



DEPARTMENT CIRCULAR NO. 06

PROMULGATING THE 2026 DEPARTMENT OF MIGRANT WORKERS RULES AND REGULATIONS GOVERNING THE RECRUITMENT AND EMPLOYMENT OF SEABASED OVERSEAS FILIPINO WORKERS

WHEREAS, Republic Act (R.A.) No. 11641 or the *Department of Migrant Workers Act* was signed into law on 30 December 2021 and took effect on 03 February 2022;

WHEREAS, R.A. No. 11641 consolidated and merged the Philippine Overseas Employment Administration (POEA), the Office of the Undersecretary for Migrant Workers' Affairs of the Department of Foreign Affairs, the International Labor Affairs Bureau and all Philippine Overseas Labor Offices under the Department of Labor and Employment, the National Maritime Polytechnic, the National Reintegration Center for OFWs under the Overseas Workers Welfare Administration, and the Office of the Social Welfare Attaché under the Department of Social Welfare and Development, and hereby constituted and established the Department of Migrant Workers (DMW);

WHEREAS, the DMW is the primary agency under the Executive Branch of the Philippine government tasked to protect the rights and promote the welfare of Overseas Filipino Workers (OFWs), including seafarers and other sea-based workers;

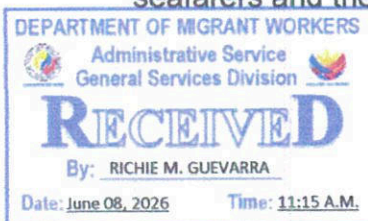
WHEREAS, Section 6(b) of R.A. No. 11641 states that the DMW shall have the power to regulate the recruitment, employment, and deployment of OFWs;

WHEREAS, Section 6(j) of R.A. No. 11641 likewise provides that the DMW shall have the power to regulate the operations of private recruitment and manning agencies involved in the deployment of OFWs abroad to protect their interests and well-being;

WHEREAS, Section 8(c) of R.A. No. 11641 empowers the DMW Secretary to issue orders, directives, rules, regulations, and other issuances, upon due consultation with the stakeholders, to carry out policies, plans, programs, or projects pursuant to the provisions of R.A. No. 11641, and exercise such other powers as may be required to implement and realize the objectives of the said law;

WHEREAS, R.A. No. 12021, or the *Magna Carta of Filipino Seafarers*, was signed into law on 23 September 2024 and took effect on 12 October 2024;

WHEREAS, Section 2 of R.A. No. 12021 mandates the State to secure decent working and living conditions for seafarers; standardize the terms and conditions of their employment; promote their skills and competencies; regulate the operations of manning agencies; incentivize maritime stakeholders; and establish and enhance mechanisms for administrative, adjudicative, and social and welfare services for seafarers and their families;



CONTROLLED AND DISSEMINATED
By: DMW General Services Division on June 08, 2026



WHEREAS, following the creation of the DMW and the enactment of R.A. No. 12021, there is a need to update the prevailing POEA rules and regulations that govern the recruitment and employment of seafarers and sea-based workers;

NOW THEREFORE, in consideration of the foregoing, and with the consensus of all stakeholders after a series of tripartite consultations, the DMW hereby issues and promulgates the attached 2026 DMW Rules and Regulations Governing the Recruitment and Employment of Seabased Overseas Filipino Workers.

Issued on the 7th of June 2026, in Quezon City, Philippines.


HANS LEO J. CACDAC
Secretary





**Republic of the Philippines
DEPARTMENT OF MIGRANT WORKERS**

**2026 DMW RULES AND REGULATIONS
GOVERNING THE RECRUITMENT AND EMPLOYMENT OF
SEABASED OVERSEAS FILIPINO WORKERS**

**PART I
GENERAL PROVISIONS**

**RULE I
Statement of Policy**

It is the duty of the State to protect the rights and promote the welfare of Filipino seafarers and their families, by: (a) ensuring that private recruitment shall meet professional, legal, and ethical standards; (b) obtaining the best possible conditions of work that uphold the dignity of Filipino seafarers; (c) providing timely and responsive services to address their needs regardless of legal status; (d) ensuring their participation in the formulation of policies affecting their welfare; and (e) providing mechanisms for skills development and reintegration.

The policies laid out in Republic Act (R.A.) No. 11641, or the Department of Migrant Workers Act, and its Implementing Rules and Regulations (IRR), and R.A. No. 12021, or the Magna Carta of Filipino Seafarers, and its IRR, and other applicable laws shall be deemed incorporated in these Rules as far as they are practicable.

As such, it is the policy of the Department:

1. To uphold the dignity and fundamental human rights of Filipino seafarers, whether documented or undocumented, navigating foreign international waters, and promote full employment and equality of employment opportunities for all, while recognizing Filipino seafarers as key essential workers in the global maritime industry;
2. To protect every Filipino seafarer seeking overseas employment by securing the best possible terms and conditions of employment through:
 - a. Active, consistent, and effective multimedia dissemination of information to assist Filipino seafarers to make informed and intelligent decisions on overseas seafaring, their rights and obligations, and the mechanisms available for redressing grievances; and
 - b. Monitoring and regulating the private sector participation in the recruitment and placement of Filipino seafarers, while recognizing their participation in the national development objectives;
3. To allow the deployment of Filipino seafarers to ships whose owners or employers are compliant with international laws and standards that protect the rights of seafarers;
4. To develop strategies and programs to ensure full and quality employment opportunities for Filipino seafarers, through possession of appropriate levels of competence, training and certification as required by the Maritime Labour

Convention 2006 (MLC 2006), as amended, International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, (1978 STCW Convention, as amended) and other applicable conventions, laws, rules and regulations;

5. To ensure careful selection of Filipino seafarers for overseas employment;
6. To formulate, plan, coordinate, promote, administer, and implement policies and undertake systems for regulating, managing, and monitoring the overseas employment of Filipino workers and reintegration of seafarers, while taking into consideration the national development programs formulated by the Department of Economy, Planning and Development (DEPDev) under R.A. No. 12145 or the Economy, Planning and Development Act;
7. To promote the empowerment and protection of Filipinos working overseas by empowering and training them to gain appropriate skills and by ensuring access to continuous training and knowledge development.

Toward this end, a plan and system for skills upgrading of Filipino seafarers including its effective administration shall be formulated in coordination with the Maritime Industry Authority (MARINA), Commission on Higher Education (CHED), National Maritime Polytechnic (NMP), Technical Education and Skills Development Authority (TESDA), and appropriate stakeholders such as the Maritime Higher Education and Institutions (MHEIs), and the organizations of Licensed Manning Agencies (LMAs) and seafarers;

8. To develop and implement a full-cycle and comprehensive national reintegration program for both documented and undocumented seafarers, which shall be embedded in all stages of migration for work beginning from pre-deployment, on-board during employment, and upon return whether voluntary or involuntary;
9. To disseminate and allow free flow of information which will properly prepare individuals in making informed and intelligent decisions about overseas employment, inform Filipino seafarers of their rights and obligations, as well as instruct and guide them on how to assert their rights, and provide them the available mechanisms to assert such rights;
10. To establish an adequate shared government information system on overseas employment, using computer databases that are linked electronically to allow verification and free flow of data exchanges, with due regard to the provisions of R.A. No. 12021, R.A. No. 11641, R.A. No. 10173 or the Data Privacy Act of 2012, R.A. No. 8042 or the Migrant Workers and Overseas Filipinos Act of 1995, as amended, and their respective IRR, as well as other relevant laws, rules and regulations on Overseas Filipino Workers (OFWs). The system should include basic profiles of overseas Filipino seafarers, their destination countries, skills, experience, and professional capabilities to support its operation, as well as to have a source of relevant data for program and policy formulation;
11. To provide an effective gender-sensitive and age-inclusive mechanism that can adequately protect and safeguard the rights and interests of Filipino seafarers;
12. To monitor and regulate private sector participation in the recruitment and placement of Filipino seafarers, while recognizing their participation therein to serve national development objectives.

Toward this end, shipowners, MHEIs, and manning and recruitment entities shall be recognized as vital partners in protecting and empowering Filipino seafarers;

13. To formulate and implement, in coordination with appropriate entities concerned, a system for promoting and monitoring the employment of Filipino seafarers, taking into consideration their welfare, while balancing domestic manpower requirements, pursuant to the whole-of-government approach;
14. To protect and promote the welfare of the Filipino seafarers, in partnership with other government agencies, LMAs, non-government organizations, unions, seafarers' associations, stakeholders, and other similar duly recognized entities, in the spirit of mutual trust and respect, pursuant to the whole-of-society approach; and
15. To promote and implement the mandate of the DMW under R.A. No. 12021, R.A. No. 11641, R.A. No. 10173, and R.A. No. 8042, as amended, and their respective IRRs, and other relevant laws, rules, and regulations on OFWs.

RULE II

Definition of Terms

For purposes of these Rules, the following terms are defined as follows:

1. **Abandonment** – refers to a situation where, in violation of the terms of the employment contract, the shipowner:
 - a. Fails to cover the cost of the seafarer's repatriation; or
 - b. Has left the seafarer without the necessary maintenance and support, which include adequate food, accommodation, drinking water supplies, essential fuel for survival on board the ship, and necessary medical care; or
 - c. Has otherwise unilaterally severed its ties with the seafarer, including failure to pay contractual wages for a period of at least two (2) months.
2. **Accommodation** – refers to suitable and appropriate lodging facilities provided to seafarers by an LMA and/or foreign principal/employer as follows:
 - a. While in transit, either after departure from the point of hire until boarding the vessel or after disembarkation from the vessel until arrival at the point of hire, including meals, free of charge to the seafarers;
 - b. While onboard the vessel during the term of their employment that meet the minimum standards set under the MLC 2006, as amended; or
 - c. While on training or documentation prior to their departure to board their contracted vessel or immediately after their arrival from the vessel at the point of hire, whether subsidized or provided free of charge by the Principals or LMAs.
3. **Accreditation** – refers to the grant of authority by the Department to a foreign principal/employer to recruit and hire Filipino workers through an LMA for overseas Filipino seafarers, and other pathways for regular migration as may be authorized by the Secretary.
4. **Allottee** – refers to any person named or designated by the seafarer to be the recipient of remittances in the Philippines, in accordance with R.A. No. 12021 and its IRR and other applicable laws.
5. **Apostille** – refers to the certificate that authenticates the origin of a public document. It is issued by a country that is party to the Apostille Convention to be used in another country, which is also a party to the Convention.

6. **Authentication** – refers to the attestation by the Philippine Embassy or Consulate of the genuineness of the signature appearing on the document and the legal authority of the public official who signed it.
7. **Beneficiary** – refers to the person/s to whom death compensation and other benefits of the seafarers under the employment contract are due and payable in accordance with the rules of succession under the Civil Code of the Philippines, as amended.
8. **BI** – refers to the Bureau of Immigration.
9. **Bullying** – refers to a form of harassment that includes hostile or vindictive behavior, which can cause the recipient to feel threatened or intimidated. It results in a work environment in which a group of people or an individual may become threatened or intimidated because of the negative or hostile behavior of another group of people or individual.
10. **Cadet** – refers to a student of a maritime educational institution who is at least sixteen (16) years of age and required to undergo training on board a registered ship covered by R.A. No. 12021 to fulfill a maritime degree or technical course, or any other form of cadetship program consistent with existing laws, rules, and regulations.
11. **Collective Bargaining Agreement (CBA)** – refers to the negotiated contract between a legitimate labor organization and the shipowner or principal concerning wages, hours of work, and all other terms and conditions of employment onboard the vessel or ship. It can also refer to a document which sets out standards, terms, and conditions of employment applicable to overseas seafarers negotiated and agreed between the overseas seafarer's authorized representative and the shipowner.
12. **Crew Order** – refers to the crew/manning requirements per ship as requested or determined by the principal/employer stating the positions, basic pay, overtime pay, and leave pay. It may also include other remunerations and benefits.
13. **Cruise Ship Personnel** — refers to seafarers engaged as part of the non-marine crew onboard a passenger ship.
14. **Derogatory record** — refers to the documentation maintained by the Department, which may contain the following: 1) persons convicted of or against whom there is a finding of probable cause by the Department of Justice (DOJ), for illegal recruitment, trafficking in persons, falsification, swindling/estafa, or for other related crimes or offenses involving moral turpitude; 2) proprietors, partners, officers, or directors of a manning agency whose license has been cancelled or revoked by the Department, including employees/agents responsible for the commission of the offense; or 3) a person against whom a certification was issued by the National Bureau of Investigation (NBI) as having a "derogatory record".
15. **Department** – refers to the Department of Migrant Workers (DMW).
16. **DFA** – refers to the Department of Foreign Affairs.
17. **Documentation cost** — refers to the cost of all requirements to be shouldered by the applicant Filipino seafarer for overseas employment, as prescribed by applicable laws, rules, or regulations.
18. **DOH** – refers to the Department of Health.

