BBMS Towage and Salvage Company.
2. Cagayan Harbor Pilots' Association (CHPA)
3. Conference of Inter-island Shipowners and

Operators (CISO)

4. Iligan Harbor Pilots' Association (IHPA)
5. Kaputian Motorboat Association, Inc. (KMBAI)
6. Misamis Institute of Technology Training Center (MITTC)
7. New Filipino Maritime Agency, Inc. (NFMAI)
8. Philippine Association of Maritime Institutions (PAMI)
9. Penaplata Motorboat Association (PMA)
10. Philippine Inter-Island Shipping Association (PISA)
11. Port Truckers' Association (PTA)
12. Southern Mindanao Shipowners' Association (SMSA)
13. United Babak Lancheros Association (UBLA)
14. Visayan Association of Ferryboat Service Operators (VAFSO)
15. Zamboanga Fishermen's Association (ZFA)
16. Zamboanga Kumpit Owners' Association (ZKOA)
17. **Others:**
  - a. Seven (7) Arrastre and Stevedoring Companies
  - b. Three (3) Ship Chandling Companies

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