19. **DOLE** – refers to the Department of Labor and Employment.
20. **Employment Contract / Standard Employment Contract (SEC)** – refers to the written standard Department-approved employment contract stipulating, among others, a specific period of employment containing the minimum terms and conditions of employment, formulated through consultation with the Maritime Industry Tripartite Council (MITC), mutually agreed upon by the principal/employer/manning agency and the seafarer.
21. **Enrollment** – refers to the enlistment by the Department of a ship of an accredited principal/employer to its appointed manning agent for the purpose of employing seafarers.
22. **E-Registration** – refers to the online registration system of OFWs, including seafarers.
23. **Ethical Recruitment** – refers to the lawful hiring of seafarers in a fair and transparent manner that respects and protects their dignity and human rights.
24. **Fisher** – refers to any person employed or engaged in any capacity or carrying out an occupation onboard any fishing vessel, excluding pilots, naval personnel, other persons in the permanent service of a government, shore-based persons carrying out work aboard a fishing vessel, fisheries observers, and persons serving onboard in a port, in rivers, lakes or canals, or persons fishing for sports or recreation.
25. **Head or manage** – refers to any of the following acts:
- a. Control and supervise the operations of the LMA or branch thereof; or
 - b. Exercise the authority to hire or dismiss employees, and lay down and execute management policies of the LMA or branch thereof.
26. **Intermodal OFWs** – refers to a migrant worker who is engaged in employment in the intermodal sector.
27. **Intermodal Sector** – refers to a sector that is not covered by law defining landbased or seabased sectors, or whose jobsites are not identifiable as landbased or seabased, including, among others, air transport, mixed use docks, ports, international river transport, riverine-maritime crewing, large inland waters, mobile offshore rigs, vessels and drilling units in continental shelves, and other types of emerging employment that regularly involve a mix of landbased and seabased work location, as well as a mix of platforms in overseas employment.
28. **Jobs Fair** – refers to an employment facilitation service that is a venue for LMAs to advertise job vacancies for the purpose of recruiting qualified job applicants.
29. **Jobs Fair Authority (JFA)** – refers to the authority granted to an LMA to conduct recruitment outside of its registered business address through participation in a jobs fair.
30. **Joint and Several Liability** – refers to the nature of liability of the principal/employer and the LMA, for any and all claims arising out of the implementation of the employment contract involving a seafarer. It shall likewise refer to the nature of liability of partners or officers and directors with the partnership or corporation over claims arising from an employer-employee relationship.

31. **Letter of Authority (LOA)** – refers to a document issued by the Department authorizing an accredited foreign principal or its representative/s to participate in the screening, interview, and selection of applicants for their approved crew orders, within or outside the registered business address of the LMA as indicated in its Special Recruitment Authority.
32. **License** – refers to the document issued by the Secretary, or the latter's duly authorized representative, authorizing a person, partnership, or corporation to operate a manning agency.
33. **Licensed Manning Agency (LMA)** – refers to a natural or juridical person duly licensed by the Secretary, or the latter's duly authorized representative, to engage in the recruitment and placement of seafarers.
34. **Manning Agreement (MA)** – refers to a written agreement entered by and between a principal/employer and an LMA defining their respective rights, obligations, and responsibilities in the recruitment and placement of seafarers.
35. **Manning Agency Fee** – refers to the amount charged by an LMA to its principal/employer as payment for actual services rendered in relation to the recruitment and placement of seafarers.
36. **MARINA** – refers to the Maritime Industry Authority.
37. **MITC** – refers to the Maritime Industry Tripartite Council.
38. **MWAAC** – refers to the Migrant Workers Airport Assistant Center (formerly Labor Assistance Center or LAC).
39. **MWO** – refers to the Migrant Workers Office (formerly Philippine Overseas Labor Office or POLO).
40. **NBI** – refers to the National Bureau of Investigation.
41. **New Principal** - refers to a principal/employer which has never been registered or accredited to any LMA; provided that, its new vessels:
- a. have never been enrolled to any LMA;
 - b. if enrolled, should not be in the active list of enrolled vessels for the past twelve (12) months or more; or
 - c. if enrolled, there has been no prior Filipino seafarer deployment.
42. **NLRC** – refers to the National Labor Relations Commission.
43. **NMP** – refers to the National Maritime Polytechnic.
44. **Non-licensee** – refers to any person, partnership, or corporation with no valid license to engage in recruitment and placement of overseas Filipino seafarers or whose license is revoked, cancelled, terminated, expired, or otherwise delisted from the roll of LMAs registered with the Department, or whose operation has ceased and such cessation of operations is recognized by the Department.
45. **OFW Clearance (also known as Overseas Employment Certificate or OEC)** – refers to a document, digital or printed, issued to a seafarer by the Department, attesting to the regularity of recruitment, documentation, and registration as a seafarer, which makes the latter eligible for overseas deployment, subject to Philippine immigration laws, and to avail of the privileges granted to seafarers.

46. **Overseas Employment** – refers to engagement, employment, or work in any capacity of a Filipino seafarer on board a ship or vessel plying international waters, whether Philippine-registered or foreign-registered.
47. **OWMS** – refers to the OFW Welfare Monitoring System.
48. **OWWA** – refers to the Overseas Workers Welfare Administration.
49. **PDOS** – refers to the Pre-Departure Orientation Seminar.
50. **PEOS** – refers to the Pre-Employment Orientation Seminar.
51. **Place of domicile** – refers to the home address of seafarers as declared in the SEC or employment contract.
52. **Point of hire** – refers to the place indicated in the SEC or employment contract, which shall be the basis for determining the commencement and termination of the contract. For purposes of these Rules, commencement of a contract is upon actual departure from the Philippine airport or seaport at the point of hire. Likewise, the termination of the contract is upon actual arrival in the Philippine airport or seaport at the point of hire. This definition is without prejudice to a mutually agreeable location as agreed upon by the seafarer and the LMA/principal, consistent with the applicable laws, rules, and regulations.
53. **POSE** – refers to Philippine Overseas Shipping Enterprises, which is any entity registered and duly authorized to engage in overseas shipping activities, among others, under the laws of the Philippines.
54. **Principal** – refers to the employer or to a person, partnership, or corporation engaging and employing seafarers through an LMA.
55. **Proponents** – collectively refers to a Single Proprietor, One Person Corporation (OPC), all the Partners of a Partnership, Members of the Board of Directors of a Corporation, and/or Shareholders of any manning agency or entity referred to under these Rules.
56. **Recruitment and Placement** – refers to any act of canvassing, enlisting, contracting, transporting, utilizing, hiring, or procuring seafarers, and includes referring, contracting services, promising, or advertising for overseas maritime employment, whether for profit or not.
57. **Reintegration** – refers to a holistic process by which an overseas Filipino seafarer or OFW, on his/her own or with the assistance of government and other duty bearers (private sector, development NGOs or organizations), returns to the Philippines permanently, in a comfortable and productive state, through a series of preparations or interventions geared towards his/her specific needs, goals, interest, capacities, and potentials.
58. **Repatriation** – refers to the process of returning a seafarer, seafarer's remains, or personal effects to the point of hire. In case of permanent or temporary incapacity, or death, the seafarer or his/her remains shall be repatriated to the point of hire or the seafarer's place of domicile, at the option of the seafarer or the seafarer's next of kin.

Emergency repatriation may be undertaken in cases of war, epidemic, disasters, or calamities, natural or man-made, political unrest, pandemic, and other similar

events affecting the employment of the seafarer, including, but not limited to, cases of abandonment, accident, maltreatment, violence, or abuses.

59. **Seafarer** – refers to an OFW who is engaged, contracted, employed, or working in any capacity, on board a ship or vessel plying international waters, whether Philippine-registered or foreign-registered, or other sea-based craft of similar category, except those on board the following categories of ships:
- a. Warships and naval auxiliaries;
 - b. Government ships not engaged in commercial operations; and
 - c. Ships of traditional build, as may be defined under existing rules and regulations.

For purposes of these Rules, it shall include fishers onboard commercial fishing vessels on international waters or as defined under relevant maritime conventions, cruise ship personnel, yacht crew, those serving on mobile offshore and drilling units in the high seas, and other persons similarly situated.

60. **Seafarer In distress/Distressed seafarer** – a seafarer, regardless of immigration status, who has a medical, psychosocial, or legal problem, or is experiencing abuse or exploitation, or whose human rights are being violated, or is in a country in actual or potential war, civil unrest, pandemic or other analogous circumstances and situations, and requires medical treatment, hospitalization, counseling, legal representation, rescue, repatriation, or any other kind of analogous intervention, including the repatriation of human remains and the seafarer's personal effects.
61. **Seafarers' Welfare and Crisis Management Officer (SWACO)** – refers to regular and trained personnel, duly appointed by the LMA and acknowledged by the Department, who is tasked to regularly monitor and report the status and condition of deployed seafarers, including significant incidents onboard, and timely respond to complaints of seafarers and their families.
62. **Ship/Vessel** – refers to any kind, class or type of craft or artificial contrivance capable of floating in water, whether publicly or privately owned, ordinarily engaged in commercial activities.
63. **Shipowner** – refers to the owner of the ship employing Filipino seafarers or any other organization or person, such as the manager, agent, or bareboat charterer, who has assumed the responsibility for the operation and management of the ship from the shipowner and who, in assuming such responsibilities, has agreed to take over all the attendant duties and responsibilities of a shipowner under R.A. No. 12021 and its IRR, regardless of whether any other organization or person fulfills certain duties or responsibilities on behalf of the shipowner.
64. **Special Recruitment Authority (SRA)** – refers to the authority granted by the Department to an LMA to conduct recruitment outside of its registered business address.
65. **TESDA** – refers to the Technical Education and Skills Development Authority.
66. **Underage Seafarer** – refers to one who is below eighteen (18) years old, or one who is below the minimum age requirement for overseas employment as prescribed by laws, rules, and regulations.
67. **Verification** – refers to the act performed by the MWO that involves reviewing and verifying the manning documents of the principal/employer to establish the existence of the principal/employer, its capability to hire seafarers, and its

compliance with relevant maritime conventions to ensure that the welfare of the overseas Filipino seafarers is duly protected.

PART II LICENSING AND REGULATION

RULE I

Private Sector Participation in the Overseas Employment Program

Section 1. Participation of the Private Sector. The participation of the private sector in the recruitment and placement of Filipino seafarers for overseas employment shall be governed by these Rules and subsequent guidelines that may be further issued by the Department, as necessary.

Section 2. Who may participate; Required Capitalization. Any Filipino citizen acting as a sole proprietor or a partnership, an OPC, or a corporation, at least seventy-five percent (75%) of the authorized and voting capital stock of which is owned and controlled by Filipino citizens, may engage in the business of recruitment and placement of Filipino seafarers. This is without prejudice to the Anti-Dummy provisions of applicable laws, rules, and regulations.

The sole proprietor or partnership shall have a minimum capitalization of Five Million Pesos (PhP 5,000,000.00). In the case of a corporation, it shall have a minimum paid-up capital in cash of Five Million Pesos (PhP 5,000,000.00).

The sole proprietor, partnership, OPC, or corporation should substantially maintain an equity at Five Million Pesos (PhP 5,000,000.00) during the duration of its license.

Section 3. Who are Disqualified. The following persons and entities are disqualified to participate or engage in the recruitment and placement of seafarers for overseas employment:

- a. Travel agencies and sales agencies of airline companies;
- b. Shareholders, officers, or members of the Board of Directors of any corporation or partners in a partnership engaged in the business of a travel agency;
- c. The applicant is an existing incorporator, director, or key officer of at least five (5) LMAs;
- d. Corporations and partnerships where any of its officers, members of the board, or partners is also an officer, member of the board, or partner of a corporation or partnership engaged in the business of a travel agency;
- e. Individuals, partners, officers, or directors of an insurance company who make, propose, or provide an insurance contract under the compulsory insurance coverage for seafarers;
- f. Sole proprietors, partners, officers and/or members of the Board of Directors, including individuals with derogatory records, such as, but not limited to the following:
 1. Those convicted or against whom a probable cause is determined by a competent authority for the following:

- i. Illegal recruitment;
 - ii. Trafficking in Persons; or
 - iii. Such other crimes or offenses committed in the course of, related to, or resulting from, illegal recruitment, or for crimes involving moral turpitude; or
- 2. Those agencies whose licenses have been revoked for violation of R.A. No. 11641, R.A. No. 12021, R.A. No. 8042, as amended, Presidential Decree (PD) No. 442, or the Labor Code of the Philippines, as amended, or R.A. No. 9208, or the Anti-Trafficking in Persons Act of 2003, as amended, and their respective IRRs;
- 3. Those agencies whose licenses have been cancelled for violation of recruitment laws and regulations.
- g. Other individuals included in the list of persons with derogatory record for violation of recruitment laws and regulations; and
- h. Any official or employee, regardless of the status of the latter's employment, of the DMW, OWWA, DOLE, DFA, DOJ, DOH, BI, Insurance Commission (IC), NLRC, National Conciliation and Mediation Board (NCMB), TESDA, Commission on Filipinos Overseas (CFO), NBI, Philippine National Police (PNP), Civil Aviation Authority of the Philippines (CAAP), Department of Transportation (DOTr), MARINA, international airport authorities, and other government agencies directly involved in the implementation of R.A. No. 11641, R.A. No. 8042, as amended, P.D. No. 442, as amended, and R.A. No. 9208, and/or any of their relatives within the fourth civil degree of consanguinity or affinity.

Section 4. Submission of Application. Applications for the issuance of a license to engage in the recruitment and deployment of seafarers shall be submitted to the DMW Licensing and Regulations Bureau.

RULE II Issuance of License

A. APPLICATION

Section 5. Pre-Qualification Requirements. Applicants for issuance of a license shall submit the following documents/requirements for pre-qualification:

- a. Business Name Certificate issued by the Department of Trade and Industry (DTI), in the case of a single proprietorship; or a certified copy of Securities and Exchange Commission Registration, together with a certified copy of the Articles of Partnership or Articles of Incorporation duly registered with the Securities and Exchange Commission in the case of a partnership or corporation, respectively;
- b. Proof of financial capacity:
 - 1. Bank certificate showing a deposit of at least Five Million Pesos (PhP 5,000,000.00), with authority to examine the bank account;
 - 2. Duly filed Income Tax Returns (ITR) for the last two (2) years of the proprietor, partners, members of the Board of Directors and major stockholders of a corporation and official receipts showing payment of income tax; and
 - 3. Proof of sources of investment;

c. Proof of existence of new principal:

1. MWO verified and/or consulate authenticated MA concluded by the manning agency and the new principal.
2. Principal's profile to include:
 - i. Valid business license or commercial registration of the principal with English translation;
 - ii. Information on business activities;
 - iii. Number of years in operation; and
 - iv. Number of seafarers;

d. Proof of possession by the sole proprietor, managing partner, or president or chief executive officer, as the case may be, of a bachelor's degree, or at least four (4) years experience in shipping-related or human resource management or experience in heading or managing a shipping or manpower business;

e. Valid clearances from the NBI and the Department for the proprietor, partners, and all members of the board of directors of the applicant agency.

If a member of the board is a foreign national, the following shall be required: a duly authenticated police clearance from his/her country of origin and an affidavit declaring no criminal conviction or no pending criminal case for illegal recruitment or a crime involving moral turpitude;

f. In case of a corporation or partnership, a duly notarized undertaking by the corporate officers and directors, or partners, that they shall be jointly and severally liable with the corporation or partnership for claims and/or damages that may be awarded to the seafarers;

g. List of all officials and personnel involved in recruitment and placement, together with their appointment, signed bio-data, and two (2) copies of their passport-sized pictures, as well as their clearances from the NBI and their individual affidavits declaring that they have no conviction or pending criminal case for illegal recruitment or case involving moral turpitude;

h. Certificate of attendance of the sole proprietor, managing partner, president, chief executive officer, and/or operations manager in the Pre-Licensing Orientation Seminar (PLOS);

i. Flowchart detailing the step-by-step recruitment procedures, documentary requirements, briefings and orientations required, authorized fees and costs, deployment timeframes, and the responsible officer/s and process cycle time for every phase of the process; and

j. Four (4)-year business plan detailing financial, market, and operational viability, including projected income and a risk management plan.

The Department, in accordance with law and after consultation with the stakeholders, may modify the list or prescribe additional pre-qualification requirements.

Section 6. Payment of Filing Fee. Upon receipt of the complete and compliant documentary requirements for the application of a new license, the Department shall require payment of a non-refundable filing fee of Fifty Thousand Pesos (PhP 50,000.00) and submission of proof of payment thereof.

Section 7. Panel Composition and Panel Interview. The Proponents shall undergo a panel interview to ascertain their qualifications and compliance with the requirements under these Rules. If deemed qualified, the applicant shall be notified and required to submit the post-qualification requirements.

The Members of the Panel shall be constituted to include representatives from different offices and bureaus of the Department.

Section 8. Post-Qualification Requirements. Upon receipt of the notification, the applicant shall submit, prior to the issuance of the provisional license, the following post-qualification requirements as may be prescribed by the Department:

- a. A lease contract for an office space measuring at least one hundred (100) square meters, or proof of building ownership that will be used as an office or an identified portion thereof measuring at least one hundred (100) square meters;
- b. An office layout providing and clearly delineating adequate spaces that will serve as a receiving area, interview room, administrative and finance area, conference/training room, and an executive office;
- c. An inventory of office equipment and facilities, which at the minimum, shall include the following:
 1. Office furniture such as tables and chairs for the president, other officers and employees, as well as similar furniture for the receiving area, interview room, and conference/training room;
 2. Secured filing cabinets; and
 3. Office equipment, which at the minimum, shall include two (2) computers, computer printer and scanner, photocopying machine, landline telephone, internet connection, and multi-media equipment (*i.e.* LCD projector and other similar audio-visual equipment).
- d. Organizational chart indicating the duties and responsibilities and names of officers and staff, which at the minimum, shall consist of the President, Chief Executive Officer, Recruitment and/or Documentation Officer, Accountant or Bookkeeper, Cashier, and Liaison Officer;
- e. An escrow agreement with a bank authorized by the *Bangko Sentral ng Pilipinas* (BSP) to handle trust accounts, with deposit in the amount not less than One Million Five Hundred Thousand Pesos (PhP 1,500,000.00);
- f. Updated bank certificate stating that the escrow deposit remains at One Million Five Hundred Thousand Pesos (PhP 1,500,000.00);
- g. A duly notarized undertaking by the sole proprietor, the managing partner, or the president of the corporation, stating that the applicant shall:
 1. Select and deploy only medically fit and technically qualified recruits;
 2. Assume full and complete responsibility for all claims and liabilities which may arise in connection with the use of the license;
 3. Assume joint and several liability with the employer/shipowner/principal for all claims and liabilities which may arise in connection with the

implementation of the contract, including, but not limited to, unpaid wages, death and disability compensation, and repatriation;

4. Guarantee compliance with existing labor and social legislation of the Philippines and applicable regulations of the Flag State and international organizations such as the International Maritime Organization (IMO) and International Labour Organization (ILO);
 5. Assume full and complete responsibility for all valid, legal, and authorized acts of its officers, employees, and representatives done in connection with recruitment and placement;
 6. Negotiate for the best terms and conditions of employment for its seafarers;
 7. Inform the seafarers of their rights and duties and disclose the full terms and conditions of employment under their contracts of employment and articles of agreement prior to and in the process of engagement;
 8. Provide orientation to the seafarers on recruitment procedures, terms and conditions, and other relevant information to its seafarers and provide the necessary facilities for the purpose;
 9. Act on complaints or problems brought to its attention or submit reports on the status or condition of seafarers;
 10. Ensure that the ship and the crew are adequately insured by the Protection and Indemnity Club or similar insurance, inclusive of the compulsory insurance required under R.A. No. 8042, as amended, through the submission of a Certificate of Cover;
 11. Ensure that the contracts of employment are in accordance with the standard employment contract and other applicable laws, regulations, and CBAs;
 12. Guarantee that there is no officer or employee of the LMA related within the fourth civil degree of consanguinity or affinity to any official or employee of any government agency engaged, directly or indirectly, in the implementation of R.A. No. 8042, as amended;
 13. Adhere to ethical standards as prescribed in the Code of Conduct for Ethical Recruitment, as endorsed by the manning industry associations and the Department;
 14. Repatriate deployed seafarers and their personal belongings when the need arises or reimburse expenses of repatriation advanced by OWWA;
 15. Deploy at least seventy-five (75) seafarers to a new principal and its ship/s within three (3) years from the issuance of its license; and
- h. Proof of appointment of a Data Privacy Officer in compliance with R.A. No. 10173 and submission of non-disclosure agreements signed by each staff/personnel/employees/officers of LMA pursuant to Section 39 of the IRR of R.A. No. 11641.

The Department, in accordance with law and after consultation with the stakeholders, may modify the list or prescribe additional post-qualification requirements.

Section 9. Assessment Prior to Issuance of License. The Department shall assess the applicant's compliance with the post-qualification requirements prior to issuance of the license.

B. PROVISIONAL LICENSE

Section 10. Decision on the Application. The Department shall notify the applicant in writing of the decision on the application.

Section 11. Grounds for Denial of Application. An application for the issuance of license shall be denied if the applicant fails to satisfy any of the requirements, or provides or furnishes the Department with any false and spurious information or documents, or its directors, sole proprietors, or partners did not satisfactorily prove capacity to engage in fair and ethical recruitment.

Section 12. Approval of the application for Provisional License. The Department shall approve the application for a provisional license after the applicant has satisfied all the requirements.

The Department shall issue a provisional license which shall be valid within a non-extendible period of three (3) years from the date of issuance.

Section 13. Payment of License Fee. After compliance with all the requirements and the application for Provisional License has been approved by the Department, a license fee in the amount of Two Hundred Thousand Pesos (PhP 200,000.00) shall be paid before the license is released.

Section 14. Prohibition. The agency granted with a provisional license will not be allowed to accredit a previously accredited principal/employer.

However, it may be allowed to enroll a previously enrolled vessel provided the same has no prior deployment and is not in the active list of enrolled vessels for the past twelve (12) months or more, and meets other conditions as may be prescribed by the Department.

Only agencies granted with regular licenses shall be allowed to deploy fishers. No agency shall be issued provisional licenses for deploying fishers.

C. REGULAR LICENSE

Section 15. Application for Upgrading to Regular License. Within three (3) months before the expiration of the provisional license, or at any time during its validity upon deployment of seventy-five (75) seafarers, except fishers, to its new principal/market/s, the agency may apply for upgrading to a regular license upon submission of documents/requirements as hereunder prescribed:

- a. DMW Standard Quality Management System (QMS) Manual or applicable ISO Certification;
- b. Updated bank certificate stating that the escrow deposit remains at One Million Five Hundred Thousand Pesos (PhP 1,500,000.00);
- c. Certificate of no pending case or any substantiated adverse report during the validity of the provisional license;

- d. Certificate of Attendance to the Continuing Agency Education Program (CAEP) of all its officers and operations staff involved in the recruitment and placement of seafarers, and Heads of Administration or Accounting Department; and
- e. Latest audited financial statement.

The Department, in accordance with law and after consultation with the stakeholders, may modify the list or prescribe additional requirements for upgrading of license.

Section 16. Payment of License Fee. After compliance with all the requirements and the application for a regular license has been approved by the Department, a license fee in the amount of Two Hundred Thousand Pesos (PhP 200,000.00) shall be paid before the license is released.

Section 17. Validity of a Regular License. The regular license shall be valid for six (6) years from the date of issuance of the provisional license unless sooner revoked, terminated, suspended, or cancelled by the Secretary or his/her duly authorized representative.

D. RENEWAL OF LICENSE

Section 18. Renewal of License. An LMA should submit an application for the renewal of its license within ninety (90) calendar days prior to the expiration of its license. The application shall be supported by the following documents:

- a. Updated DTI registration in case of a sole proprietorship or General Information Sheet in case of a partnership and corporation;
- b. Renewed/new escrow agreement with a commercial bank authorized to handle trust accounts by the BSP supported by a bank certification;
- c. Proof of deposit of additional escrow as required under Section 22 (Additional Escrow Deposit), if the LMA has pending recruitment violation case/s;
- d. Duly filed latest audited financial statements and ITRs of the LMA. In case the equity of the LMA is below the minimum capitalization requirement, it shall be given thirty (30) calendar days from release of the renewed license to submit a Securities and Exchange Commission certification on capital infusion; otherwise, the license shall be suspended until it has complied with such a requirement;
- e. Clearances from the NBI and the Migrant Workers Protection Bureau (MWPB) for sole proprietor, partners, members of the board of directors, officers, and personnel;
- f. Certificate of no pending repatriation case from the Department;
- g. Certification stating the track record of pending cases from the Adjudication Bureau; and
- h. QMS Manual or equivalent ISO Certification.

The Department shall only accept applications with complete documentary requirements for evaluation based on the checklist of requirements. The Department shall evaluate the application and inform the applicant in writing of any deficiency or lack of requirements for compliance by the LMA. No application shall be accepted after the date of expiration of the license.

The Department, in accordance with law and after consultation with the stakeholders, may modify the list or prescribe additional requirements for renewal of license.

Section 19. Action on Renewal of License. The Department shall evaluate the application upon receipt of such application. The license remains valid until the application shall have been finally acted upon.

Section 20. Payment for Renewal of License Fee. After compliance with all the requirements and the application for renewal of license has been approved by the Department, a license fee in the amount of Two Hundred Thousand Pesos (PhP 200,000.00) shall be paid before the license is released.

E. ESCROW DEPOSIT

Section 21. Maintenance of Escrow Deposit. An LMA shall maintain at all times its escrow deposit in the minimum amount of One Million Five Hundred Thousand Pesos (PhP 1,500,000.00). In case an additional escrow is required from the LMA due to its pending recruitment violation case/s, it shall maintain the escrow deposit of One Million Five Hundred Thousand Pesos (PhP 1,500,000.00) plus the additional escrow.

Those with existing licenses shall, within one (1) year from the effectivity hereof, increase their escrow deposit to One Million Five Hundred Thousand Pesos (PhP 1,500,000.00).

The escrow deposit shall answer for all valid and legal claims arising from contracts of employment and violations of the conditions for the grant and use of the license, including fines imposed by the Department. The escrow shall likewise guarantee compliance with prescribed recruitment procedures, rules and regulations, appropriate terms and conditions of employment, and relevant issuances of the Department.

The escrow deposit is separate and distinct from the minimum capitalization requirement.

In case the escrow deposit has been diminished or depleted, the LMA shall replenish the escrow deposit within thirty (30) calendar days from receipt of the Notice to Replenish Escrow Deposit. Failure to comply with such Notice will result in the suspension of the license of the LMA until such time the agency has complied with the Notice to Replenish.

Section 22. Additional Escrow Deposit. If during the application for the renewal of license, the LMA has pending recruitment violation case/s, an additional escrow deposit of Seventy-Five Thousand Pesos (PhP 75,000.00) per case shall be required.

If in the succeeding renewal, the LMA had decreased its pending cases, the Department shall allow the withdrawal of the corresponding additional escrow deposit.

Section 23. Release of Deposit in Escrow. The deposit in escrow of an LMA that voluntarily surrenders its license or has not renewed its license shall be released upon submission of the following documents:

- a. Copy of the duly executed/signed escrow agreement;
- b. Bank certification of the status of the escrow deposit;
- c. Certificate of No Pending Case from the NLRC and NCMB;
- d. Clearance from the Adjudication Bureau of the Department;

- e. Decision to withdraw the escrow deposit through written notice of the Single Proprietor duly received by the DTI or notarized Partnership or Board Resolution duly received by the Securities and Exchange Commission, indicating the name of the person to process and receive the check representing the escrow deposit;
- f. Surety bond equivalent to the amount of the escrow deposit valid for six (6) years from expiration of the license, if applicable; and
- g. Other documentary requirements as may be prescribed by the Department or required by applicable law.

Section 24. Monitoring Compliance with Conditions for the Issuance of the License. The Department shall monitor the compliance of LMAs with the conditions for the issuance of a license, recruitment laws, and rules and regulations on the use of a license.

F. COMMON PROVISIONS

Section 25. Suspension of License due to Derogatory Record. The license of a single proprietorship, partnership, or OPC shall be suspended, until cleared by the Department, should any derogatory record as provided in these Rules be found to exist against the single proprietor, any or all of the partners, or the OPC, as the case may be.

The acknowledgment or appointment of any officer or employee of any LMA may be cancelled or revoked by the Department at any time, with due notice to the LMA concerned, whenever said officer or employee is found to have any derogatory record.

Section 26. Non-Transferability of License. No license shall be used, directly or indirectly, by any person other than the one in whose favor it was issued, nor at any place other than that stated in the license, nor may such license be transferred, conveyed, or assigned to any other person or entity.

Section 27. Revocation of License of Sole Proprietorship. The license of the sole proprietorship shall automatically be revoked upon the death of the sole proprietor. The next-in-rank officer of the LMA shall, within ten (10) calendar days, report such death to the Department. Failure to report shall automatically include such next-in-rank officer in the list of persons with derogatory record.

Section 28. Revocation of License of a Partnership Due to Death or Withdrawal of Partner. Unless otherwise provided in the Articles of Partnership, the license of a partnership shall be automatically revoked upon the death or withdrawal of a partner, which materially interrupts the course of business or results in the dissolution of the partnership. The surviving partner/s shall, within ten (10) calendar days, report such death or withdrawal to the Department. Failure to report shall automatically include the surviving partner/s in the list of persons with a derogatory record.

Section 29. Change in the Management and Operation of an OPC due to the Death or Temporary or Permanent Incapacity of the Incorporator/Sole Stockholder. Within thirty (30) calendar days after the death or incapacity of the incorporator/sole stockholder, the documentary requirements prescribed by the Department should be submitted.

Failure to report the death or incapacity of the incorporator within the thirty (30)-day period given shall cause the revocation of the OPC's license and the inclusion of the nominee in the derogatory record.

The nominee or the alternative nominee of the OPC shall manage and operate the LMA in case of the death or incapacity of the incorporator/sole stockholder of the OPC; Provided, that the nominee and/or the alternative nominee must have all the qualifications and none of the disqualifications to engage in the business of recruitment; Provided, further, that the designated legal heirs of the single stockholder have been lawfully determined, and the heirs have designated one of them or have agreed that the estate shall be the single stockholder of the OPC, as provided by the applicable law; Provided, finally, that the designated single stockholder of the OPC has all the qualifications and none of the disqualifications under these Rules.

Once a temporary incapacity ends, the incorporator/sole stockholder can resume the management and operation of the OPC upon duly informing the Securities and Exchange Commission and acknowledgment of the Department.

Section 30. Upgrading, Merger, or Consolidation of LMAs. The upgrading, merger, or consolidation of LMAs shall be undertaken in accordance with the regulations of the Securities and Exchange Commission, without prejudice to the determination by the Department of the qualifications of the new partners or directors. The upgraded LMAs, the surviving corporation, or the new corporation, as the case may be, shall inform the Department of such changes within thirty (30) calendar days from confirmation by the Securities and Exchange Commission of such upgrading, merger, or consolidation.

Section 31. Change of Business Type from Sole Proprietorship/OPC/Partnership to Partnership/Corporation. The Department shall be notified of the change in the business type from sole proprietorship/OPC to partnership or corporation, or from partnership to corporation within thirty (30) calendar days from such change. The LMA must submit the documentary requirements prescribed by the Department, after which the Proponent/s shall be subjected to a confirmatory interview.

Section 32. Transfer of Shares of Stocks. An LMA operating as a corporation shall notify in writing the Department of any transfer of shares of stocks of the corporation within thirty (30) calendar days from approval of such transfer by the Securities and Exchange Commission and submit the documentary requirements prescribed by the Department.

Section 33. Acknowledgment of Corporate Investor. The LMA shall, within thirty (30) calendar days from the transfer of shares to a corporate investor, submit the required documents to the Department for acknowledgement of the corporate investor and the updating of its shareholdings.

Section 34. Change in the Composition of Partners/Board of Directors. The LMA shall notify the Department of every change in the composition of the partnership or board of directors within thirty (30) calendar days from the date of such change, and submit the following prescribed supporting documents:

- a. In case of change of partners, the amended Articles of Partnership, and the bio-data, pictures, NBI clearances, MWPB multi-purpose clearances, and ITRs for the last two (2) years of the new partners, with proof of payment; and
- b. In case of election of new members of the Board of Directors, the amended General Information Sheet, certified true copy of the stock and transfer book, and the bio-data, pictures, NBI clearances, MWPB multi-purpose clearances, and ITRs for the last two (2) years of the new directors, with proof of payment of the stock purchased.

In case of change in the controlling shares or composition of the board of directors/partnership, or any transfer of control in the operations of an LMA, the new set of board

of directors or partner/s, or the new majority shareholder/s, as the case may be, shall be subject to a confirmatory interview to ascertain their qualifications as provided in these Rules.

In the absence of a court order or temporary restraining order, the Department shall not be precluded from acknowledging and duly recognizing the new management found qualified as provided in these Rules.

Section 35. Appointment, Dismissal, or Resignation of Officers and Personnel. The LMA shall notify the Department of the appointment, dismissal, or resignation of any officer, nominee, or personnel of the agency within thirty (30) calendar days from such appointment, dismissal, or resignation. In case of appointment, the Department shall require the submission of the following supporting documents:

- a. Letter of appointment containing duties and responsibilities, duly accepted by the appointee;
- b. NBI and MWPB multi-purpose clearances;
- c. Bio-data and two (2) recent passport-sized pictures; and
- d. Secretary's Certificate reflecting the Board Resolution on the appointment of an officer who is not a member of the Board of Directors.

Section 36. Transfer of Business Address. An LMA may transfer its business address upon submission of the following documents:

- a. Letter of Intent to transfer office in the case of sole proprietorship or a partnership, or Board Resolution or Secretary's Certificate approving the transfer of office in case of a corporation;
- b. Original or certified true copy of: the Certificate of Filing of Amended Articles of Incorporation/Partnership; the Amended General Information Sheet; or other required Securities and Exchange Commission documentation reflecting the amended address; and
- c. Copy of the lease contract or proof of building ownership.

The Department shall acknowledge such transfer after inspection and an assessment of compliance with space, office layout, and equipment requirements has been completed.

The LMA shall publish a notice to the public of the new business address in a newspaper of general circulation within thirty (30) calendar days from such transfer. The proof of publication shall be provided to the Department within five (5) calendar days from publication.

Section 37. Additional Office Space. An LMA shall report to the Department the acquisition of additional office space. The additional office space shall be adjacent to the registered main office or within the same building. Office spaces located at a different building shall be considered adjacent to the registered business address if it is situated not more than two hundred (200) meters from the registered business address.

The notification for the acquisition of an additional office space shall be accompanied with supporting documents as may be provided in another issuance.

G. BRANCH OFFICE

Section 38. Establishment of a Branch. An LMA may file an application for an authority to establish a branch in a place other than the city or municipality where its registered main office or other branch is located. The application shall be supported by documentary requirements as may be provided by the Department, such as, but not limited to:

- a. Letter of Intent to establish a branch in case of sole proprietorship or a partnership, or Board Resolution or Secretary's Certificate approving the transfer of office in case of a corporation; and
- b. Copy of the lease contract or proof of building ownership.

The request shall be subject to evaluation, taking into account the track record of the LMA.

Section 39. Validity of Authority to Operate a Branch Office. The validity of the Authority to Operate a Branch Office shall be coterminous with the validity of the license, unless sooner revoked or cancelled by the Department, or surrendered by the LMA.

The LMA shall submit an application for renewal of Authority to Operate a Branch Office within ninety (90) calendar days prior to the expiration of the validity of the license.

RULE III

Overseas Employment and Labor Laws Compliance System

A. ASSESSMENT OF AGENCIES PRIOR TO THE ISSUANCE OF A LICENSE (POST-QUALIFICATION ASSESSMENT)

Section 40. Scope of Assessment. The Post-Qualification Assessment shall cover compliance with the required minimum office space, facilities, and equipment under the prescribed guidelines. The Assessment shall be conducted after the applicant has complied with the pre-qualification requirements and upon determination that the applicant is qualified after the panel interview.

Section 41. Issuance of Authority to Assess. The Department's duly authorized representative shall issue the Authority to Assess, indicating therein the names of the inspectors, the applicant and its registered address, the purpose of the assessment, and the validity period of the authority.

Section 42. Conduct and Report of Assessment. The Inspectors shall proceed to the establishment and present the Authority to Assess to the applicant agency. A responsible representative of the applicant shall receive and sign a copy of the said Authority. The Assessment shall be conducted in the presence of such representative.

B. REGULAR ASSESSMENT

Section 43. Scope of Regular Assessment. The Assessment shall be undertaken as a requirement for the upgrading of provisional license to a regular license, renewal of license and branch authority, transfer of office, additional and giving-up of office space, and once every two (2) years after the issuance or renewal of license.

The Assessment shall cover the following, among others:

- a. Maintenance of the minimum office space, facilities, and equipment;
- b. Maintenance of the required signages and postings, such as Department door sticker, agency license, organizational chart, "*Kaukulang Bayad*" poster, and anti-illegal recruitment campaign posters, among others;
- c. Examination of books of accounts, official receipts, and financial statements;
- d. Compliance with general labor standards and occupational safety and health standards; and
- e. Compliance with R.A. No. 10173.

The assessment report shall be submitted within twenty-four (24) hours from the date of inspection.

Section 44. Issuance of Authority to Assess. The Department's duly authorized representative shall issue the authority to assess to its Inspectors, indicating their names, the LMA to be assessed, the purpose of the assessment, and the validity period of the authority.

Section 45. Conduct and Report of Assessment. The Inspectors shall proceed to the establishment and present the Authority to Assess to the LMA. A responsible representative of the LMA shall receive and sign a copy of the said Authority. The Assessment shall be conducted in the presence of such representative.

A responsible representative of the LMA shall include the following persons:

- a. the sole-proprietor, president, partner, director, incorporator, vice president, or manager duly registered with the Department;
- b. any other officers holding managerial positions duly registered with the Department; or
- c. any rank-and-file employee of the company/agency duly registered with the Department.

Section 46. Issuance of Notice of Results. The Inspectors shall issue the Notice of Results indicating compliance or deficiencies, if any, with DMW rules, labor laws, social legislation, and other relevant laws, rules, and regulations. The LMA representative shall acknowledge such results.

Section 47. Compliance with Deficiencies. In case of non-compliance, the LMA shall comply with the deficiencies or findings in accordance with the Inspection Manual to be issued by the Department.

The agency shall comply with the deficiencies or findings in accordance with the following:

- a. In case of deficiencies on office facilities, equipment, postings and signages, the LMA shall, within five (5) working days from the date of assessment, correct the deficiencies and submit proof of compliance for verification. Failure to comply shall cause the imposition of suspension of documentary processing, until compliance.
- b. For failure to maintain the required minimum office space, the LMA shall submit proof of compliance within thirty (30) working days from assessment. Failure to

comply shall cause the imposition of suspension of documentary processing, until compliance.

- c. In case the audited financial statement indicates an amount lower than the required capitalization, the LMA shall, within thirty (30) working days from the date of assessment, infuse additional capital up to the required minimum level and submit the certificate of corporate filing/information on the present paid-up capital issued by the Securities and Exchange Commission, or infusion through cash advances from the shareholders. Failure to comply shall cause the suspension of license, until compliance.
- d. In case of non-presentation of the books of accounts and official receipts during assessment, the LMA shall be given ten (10) working days to present such books and receipts; otherwise, a suspension of documentary processing shall be imposed.
- e. If an unauthorized personnel is present in the agency's premises, the Inspector shall report such findings for review and endorsement to the Department's Adjudication Bureau for administrative proceedings.

C. SALVO/SPOT INSPECTION

Section 48. Scope of Salvo/Spot Inspection. The Department shall undertake inspection in response to a complaint or report of illegal recruitment activities, human trafficking activities and/or recruitment violations. Such inspection shall be conducted in accordance with relevant laws, rules, and regulations.

RULE IV

Licensing of Philippine Overseas Shipping Enterprise

Section 49. Philippine Overseas Shipping Enterprises. Philippine Overseas Shipping Enterprises (POSE) which own/manage/operate Philippine flag ship trading overseas may apply for a special license, subject to the submission of the following requirements:

- a. Articles of Incorporation;
- b. Certificate of Accreditation by the MARINA;
- c. Certified true copy of certificate of ship registry issued by MARINA; and
- d. Proof of payment of a non-refundable filing fee of Fifty Thousand Pesos (PhP 50,000.00).

The Department, in accordance with law and after consultation with the stakeholders, may modify the list or prescribe additional requirements for the application for a special license.

Section 50. Payment of Fees. Upon approval of the application, the applicant shall:

- a. Pay a license fee of One Hundred Thousand Pesos (PhP 100,000.00); and
- b. Submit an Escrow Deposit Agreement with a commercial bank authorized to handle trust accounts by the BSP, supported by a bank certification stating the deposit of an amount not less than that required by the applicable BSP Rules and Regulations, but in no case should it be less than Seven Hundred Fifty Thousand Pesos (PhP 750,000.00).

Section 51. Issuance of Special License. The Department shall issue a special license to POSE provided all the requirements are met by the applicant. Only applications with complete supporting documents shall be deemed filed.

Section 52. Validity Period of Special License. The special license shall be valid for six (6) years from the date of issuance subject to the validity of the POSE-registration, or unless sooner revoked, terminated, suspended, or cancelled by the Secretary or his/her duly authorized representative.

Section 53. Requisites for Renewal. The POSE shall submit a written application together with the following requirements:

- a. Certified copy of the Certificate of Accreditation by the MARINA;
- b. Bank Certificate and Escrow Deposit Agreement indicating that the escrow of Seven Hundred Fifty Thousand Pesos (PhP 750,000.00) is still intact; and
- c. Proof of payment of license fee of One Hundred Thousand Pesos (PhP 100,000.00).

The Department, in accordance with law and after consultation with the stakeholders, may modify the list or prescribe additional requirements for the renewal of the special license.

Section 54. Prohibition on Collection of Placement Fees from Seafarers. The POSE shall not collect any fee from their hired seafarers, unless otherwise provided by law.

RULE V

Fees, Costs, and Contributions

Section 55. Chargeable Fees and Costs

- a. Fees Chargeable to Principal/Employer:
 1. Manning Fees - LMAs shall charge from their principal/employer a manning fee to cover services rendered in the recruitment and deployment of seafarers.
 2. Processing Fees - All processing fees required for deployment such as Pre-Employment Medical Examination (PEME), regardless of the results thereof, and medical reports in the principal's/employer's designated clinic, DMW and OWWA fees, visas, principal's/employer's flag State ship requirements, principal's/employer's required trainings, and other requirements.

However, in case of seafarer's failure or unjustified refusal to join ship after all processing fees have been incurred by the principal/employer, said fees shall be refunded, except recruitment or placement fees, visas, and other related costs, by the seafarer within thirty (30) calendar days from demand.

- b. Costs Chargeable to the Seafarer. Documentation costs of all statutory requirements such as, but not limited to, passport, Seafarer's Record Book (SRB), Seafarer's Identification Card (SID), training mandated by applicable Philippine laws and regulations, NBI/police/barangay clearance, and birth certificate.

Section 56. Prohibition on Charging and Collecting of Other Fees. No other charges and/or fees in whatever form, manner, or purpose, shall be imposed on and be paid by the seafarer, unless otherwise provided by law.

Section 57. Pre-Employment Medical Examination. The LMA shall ensure that the PEME conducted is in accordance with prescribed and acceptable international standards, and the requirements of the principal/employer.

The principal/employer shall shoulder the costs of the PEME of the seafarer under this section, whatever the results of the said examination.

Section 58. When to Require PEME. The LMA shall require an applicant seafarer for overseas employment to undergo PEME with a DOH-accredited Medical Facility for Overseas Workers and Seafarers (MFOWS) only after the LMA has interviewed the seafarer, and that there is a reasonable certainty that the seafarer shall be hired and deployed to a ship of its principal/employer.

Section 59. Post-Employment Medical Examination. When the seafarer suffers work-related injury or illness occurring between the date of commencing duty and the date upon which they are deemed duly repatriated, or arising from their employment between those dates and still requires medical attention upon repatriation, the seafarer must, within three (3) working days upon arrival at the point of hire, undergo a post-employment medical examination and treatment by a company-designated physician until the seafarer is declared fit to work or assessed a disability grading.

The cost of the post-employment medical examination with the company-designated physician shall be borne by the principal/employer.

RULE VI

Recruitment Outside Registered Office

Section 60. Special Recruitment Authority (SRA). An LMA may conduct recruitment activities outside its registered address by securing an SRA prior to the conduct of the recruitment.

Section 61. Requirements for the Issuance of SRA. An SRA may be issued upon submission of the following requirements, among others:

- a. Letter request from an authorized signatory of the LMA stating the exact date and venue of the special recruitment activity, as well as the name/s of the designated representative/s, copy furnished the concerned DMW Regional Office;
- b. List of accredited principal/employer;
- c. No objection certificate issued by the Public Employment Service Office (PESO) or the duly authorized representative of the concerned local government unit (LGU); and
- d. Notarized undertaking that the agency shall take full responsibility for the acts of its representative officers and employees, and/or the employer or his/her authorized representative.

The Department, in accordance with law and after consultation with the stakeholders, may modify the list or prescribe additional requirements for the application for an SRA.

Section 62. Filing of Application. An application for issuance of SRA shall be filed at least three (3) calendar days prior to the date of the activity with any of the following DMW offices:

- a. DMW Central Office;
- b. DMW Regional Office under whose area of jurisdiction the agency is located; or
- c. DMW Regional Office under whose area of jurisdiction the special recruitment activity will be conducted.

Section 63. Validity of SRA. The SRA shall be valid for the date and venue as indicated, unless extended, modified, or revoked by the DMW for violation of the conditions for its issuance.

Section 64. Letter of Authority (LOA). The LMA shall notify the Department of the participation of an accredited principal/employer or its registered/authorized representative in a recruitment activity within its registered office, at least three (3) working days before the date of the activity. If the accredited principal/employer or its registered authorized representative shall participate in a recruitment activity outside its registered office, the application for LOA shall be filed at least three (3) working days before the date of the activity.

Section 65. Venue and Supervision of Recruitment Activities Outside the Registered Office. Recruitment activities outside the registered office of the LMA shall be conducted only at venues indicated in the Authority, and shall be supervised by the Department in coordination with the DOLE or the PESO.

Section 66. Terminal Reports. A Terminal Report shall be submitted to the DMW office which issued the SRA within ten (10) calendar days of the activity, and a Progress Deployment Report within ninety (90) calendar days after the activity. No subsequent SRA shall be issued until the LMA has submitted the required reports.

Section 67. Participation in Jobs Fair; Conduct of Jobs Fair. An LMA may participate and conduct recruitment activities based on DMW-approved crew orders, provided that a JFA is secured from the Department. The requirements and procedures for issuance of a JFA shall be prescribed by the Department.

The DMW may organize a Jobs Fair in coordination with the concerned LGU and/or with the PESO.

Section 68. Participation in a DOLE/PESO-Organized Jobs Fair. The DMW may participate in a DOLE/PESO-organized jobs fair upon written invitation/notification.

Section 69. Cancellation of SRA/LOA/JFA. The DMW reserves the right to cancel the SRA/LOA/JFA for violation of the conditions set therein.

RULE VII

Advertisement for Overseas Job Vacancies

Section 70. Advertisement for Overseas Employment. Advertisements for overseas employment shall include the publication of job vacancies in any form of communication, such as, but not limited to, press releases, printed materials, or advertisements in radio, television, cinemas, internet, social media, and other electronic forms, billboards, moving and human advertisements, and ad boards.

Section 71. Advertisement of Job Vacancies with Approved Crew Orders. LMAs may advertise job vacancies of accredited principal/employer without prior approval from the Department and within the validity of its accreditation. The advertisement shall indicate the following information:

- a. Name, address, and DMW license number of the agency;
- b. Type of ship;
- c. Rank or Position; and
- d. Number of available positions.

Further, individuals, agents, representatives, or vloggers utilized for the purpose of advertising job openings on behalf of LMAs must be duly authorized by the LMA and duly acknowledged by the Department, subject to additional guidelines as it may prescribe.

Section 72. Advertisement for Manpower Pooling. LMAs may advertise for manpower pooling, subject to prior approval of the Department and compliance with the following conditions:

- a. The advertisement shall indicate the phrases “for manpower pooling only”, “no fees in any form and/or purpose will be collected from the applicants”, and “beware of illegal recruiters and human traffickers”, using large font in the advertisement; and
- b. The advertisement shall specify the name, address, and DMW license number of the agency, name and worksite of the prospective or accredited principal/employer, and the skill categories and qualification standards.

Section 73. Advertisement for Overseas Job Vacancies by Principals/Employers. Accredited principals/employers may advertise overseas job vacancies only through LMAs or through the Department.

Section 74. Monitoring of Advertisements. The Department shall monitor all advertisements, and non-compliant advertisements are considered as recruitment violations which shall be penalized in accordance with the schedule of offenses and penalties.

RULE VIII

Departure and Arrival of Seafarers

Section 75. Departure of Seafarers. The Department, through the MWAAC, shall monitor all departing seafarers at the international airports and other exit points in the country to ensure that they are properly documented before proceeding to their assigned ship.

Section 76. DMW Clearance For Special Cases In Lieu of OFW Clearance. The Department shall issue special clearances for travel abroad for Philippine Registered Ship's conduction manned by locally employed seafarers. Likewise, it shall cover seafarers who will undergo orientation and such other analogous circumstances, as a requirement prior to their employment. A guideline shall be issued by the Department for the implementation of this section.

Section 77. Arrival of Seafarers. The Department, through the MWAAC, in coordination with OWWA and other government agencies, shall provide assistance to arriving seafarers, particularly those who are in distress.

RULE IX

Illegal Recruitment, Trafficking in Persons, and other Prohibited Acts

Section 78. Who are Liable for Illegal Recruitment, Trafficking in Persons, and other Unlawful Acts. The persons criminally liable for acts constituting illegal recruitment, trafficking in persons, and other prohibited acts under P.D. No. 442, as

renumbered, R.A. No. 8042, as amended, R.A. No. 9208, as amended, and other relevant laws are the principals, accomplices, and accessories. In case of juridical persons, the officers having ownership, control, management, or direction of their business who are responsible for the commission of the offense and the responsible employees/agents thereof shall be liable.

Section 79. Independent Administrative Action. The institution of criminal action is without prejudice to any administrative action against the licensee or holder of authority cognizable by the Department, which could proceed independently of the criminal action.

RULE X

Anti-Illegal Recruitment and Anti-Trafficking in Persons Programs

Section 80. Anti-Illegal Recruitment and Anti-Trafficking in Persons Programs. The Department, through the MWPB, its Regional Offices, and MWOs overseas, shall adopt policies and procedures, and prepare and implement programs towards the prevention and eradication of illegal recruitment and trafficking in persons committed by means of, or in the guise of recruitment for overseas employment such as, but not limited to, the following:

- a. Legal assistance and counseling to victims on criminal and/or administrative actions;
- b. Investigation and conduct of operations such as surveillance of persons and entities, closure of establishments, and assistance to victims during entrapment operations/arrest;
- c. Prosecution of cases, including legal assistance to victims during preliminary investigation and during trial, in collaboration with prosecutors from the DOJ; and
- d. Information and education campaign on overseas employment and on the anti-illegal recruitment and anti-trafficking in persons program.

The Department may initiate proceedings, both criminal and administrative in nature, based on confirmed reports of illegal recruitment and human trafficking activities.

Whenever necessary, the Department shall coordinate with other relevant government agencies and entities in the implementation of said programs.

Section 81. Issuance of MWPB Clearance. The MWPB shall issue a clearance to certify that a person is not included in the List of Persons with Derogatory Record or in the blacklist of persons involved in illegal recruitment and trafficking in persons cases.

Section 82. Coordination with Regional Offices. The powers and functions of the MWPB shall be without prejudice to the provision of legal assistance to victims, the conduct of investigation and special operation, and the filing of cases for illegal recruitment, trafficking in persons, and related cases by the Regional Offices within their respective territorial jurisdictions, including international ports and seaports. These, however, shall be coordinated with and reported to the MWPB for purposes of documentation, monitoring, and inter-agency coordination.

Section 83. Coordination with Migrant Workers Offices. The powers and functions of the MWPB shall be without prejudice to the provision of legal assistance to victims, the conduct of investigation, and the filing of relevant cases by the MWOs within their respective jurisdictions, subject to domestic and other applicable laws and regulations of

the host country. These, however, shall be coordinated with and reported to the MWPB for purposes of documentation, monitoring, and inter-agency coordination.

Further, the MWOs may coordinate with the MWPB in the investigation and preparation of pleadings and complaint-affidavits for seafarer victims of illegal recruitment, trafficking in persons, and related cases within their respective jurisdictions.

RULE XI

Complaints and Reports filed with the Department

Section 84. Receiving Complaints. Victims of illegal recruitment, trafficking in persons, and other related cases which are administrative or criminal in nature may file with the Department a report or complaint in writing and under oath.

Complaints and reports involving illegal recruitment and trafficking in persons committed by means of or in the guise of recruitment for overseas employment may also be filed with the appropriate Regional Office of the Department for proper evaluation.

Section 85. Legal Assistance. The Department shall provide free legal service to victims of illegal recruitment, trafficking in persons, and other related cases which are administrative or criminal in nature in the form of legal advice, assistance in the preparation of complaints and supporting documents, and institution of criminal actions.

Section 86. Complaints/Reports not Cognizable by the Department. When, upon evaluation based on the preliminary examination of the complainants and available records, the MWPB or the operating unit assigned to the complaint/report determines that the complaint/report does not involve overseas employment matters, or similar cases which do not fall under the jurisdiction of the Department, the MWPB or operating unit shall refer the matter to the proper office or government agency and instrumentality for other appropriate action.

RULE XII

Proceedings Before the Department on Illegal Recruitment, Trafficking in Persons Cases, or Recruitment Violations

Section 87. Conduct of Surveillance. The Department *motu proprio*, through the MWPB and the Regional Offices, may conduct investigation and surveillance on alleged illegal recruitment activities, trafficking in person cases, or recruitment violations.

For this purpose, the Department may seek the assistance of law enforcement authorities in the conduct of surveillance.

Upon the termination of surveillance operations, a report supported by affidavits and other evidence shall be submitted to the MWPB Director or the Regional Director, as the case may be.

Section 88. Issuance of Closure Order. Upon the determination of the MWPB Director or the Regional Director that the activities of any entity constitute a danger to national security and public order or may lead to further exploitation of job seekers, through the conduct of ex-parte examination of complainants and witnesses or through the conduct of surveillance, the Undersecretary for Adjudication Services and Regional Operations or Undersecretary for Licensing and Anti-Trafficking-in-Persons shall issue a Closure Order.

Section 89. Implementation of Closure Order. The Closure Order shall be served upon the offender or the person in charge of the subject establishment. The closure shall be effected by sealing and padlocking the establishment and posting notices in bold

letters of such closure in conspicuous places in the premises of the establishment. The assistance and support of LGUs and law enforcement agencies may be requested for this purpose.

The MWPB Director or the Regional Director concerned shall also recommend the immediate cancellation/revocation of the business name and/or permit of the closed establishment.

Section 90. Effect of Closure Order. All officers and responsible employees/agents of the entity engaged in the illegal recruitment activity shall be ordered included in the blacklist of persons involved in illegal recruitment and trafficking of seafarers and the List of Persons with Derogatory Record, and shall be disqualified from participating in the overseas employment program of the government.

Section 91. Report on Implementation. A report on the implementation of the closure order executed under oath shall be submitted to the Undersecretary for Adjudication Services and Regional Operations or Undersecretary for Licensing and Anti-Trafficking-in-Persons, as applicable, within two (2) working days from the date of implementation.

Section 92. Institution of Criminal Action. The Secretary, the MWPB Director, the concerned Regional Director, or any aggrieved person may initiate the corresponding criminal action with the DOJ.

Section 93. Re-Opening of Establishment. A Motion to Re-open an Establishment subject of a Closure Order may only be filed by the following:

- a. The owner of the building or the duly authorized representative;
- b. The building administrator or the duly authorized representative;
- c. The person or entity against whom the closure order was issued and implemented or the duly authorized representative; or
- d. Any other person or entity legitimately operating within the premises closed/padlocked and whose operations/activities are distinct from the recruitment activities of the person/entity subject of the closure order.

Section 94. Grounds for Re-Opening the Establishment. An establishment which has been closed may be re-opened on the following grounds:

- a. That the office is not the subject of the Closure Order;
- b. That the contract of lease with the owner of the building or the building administrator has already been cancelled or terminated. The request to re-open shall be duly supported by an affidavit of undertaking either of the owner of the building or the building administrator that the same will not be leased/rented to any other person/entity for recruitment purposes without the necessary license from the Department;
- c. That the office is shared by a person/entity not involved in illegal recruitment activities, whether directly or indirectly; or
- d. Any other ground that the Department may consider as valid and meritorious.

Section 95. Lifting of a Closure Order. A verified Motion to Lift a Closure Order may be filed with the Office of the Undersecretary for Adjudication Services and Regional

Operations or Undersecretary for Licensing and Anti-Trafficking-in-Persons, as applicable, within ten (10) calendar days from the date of implementation thereof.

The lifting of a Closure Order is without prejudice to the filing of a criminal action.

Section 96. Grounds for Lifting a Closure Order. The lifting of the Closure Order may be granted when the person/entity has proven that it is not involved in the illegal recruitment activities, whether directly or indirectly.

The lifting of the Closure Order shall include the removal of the entity and the names of the persons from the list of persons with derogatory record. The lifting of the Closure Order is, however, without prejudice to the filing of criminal action with the appropriate office against any other person/s alleged to have conducted illegal recruitment activities that led to the issuance of the Closure Order.

Section 97. Appeal. The Order of the Undersecretary for Adjudication Services and Regional Operations or Undersecretary for Licensing and Anti-Trafficking-in-Persons denying the Motion to Lift a Closure Order or Motion to Re-open Establishment may be appealed to the Secretary within fifteen (15) calendar days from receipt thereof.

Any Motion for Reconsideration shall be treated as an appeal.

Section 98. Re-padlocking of Office. The Department shall monitor establishments that had been subject of Closure Orders subsequently lifted and re-opened. Where a re-opened office is subsequently confirmed as still being used for illegal recruitment activities, a new Closure Order shall be issued which shall no longer be subject to a Motion to Lift.

Section 99. Prohibition on the Use and Establishment or Space Subject of a Closure Order. The establishment or space subject of an existing Closure Order shall not be used for any purpose, unless re-opened by the Department. Violation of this Section shall be dealt with accordingly.

Section 100. Monitoring of Closure Orders. The MWPB and/or the Regional Offices shall monitor establishments that are subject of Closure Orders. Establishments violating Closure Orders shall be penalized for contempt as provided under the IRR of R.A. No. 11641.

RULE XIII

Accommodation Facilities

Section 101. Accommodation Facilities for Seafarers in Transit. In the event that accommodation facilities are necessary, the LMA and/or the foreign principal/employer shall provide the seafarers who are in transit with decent accommodations and adequate provisions to ensure decent and humane living conditions, free of charge.

In no case shall the travel and employment documents of the seafarers be withheld from them nor shall the seafarer be prevented from freely leaving the accommodation facility or communicating or contacting their family and loved ones while in transit, without valid reason.

Section 102. Voluntary Accommodations Prior to Deployment. In the event that accommodation facilities are provided by either the LMA or the foreign principal/employer, or as provided under the applicable CBA to a seafarer prior to deployment, the

accommodation facilities shall meet the minimum standards set by the Department, in consultation with stakeholders.

Section 103. Accommodation in Cases of Calamities, Epidemics or Pandemics, and Other National Emergencies. In cases of calamities, epidemics or pandemics, and other national emergencies, the accommodation facilities shall meet the minimum standards set by the Department.

Section 104. Accommodation, Recreational, and Sanitation Facilities, Food and Catering in Ocean-Going Ships.

Accommodation and Recreational Facilities. Unless otherwise exempted herein or by appropriate regulations, all ocean-going ships shall provide and maintain safe, decent, and adequate accommodations, including but not limited to recreational facilities, for overseas seafarers that meet the minimum standards set out in MLC 2006, as amended, taking into account the need to protect the health and well-being of seafarers working or living on board the ship, or both. There shall be a basic shipboard facility for women, such as separate sleeping rooms.

Requirements for Sanitation. All ocean-going ships shall have sanitary facilities that meet the minimum standards for health and hygiene, which shall be accessible to overseas seafarers on board, and sanitation standards set by Chapter XV - "Port, Airport, Vessel and Aircraft Sanitation" of P.D. No. 856, or the Code on Sanitation of the Philippines, and its IRR. The sanitary facilities shall be located in convenient places, allowing easy access to work stations.

Separate sanitary facilities shall also be provided for male and female crew members of the ship.

Food and Catering. All ocean-going ships shall ensure the protection and promotion of the health of the overseas seafarers. Shipowners shall ensure that their ocean-going ships carry on board and serve food and drinking water of appropriate quality, nutritional value, and quantity that adequately cover the requirements of the ship and take into consideration the differing cultural and religious backgrounds of the seafarers on board the ship. Seafarers on board a ship shall be provided with food free of charge during the period of engagement. The food, drinks, and the preparation thereof shall be in accordance with the standards of P.D. No. 856, pertinent laws, rules, regulations, and international standards. In all cases, the ship's cooks shall be trained and qualified for their position.

Section 105. Operation of Accommodations. The requirements for the proper operation of accommodations provided by LMAs or their principals shall be provided by the Department subject to consultation with stakeholders.

PART III PLACEMENT BY THE PRIVATE SECTOR

RULE I

Verification, Authentication, or Attestation of Documents; Accreditation of Principal/Employer; and Enrollment of Ship

Section 106. Verification, Authentication, or Attestation of Documents of Principals/Employers. The verification, authentication, or attestation of documents of seabased principals shall be governed by the following:

- a. All documents for accreditation shall be subject to verification by the MWO in the principal's place of business, or in the MWO which has concurrent jurisdiction, to determine the existence of the employing person or company and its capability to hire seafarers, prior to accreditation with the Department.
- b. In the absence of both an MWO in the country where the principal's/employer's place of business is located or an MWO which has concurrent jurisdiction, the documents shall be submitted to the nearest Philippine Embassy/Consulate for authentication.

In the case of Apostilled documents, the same shall be acknowledged by the Philippine Embassy or Consulate which has jurisdiction over the principal's place of business.

- c. In cases where: (a) there is no MWO in the country where the principal's/employer's principal place of business is located, no MWO which has concurrent jurisdiction, and no Philippine Embassy or Consulate at the principal's place of business; or (b) in other cases as may be determined or approved by the Department, authorized officials/representatives of both the principal/employer and its LMA shall submit the documents and personally appear before the Department for attestation.

The MA and Special Power of Attorney (SPA) may be signed by the authorized officials of both the hiring company and its local manning agency in the presence of any official authorized by the Department for attestation, in lieu of verification or authentication of employment documents.

The Department shall charge attestation fees, as may be allowed by the Secretary, and upon prior approval of the Department of Finance (DOF) and other concerned agencies.

The Department shall develop a borderless verification system with the MWOs for a digitalized and seamless process to accomplish its mandate to achieve ease of doing business.

Section 107. Documentary Requirements for Verification, Authentication, or Attestation. The following documents shall be submitted to the MWO for verification, to the Embassy/Consulate for authentication, or to the Department for attestation:

- a. SPA or any other equivalent document issued by the principal/employer, specifically authorizing the LMA to recruit for and in its behalf;
- b. MA containing among others, the responsibilities of both principal/employer and LMA with respect to the employment of seafarers;
- c. Valid Business License or Registration Certificate of the principal/employer indicating the line of business or equivalent document or proof of existence of business validated or certified by the issuing authority in the host country; and
- d. Board Resolution or Secretary's Certificate authorizing an official of the principal/employer to sign the MA and SPA on behalf of the company.

The Department, in accordance with law and after consultation with the stakeholders, may modify the list or prescribe additional documentary requirements.

Section 108. Application for Accreditation of Principal/Employer and Enrollment of Ship. Only LMA may file an application for the accreditation of principal/employer and enrollment of the ship.

Parties to the MA are the duly authorized representative of the LMA and the direct principal/employer of the seafarers to be recruited.

The principal/employer shall enroll at least one (1) ship through their LMA during the process of accreditation.

Section 109. Documentary Requirements for Accreditation of Principal/Employer. The following documentary requirements shall be submitted to the Department, through the LMA, for accreditation of the principal/employer:

- a. Letter request from the LMA;
- b. Verified/authenticated/attested SPA issued by the principal/employer, which includes explicit authorization for the LMA, among other provisions, to enter into any and all contracts as its true and legal representative to act for and on its behalf in the recruitment, hiring, and placement of Filipino seafarers for overseas employment;
- c. Verified/authenticated/attested MA containing, among others, the responsibilities of both principal/employer and LMA with respect to the recruitment and employment of seafarers;
- d. Valid business license or registration certificate (in official English translation) of the principal/employer or equivalent document or proof of existence of business validated or certified by the issuing authority in the host country;
- e. Board Resolution, Secretary's Certificate, or letter from the principal/employer granting authority to its employee or officer to act as its duly-authorized representative or signatory in the MA and SPA;
- f. List of ships together with the individual Certificates of Vessel Registry (CVR) (in official English translation) or an equivalent document.

In case of a newbuilding vessel, a certificate from the ship builder/owner that the ship is under construction indicating its delivery date, and an affidavit of undertaking of the LMA to submit the valid CVR;

- g. Crew complement and corresponding wage scale;
- h. Ship's Insurance Certificate of Cover (COC) for existing ship and affidavit of undertaking ensuring the continuing validity of the COC. For newbuilding ship, affidavit of undertaking of the agency to submit the COC upon ship's delivery and its continuing validity;
- i. Financial security document/s compliant with MLC 2006, as amended, and an affidavit of undertaking ensuring the continuing validity of the financial security, subject to the provisions of R.A. No. 12021 and its IRR.

For vessels not covered by the financial security document, an affidavit of undertaking on the repatriation and compensation of the crew in the event of abandonment; and

- j. Ship Management Agreement, Concessionaire Agreement, Bareboat Charter Agreement, Crew Management Agreement, or any other equivalent certificate affirming that the principal/employer has an agreement with the shipowner.

Any changes or amendments to the above list of requirements shall be subject to issuance of necessary guidelines by the Department, upon stakeholder consultations.

Section 110. Other Requirements for Accreditation of Principal/Employers with Other Types of Vessels. Subject to the issuance of appropriate guidelines, the Department may prescribe additional documentary requirements for principals/employers with fishing vessels, yachts, cruise, offshore vessels/platforms, and other types of vessels.

Section 111. Provisional Accreditation of Principals/Employers. The Department may grant a one-time provisional accreditation for a non-extendible period of one hundred and fifty (150) calendar days, pending the submission of a verified or authenticated or attested MA and SPA.

It shall be the policy of the Department not to grant provisional accreditation to principals/employers with enrolled fishing ships.

Section 112. Enrollment of Additional Ships. The principal/employer, within the validity of its accreditation, may request the enrollment of additional ships through submission of the documentary requirements outlined in Section 109, Items f to j, along with a formal letter of request from the LMA and confirmation from the principal/employer.

Other requirements for other types of ships per Section 110 (Other Requirements for Accreditation of Principal/Employers with Other Types of Vessels) shall also apply.

Section 113. Validity of Accreditation of Principal/Employer. Upon compliance with the documentary requirements, the principal/employer shall be accredited by the Department for a period of not more than six (6) years, unless sooner revoked or cancelled by the Department on any of the following grounds:

- a. Expiration of the principal's/employer's business license;
- b. Upon pre-termination of the MA by the parties;
- c. Submission of fraudulent documents, which may constitute misrepresentation in connection with the application for accreditation;
- d. Final judgment for a disciplinary action resulting in permanent disqualification of the principal/employer and delisting from the roster of accredited principals/employers; and
- e. Cancellation of license of the concerned LMA.

The expiration of the LMA's license shall not cause the automatic expiration or cancellation of the accreditation of its principal/employer. In case the license is not renewed, either due to failure to apply or qualify for renewal, the accreditation of its principal/employer shall be deemed cancelled.

The revocation or cancellation of the accreditation of a principal/employer shall not absolve both the principal/employer and the LMA of their contractual obligations to all onboard crew until the safe and expeditious return of said crew back to the point of hire

and settlement of all remaining wages/entitlements or until the transfer of the vessel to another principal/employer and/or with another LMA.

Section 114. Suspension of the Accreditation of Principal/Employer or Deactivation of Vessel Enrollment. Upon the written order of the Secretary, or the latter's duly authorized representative, the accreditation and/or vessel enrollment of a principal/employer shall be suspended or deactivated for a period not exceeding sixty (60) calendar days, based on any of the following grounds:

- a. Refusal or unreasonable failure to act on any request for assistance or repatriation of distressed seafarers;
- b. Deliberate violation/non-compliance of the principal/employer with its contractual and/or legal obligations to its hired seafarer/s, including, but not limited to, abandonment cases, harassment and bullying cases, sexual assault, and sexual harassment cases;
- c. When found to have hired and employed a seafarer who is a minor;
- d. Continued processing and deployment of the seafarers for the principal/employer will lead to the further exploitation of any or all of its applicants and seafarers or pose imminent danger to the lives and safety of its seafarer/s; or
- e. Other circumstances analogous to the foregoing as determined by the DMW.

Section 115. Procedures for Suspension of the Accreditation of Principal/Employer or Deactivation of Vessel Enrollment. Upon receipt of an advice, complaint, or report of an alleged violation, the Department may issue an Order of Suspension of the Accreditation of the Principal/Employer or an Order of Deactivation of the Vessel Enrollment based on initial evaluation if there exists substantial ground/s for suspension or deactivation. The Order shall have the effect of suspending the documentary processing of the principal/employer or deactivating the vessel enrollment at the Department.

The Department shall require the principal/employer to submit their Comment within a period of five (5) calendar days from receipt of the Order of Suspension or Deactivation. After evaluation, the suspension of accreditation or deactivation of vessel enrollment may be lifted upon satisfactory settlement of the seafarers' claim/s or compliance with the conditions for lifting the suspension or deactivation. Otherwise, a recommendation for disqualification will be made for the principal/employer from participating in the overseas employment program.

Section 116. Assignment of Accredited Principal's/Employer's Representative in the LMA. Subject to the guidelines to be issued by the Department, a principal/employer representative may be assigned in the office of the LMA upon issuance of an Acknowledgement of Principal Representative (APR).

Section 117. Termination of Principal Accreditation. The accreditation of a principal/employer shall be deemed terminated on any of the following grounds:

- a. Final judgment for a disciplinary action resulting in permanent disqualification of the principal/employer and delisting from the roster of accredited principals/employers;
- b. Expired accreditation without request for renewal;

- c. Cancellation of license of the LMA;
- d. Cancellation of accreditation upon mutual request of the LMA and the principal/employer; and
- e. Other grounds analogous to the foregoing.

Section 118. Renewal of Accreditation. The accreditation may be renewed at the request of the principal/employer or LMA, within sixty (60) calendar days prior to its expiration, and upon submission of the following:

- a. Letter request from the LMA;
- b. Renewed or updated MA and SPA or confirmation from the principal/employer that the agreement is still valid;
- c. Valid business license or confirmation from the principal/employer that its business license is still valid as acknowledged by the LMA;
- d. List of active ships;
- e. Updated salary scale or confirmation from principal/employer that the current salary scale shall be retained; and
- f. List of inactive ships using the prescribed form.

These requirements are without prejudice to other requirements that may be provided by applicable laws, rules, and regulations.

Non-renewal of the accreditation after a period of one (1) year from expiration shall cause the delisting from the roster of accredited principals/employers.

Section 119. Salary Amendments. The LMA is required to promptly inform the Department of any proposed change or adjustment in the wage scale, as well as any modifications to the vessel's CBA coverage or affiliation, if applicable. Any wage adjustment should be compliant with pertinent and applicable laws, rules, and regulations, provided that any agreement between the principal/employer and the union pertaining to wage adjustment in the wage scale pursuant to prevailing international standards shall be deemed a compliance of this provision.

Section 120. Multiple Accreditations of Principal/Employer. A principal may be accredited to a maximum of three (3) LMAs, provided that a uniform wage and compensation package shall be adopted by the principal for all seafarers similarly situated.

The wage and compensation may vary if the ship for enrollment by the principal is owned by a different entity, the ship is covered by a different CBA, or in any other situations as may be allowed by the Department.

Section 121. Enrollment of Ships. A ship shall be enrolled with only one (1) principal/employer and LMA.

However, a ship involving special types/operations may be enrolled to more than one (1) principal/employer and LMA, such as but not limited to:

- a. Cruise ships;

- b. Offshore/Platform;
- c. Survey/Research;
- d. Dredger/Driller;
- e. Supply;
- f. Pontoon;
- g. Accommodation Barge; or
- h. Other ships with special features and modes of operation as may be classified by the Department.

The Department may allow other principals/employers to enroll a merchant/running vessel that is currently enrolled with another LMA under a different principal for highly technical or specialized operation, subject to guidelines as may be prescribed by the Department.

Section 122. Transfer of Accreditation of Principal/Employer and Enrollment of Ships to Another LMA. The accreditation of a principal/employer and enrollment of ship may be transferred to another LMA; Provided, that such transfer shall be a continuation of the seafarer's contract and shall not involve diminution of wages and benefits of the seafarer hired through the previous agency; and Provided, further, that the transferee agency shall execute an Affidavit of Assumption of Responsibility, as prescribed by the Department, over all obligations of the principal/employer due to the seafarers originally recruited, processed, or deployed by the former LMA, as well as other obligations arising from the transfer of the ship and transfer of accreditation of principal/employer.

A succeeding LMA which seeks the accreditation of the same principal/employer from the date of cancellation of the accreditation of the principal/employer with the previous LMA shall be deemed a transferee agency.

For this purpose, any accreditation within six (6) months immediately following its cancellation by the principal/employer shall be deemed a transfer of accreditation, in which case, an assumption of responsibility of the principal/employer shall be required.

Section 123. No Objection Letter (NOL) Requirement in the Transfer of Accreditation and Enrollment of a Ship. In any transfer of accreditation and/or enrollment of ship/s, the Department shall require a NOL from the transferor agency.

Any transfer of enrollment of a specific department for cruise/passenger ship or other ships with special operations would require the submission of an NOL only from the affected or concerned transferor agency. The other unaffected departments enrolled to other LMAs within the same cruise/passenger ship or other ships with special operations shall not be required to submit the NOL under this Section.

Section 124. Action on Applications for Transfer of Accreditation of a Principal/Employer and/or Enrollment of a Ship with Objections due to Outstanding Obligations. The pendency of the claims for money or enforcement of obligations arising out of business relations between principal/employer and their existing LMA shall not prevent the Department from acting on the request for transfer of accreditation of a principal/employer and/or enrollment of a ship, if public interest so requires.

Aside from non-compliance with Section 122 (Transfer of Accreditation of Principal/Employer and Enrollment of Ships to Another LMA), the transfer of accreditation may not be processed under any of the following circumstances:

- a. There are several pending requests for the processing of seafarers filed before the Department;

- b. There are applicant seafarers who already signed their respective employment contracts, issued with employment visas and completed all of their needed documents for deployment;
- c. There are pending requests for the repatriation of its seafarers;
- d. The transferee agency has failed to secure the required NOL from the transferor agency; or
- e. In any analogous case where the applicants and its seafarers will be prejudiced by the immediate transfer of accreditation.

The Department shall return the submitted documentary requirements to the transferee agency without prejudice to refile once the transferee agency has secured the required NOL from the transferor agency, subject to the submission of updated documentary requirements.

The transfer of accreditation may be given due course upon resolution of the above issues and/or circumstances.

As a matter of policy, the Department will not intervene on the dispute of the parties arising from the objection. Hence, the parties may discuss and settle the reason/s for the objection or elevate their dispute to the court of law which has jurisdiction over the matter. In such cases, the original agency shall retain full and complete responsibility over the contractual obligations of the original principal.

Should the said court of law decide or determine that the accusations leveled by an agency against another is frivolous in nature, the Department may *motu proprio* initiate the necessary disciplinary action against the erring agency.

Section 125. Accreditation of Principal/Employer in Countries Covered by a Special Agreement. The accreditation of a principal/employer in countries covered by any special agreement entered into by the Philippine government shall be in accordance with the guidelines prescribed by the Department.

Section 126. Transfer of Ship Due to Sale or Change of Management. In case of sale of ship or change of management necessarily involving a change in principal/employer, the LMA of the new principal automatically assumes full and complete responsibility over the seafarer originally recruited and deployed by the previous LMA, if the seafarer opts to sign an employment contract with the new principal. Otherwise, the LMA which originally recruited and deployed the seafarer shall retain full and complete responsibility over the contractual obligations of the original principal. This assumption of responsibility takes effect without the necessity of executing an Affidavit of Assumption of Responsibility.

The original LMA remains fully responsible for fulfilling the contractual obligations of the original principal to all crew members deployed for the said vessel. This includes addressing any pending claims that may be owed to the seafarers for their previous employment with the previous principal/employer. The transfer of the vessel to another LMA due to sale of ship or change of management/principal does not absolve the original LMA from their responsibility towards the crew members deployed for that specific vessel in accordance with the terms and conditions of their employment contract.

Section 127. Notices for Transfers of Accreditation of Principals/Employers and Enrollment of Ships. Prior to the transfer of accreditation of principal/employer and/or enrollment of ship, the Department shall notify the previous agency of such an application for transfer.

Thereafter, the original LMA shall respond either through an NOL or an Objection Letter (OL) on the transfer within three (3) working days upon receipt of the notice from the Department.

For this purpose, the Department shall provide the notice to the transferor agency through any of the following means: (1) receipt by the accredited liaison officer; (2) official registered email address of the agency; (3) courier delivery system of the Department; or (4) other emerging means as may be determined by the Department.

The above modes of communication shall also apply to all other transactions which may require coordination with the concerned LMA in relation to its principals and vessels.

Section 128. Requirements for Accreditation and Renewal of POSE with Philippine Flagship. The Department shall accredit POSE with Philippine flagship upon submission of the following requirements:

a. Owned tonnage:

1. Letter request of the ship owner with the inclusion of the following information:
 - i. That the company is the owner of the ship for enrollment;
 - ii. Former name of the enterprise (if any); and
 - iii. Ex-name of the ship (if any).
2. Valid certificate of accreditation issued by MARINA that the company is an accredited maritime enterprise;
3. Valid special permit granted to the ship to engage in the overseas trade;
4. Valid certificate of Philippine registry of ship with IMO number; and
5. Accomplished salary scale forms.

b. Under bareboat charter:

1. Letter request of the charterer with the inclusion of the following information:
 - i. That the company is the bareboat charterer of the ship for enrollment;
 - ii. Former name of the enterprise (if any);
 - iii. Ex-name of the ship (if any).
2. Valid certificate of accreditation issued by MARINA that the company is an accredited maritime enterprise;
3. MARINA approval of the bareboat charter of the ship;
4. Valid certificate of Philippine registry of ship with IMO number; and
5. Accomplished salary scale forms.

c. With manning agency tie-up:

1. Letter request of the LMA with the inclusion of the following information:
 - i. That the enlisted shipping enterprise is the owner/bareboat charterer of the ship for enrollment;

- ii. Former name of the shipping enterprise (if any); and
 - iii. Ex-name of the ship (if any).
- 2. Notarized MA and SPA between the enlisted shipping enterprise and LMA;
- 3. Valid certificate of accreditation issued by MARINA that the company is an accredited maritime enterprise;
- 4. Crew request from the shipping enterprise addressed to the LMA;
- 5. Valid certificate of Philippine registry of the ship with IMO number;
- 6. Accomplished salary scale forms; and
- 7. Additional requirements:
 - i. Owned tonnage – Valid special permit granted to the ship to engage in the overseas trade
 - ii. Bareboat charterer – MARINA approval of the bareboat charter of the ship

The Department, in accordance with the law and after consultation with the stakeholders, may modify the list or prescribe additional requirements for the accreditation of POSEs.

Section 129. Renewal of Accreditation of POSE with Philippine Flagship. The following documents shall be submitted for renewal of the accreditation of POSE with Philippine flagship:

- a. Letter request of the shipowner/bareboat charterer/LMA;
- b. Valid/renewed documents submitted during accreditation (MA/SPA, MARINA accreditation as maritime/shipping enterprise, MARINA special permit of ship, MARINA approval of the bareboat charter of the ship, certificate of ship registry), as may be applicable; and
- c. Accomplished salary scale forms.

The Department, in accordance with the law and after consultation with the stakeholders, may modify the list or prescribe additional requirements for renewal of POSE accreditation.

RULE II

Documentation of Seafarer

Section 130. Documentary Requirements for Processing. The processing of seafarers shall comply with the following requirements prescribed by the Department to be implemented through the Seabased Accreditation Bureau (SAB), subject to the provisions of R.A. No. 10173, its IRR, and the rules and regulations of the National Privacy Commission:

- a. Request for processing using the prescribed form of the Department indicating the name, position, and salary of seafarer, contract duration and the name of the principal/employer and ship;
- b. Four (4) original copies of the full text of the SEC for seafarers, one (1) copy for the DMW, one (1) copy for the seafarer, one (1) copy for the LMA, and one (1)

copy for the principal/employer to be kept onboard during the employment period;

- c. Valid SRB;
- d. Valid certificate of cover/entry or other proof of coverage for compulsory insurance, at no cost to the seafarer;
- e. Seafarer's E-registration; and
- f. Other relevant documents as may be required by the Department under subsequent guidelines.

Additional requirements shall be prescribed for fishers and workers in the intermodal sector under subsequent guidelines.

The LMA shall ensure that a copy of the duly processed DMW-approved SEC is provided to its hired seafarer. Likewise, LMAs and their principals shall ensure that their seafarers have a valid work, transit, or any appropriate visa or its equivalent document prior to their deployment.

Section 131. Payment of Processing Fees. The required processing fees shall be paid to the Department by the LMA upon approval of the request for processing, at no cost to the seafarer.

Section 132. Contracts Amendment and Processing for Onboard Seafarers. Any alteration or change in any part of the DMW-approved SEC for onboard seafarers shall be evaluated, verified, processed and approved by the Department upon submission of documentary requirements and payment of the processing fee, as prescribed by appropriate issuances or guidelines.

For this purpose, no fee shall be collected, directly or indirectly, from the seafarer.

Section 133. Clearance for Seafarers Included in the List of Persons Disqualified to Participate in the Overseas Employment Program. Employment contracts of those seafarers whose names were identified in the list of persons disqualified to participate in the overseas employment program shall be subject for clearance and approval by the Department upon the submission of documentary requirements as prescribed through the issuance of appropriate guidelines.

Section 134. Contracts Processing for Fishers. Employment contracts of Fishers shall be evaluated and approved by the Department upon submission of documentary requirements as prescribed through the appropriate issuance or guidelines.

Section 135. Issuance of OFW Clearance. An OFW Clearance shall be issued only upon compliance with the documentary requirements for contract processing, and payment of the DMW processing fee, and OWWA membership contribution.

Section 136. Validity of OFW Clearance and Period to Deploy. An OFW Clearance shall be valid for sixty (60) calendar days from date of issuance, within which period the LMA shall deploy its contracted seafarer.

Section 137. Cancellation of the Seafarer's Documents. The LMA shall report to the Department within thirty (30) calendar days from the lapse of the period to deploy if the deployment of the seafarer does not materialize and state the reason thereof and apply for cancellation of the seafarer's processed document.

The following documentary requirements shall be submitted for cancellation:

- a. Letter request from the LMA with *conforme* of the seafarer or letter request from the seafarer with *conforme* of the LMA;
- b. Processed SEC;
- c. SRB; and
- d. Copies of OFW Clearance.

If the deployment of the seafarer does not materialize due to the seafarer's fault, the LMA may initiate a disciplinary action against the seafarer.

In no case shall the LMA withhold or deny the return of the seafarer's documents upon request.

Section 138. Ban on Direct Hires. No employer shall directly hire a seafarer for overseas employment, unless otherwise allowed by law or any issuance by the Department.

Section 139. Online In-House Processing Facility. The Department shall continue to require all LMAs to have an online in-house processing facility for the issuance of OFW Clearance of their contracted seafarer scheduled for deployment. The LMAs shall comply with the documentary and reportorial requirements.

It shall be the responsibility of LMAs to ensure that they will not deploy a watchlisted seafarer nor will they deploy the seafarer to a watchlisted principal/employer. In the same manner, the LMAs shall ensure that the seafarer has no valid and existing contract with another LMA

The LMAs shall be subject to regular audit and/or inspection by the Department to ensure compliance with the prescribed guidelines on the in-house processing facility.

The Department reserves the right to suspend in-house processing by an LMA, should there be an established case of violation of this section.

Section 140. Deployment of Seafarers. The Department shall allow the deployment of seafarers to the following: ships, whether Philippine-registered or foreign-registered, navigating foreign seas, or installations located offshore or on the high-seas, whose owners/employers are compliant with international laws and standards.

Section 141. Suspension of Embarkation, Disembarkation, Crew Change, and Shore Leaves. Notwithstanding the provisions of the preceding section, in pursuit of national interest or when public welfare so requires, the Department may simultaneously impose suspension on the embarkation, disembarkation, crew change, and/or shore leaves of Filipino seafarers in countries/jurisdictions where there is a prohibition on the deployment of OFWs or a Crisis Alert Level is imposed.

As a matter of policy, the Department acknowledges the right of a seafarer to offshore leaves, subject to rules, regulations, and measures of the port state.

Section 142. Accreditation and Processing of Workers in Sectors or Industries that Intersect with the Land-based Sector. The Department shall issue separate guidelines on the accreditation of principals and the processing of workers in sectors or industries with workplace characteristics that intersect with the land-based sector, including, among others, occupations in the intermodal sector.

PART IV EMPLOYMENT STANDARDS

RULE I Formulation of Standard Employment Contracts

Section 143. Standard Employment Contracts. The Department, through tripartite consultation involving the seafarers and the private sector, shall determine, formulate, and establish minimum, separate, and distinct SECs for seafarers, in accordance with accepted international standards and maritime practices. These SECs, which shall be reviewed periodically to keep them attuned to international requirements and demands, shall be the minimum requirement in every individual contract approved by the Department.

The Department may also develop ship category, skills, or country-specific SECs to better address peculiarities and needs of seafarers. Likewise, a special contract for cadets may be developed.

The SEC between the shipowner and the overseas seafarer shall be in writing and shall include, but not be limited to, the following information and terms subject to R.A. No. 10173:

- a. Seafarer's full name, date of birth, age, birthplace, permanent, or residential address;
- b. SRB Number, Seafarer's Identity Document Number, Seafarer's Registration Number, and other necessary documentation as may be required by appropriate government agencies;
- c. Shipowner's name and address;
- d. LMA's name and address;
- e. Place and date of execution of the SEC;
- f. Duration of the contract;
- g. Point of hire;
- h. Capacity in which the seafarer is to be employed;
- i. Amount of the seafarer's salary and the formula used for calculating the same;
- j. Maximum hours of work and minimum hours of rest;
- k. Wages and wage-related benefits, which include, but are not limited to, overtime pay, holiday pay, vacation leave pay, premium pay, paid leaves, and 13th month pay, if applicable;
- l. Compensation and benefits for occupational injury, sickness, or death;
- m. The mandatory process for the determination of the final and binding disability grading to be determined by a DOH-accredited third doctor who is an expert in the disability of the seafarer, in case of conflict between the findings of the company and the seafarer's doctor;

- n. Social security and welfare benefits, including compulsory insurance coverage as provided under Section 37-A of R.A. No. 8042, as amended, and Section 6(n) of R.A. No. 11641;
- o. Stipulations on repatriation or similar undertakings;
- p. Separation pay and retirement pay, if applicable;
- q. Reference to the CBA, or other similar instruments, if applicable;
- r. Other benefits provided by law, company policy, or CBA; and
- s. Termination of the contract and the conditions thereof, including:
 - 1. If the contract is for an indefinite duration, the conditions entitling either party to terminate it and the period to give notice which shall not be less for the shipowner than for the seafarer;
 - 2. If the contract is for a definite duration, the date fixed for its expiry; and
 - 3. If the contract is for a voyage, the port of destination and the time which has to expire after arrival before the seafarer's discharge.

The SEC shall be in English, or translated in the language known to the seafarer, and executed in four (4) original copies before the commencement of the employment.

The shipowner and the seafarer shall each have a signed original of the agreement. In addition, a signed original shall be made available on board the ship.

Likewise, the SEC shall be part of the discussion in the PDOS.

Section 144. Freedom to Stipulate. Parties to the SEC may stipulate other terms and conditions, including benefits, which should be over and above the minimum requirements. Said stipulations should not be contrary to law, morals, good customs, public order, or public policy.

Section 145. Disclosure of Terms and Conditions of Employment. The LMA shall, prior to the signing of the employment contract, inform the seafarers of their rights and obligations, and disclose the full terms and conditions of employment, including CBAs, if applicable. The LMA shall likewise ensure that the seafarer is provided with a copy of the DMW-approved contract, to give the seafarer ample opportunity to examine the same.

Section 146. Self-Organization and Collective Bargaining. All Filipino seafarers who are engaged, employed, or who work in any capacity on board a ship or vessel whether Philippine-registered or foreign-registered, shall have the right to self-organization and to form, join, or assist in the formation of a labor organization of their own choosing for purposes of collective bargaining, in accordance with the provisions of the R.A. No. 12021 and its IRR.

The shipowner shall provide the seafarer a copy of the CBA, whether digital or printed, which must be readily available and accessible and, upon proper request, furnish the seafarer. Provided, that the DMW shall require shipowners, through the LMA, to submit a copy of any CBA executed overseas.

Section 147. Information of a Seafarer's Family or Next of Kin. In critical incidents, such as, but not limited to, accidents or deaths onboard or offshore, piracy, abandonment

of vessel, missing seafarers and other similar cases, the shipowner/principal and the LMA shall immediately inform the seafarer's family or next of kin, including any investigation conducted, and shall furnish them with copies of any reports, action/s taken, and plans by the shipowner and the LMA concerned with regard to remedies, mitigation, or repatriation.

For overseas seafarers, the shipowner and the concerned LMA shall report the critical incident to the DMW within five (5) calendar days from being informed of the critical incident. The shipowner and the LMA shall immediately provide the appropriate assistance to the overseas seafarers as required by applicable laws, rules and regulations.

In addition, for overseas seafarers, the shipowner and the LMA shall provide periodic bi-monthly reports of the action taken to the seafarer's family or the next of kin and the DMW as applicable until the matter is resolved. Failure to comply with the foregoing reportorial requirements shall be ground for the imposition of the appropriate penalties, as prescribed by the DMW.

Section 148. Allotment and Remittances of Wages. The seafarer is required to make an allotment which shall be payable once a month to the seafarer's designated allottee in the Philippines through any authorized Philippine bank.

The employer shall provide the seafarer with facilities for the seafarer's designated allottee/s at no expense to the seafarer. The allotment shall be at least eighty percent (80%) of the seafarer's monthly salary. The monthly salary shall consist of basic wage plus fixed or guaranteed overtime.

The employer may also provide facilities for the seafarer to remit any amount earned in excess of the seafarer's allotment, including backwages, if any, to the seafarer's designated allottee/s in the Philippines through any authorized Philippine bank.

The allotments shall be paid to the designated allottee/s in Philippine currency at the rate of exchange at the time of remittance indicated in the credit advice of the local authorized Philippine bank, which information shall be provided to the designated allottee/s.

Where a seafarer is held captive on or off the ship as a result of acts of piracy, armed robbery, acts of aggression, war-related violence, terrorism, or other acts of violence against ships or its crew, or any form of detention of the ship, the wages and other entitlements under the seafarer's employment agreement, SEC or relevant CBA, including the remittance of any allotments, shall continue to be paid during the entire period of captivity and until the seafarer is released and duly repatriated at the point of hire, or where the seafarer dies while in captivity, until the date of death as determined under Philippine law.

Section 149. Benefits During Detention Abroad. Shipowners/principals/LMAs should, in accordance with their contractual and MLC 2006, as amended, obligations, fulfill contractual and other obligations to seafarers under detention abroad who are involved in the investigation of a suspected crime.

Section 150. Tripartite Consultation. For purposes of consultation, the MITC under Section 13 of R.A. No. 11641 shall be convened by the Department to serve as a continuing forum for tripartite advisement and consultation with the industry stakeholders on policies and programs pursuant to the provisions of R.A. No. 10395, or the Act Strengthening Tripartism, and R.A. No. 11641.

Section 151. Period to Settle Claims. In the event a seafarer or the seafarer's successor-in-interest files a claim for unpaid salaries and other statutory monetary benefits or claims arising from disability or death, the employer or the LMA shall have fifteen (15) days from the submission of the claim, proof, or complete documents, as the case may be, to determine the validity of the claim. The results of the validation by the employer or the LMA shall be communicated to the seafarer within the aforesaid fifteen (15)-day period. The employer or LMA shall settle its obligations to the seafarer, if any, within fifteen (15) days from the time it had communicated its findings to the seafarer.

This provision also applies to the claims of a seafarer or the seafarer's successor-in-interest, arising from accidental death, natural death, or permanent disability benefits under Section 37-A of R.A. No. 8042, as amended.

PART V RECRUITMENT VIOLATIONS AND DISCIPLINARY ACTION CASES

RULE I Jurisdiction

Section 152. Jurisdiction. In the exercise of its regulatory and quasi-judicial powers, the Department shall exercise its original and exclusive as well as appellate jurisdiction, as provided under R.A. No. 11641 and its IRR, to hear and decide all cases which are administrative in character involving or arising out of:

- a. Violation of recruitment rules and regulations, including refund of fees collected from seafarers and any violation of the conditions for the issuance of the license to recruit seafarers; and
- b. Disciplinary action cases that are administrative in character, excluding money claims.

RULE II Conciliation

Section 153. Mandatory Conciliation. In compliance with the existing rules and issuances on Single Entry Approach (SEnA) pursuant to R.A. No. 10396, or the Act Strengthening Conciliation-Mediation as a Voluntary Mode of Dispute Settlement for All Labor Cases, complaints involving seafarers, LMAs, or principals/employers relating to overseas employment shall undergo mandatory conciliation before docketing, unless otherwise provided by subsequent issuances of the Department.

Section 154. Conciliation Proceedings. Upon receipt of the Request for Assistance, the assigned Conciliator shall schedule a conference between the parties to discuss the possibility of arriving at an amicable settlement.

Where an amicable settlement is reached, the assigned Conciliator shall sign as witness and the appropriate officer shall attest to the due execution thereof. The settlement shall be final and binding upon the parties.

Where efforts for amicable settlement fail, the conciliation proceedings shall be terminated, and the Request for Assistance shall be referred to the appropriate office for action.

Section 155. Non-appearance of Parties. The non-appearance of the requesting party for two (2) consecutive settings for mandatory conciliation, despite due notice thereof, shall be a ground for the termination of the Request for Assistance for lack of interest.

In case of non-appearance by the responding party for two (2) consecutive settings for mandatory conciliation, the Conciliator shall immediately terminate the proceedings and refer the Request for Assistance to the appropriate office for action.

Section 156. Administrative Sanction. In case of unjustified failure by the LMAs, principals/employers, or seafarers to abide by the terms of the approved settlement, the Department, upon motion of the aggrieved party or on its own initiative, shall issue a Writ of Execution for the enforcement of the settlement agreement.

Failure of any party to comply with the terms of approved settlement despite the lapse of thirty (30) calendar days from the issuance of the Writ, shall warrant the documentary processing suspension or temporary disqualification from participating in the overseas employment program of the non-complying party, as the case may be, until compliance with or satisfaction of the approved settlement. Such suspension or temporary disqualification order shall be issued by the Department.

Section 157. Confidentiality of Conciliation Proceedings. Conciliation proceedings are confidential in nature. No evidence or testimony introduced therein shall be admissible as evidence in any proceedings.

RULE III

Recruitment Violation Cases, Classification of Offenses and Penalties

Section 158. Grounds for Imposition of Administrative Sanctions Against an LMA. Commission by an LMA of any of the offenses below shall be a ground for the imposition of the corresponding penalty.

I. SERIOUS OFFENSES. Serious offenses are punishable by cancellation of license including applicable accessory penalties:

- a. Deploying a seafarer who is below eighteen (18) years old or below the minimum age requirement for overseas employment;
- b. Engaging in acts of gross material misrepresentation for the purpose of securing a license or renewal thereof, or transfer of accreditation of principal/employer and/or enrollment of a ship, such as giving false information or documents;
- c. Engaging in the recruitment or placement of seafarers for jobs harmful to public health or morality or to the dignity of the Republic of the Philippines;
- d. Engaging in acts of misrepresentation for the purpose of processing seafarers through a crew order that pertains to: (1) non-existent work or vessel; (2) work or position different from the actual overseas work; (3) position different from actual work onboard; or (4) work with a different employer whether accredited or not with the Department;
- e. Transfer or change of ownership, directly or indirectly, of a single proprietorship licensed to engage in overseas employment;
- f. Charging or accepting directly or indirectly any amount of money, goods or services, or any fee or bond for any purpose from an applicant seafarer;

- g. Collecting any amount as payment for processing, or documentation costs not prescribed by the rules, or any amount greater than the actual documentation costs, as covered by official receipts issued by entities where payments were made;
- h. Allowing a non-Filipino citizen to head or manage an LMA;
- i. Passing on to the seafarer the fees and costs that are solely chargeable to the principal/employer;
- j. Becoming an officer or member of the Board of any corporation or partnership engaged directly or indirectly in the management of a travel agency by any of the Proponents;
- k. Deploying seafarers whose employment and travel documents were not processed by the Department;
- l. Allowing a non-licensee or non-holder of authority to conduct recruitment and placement activities on behalf of the agency;
- m. Allowing a foreign national or entity to own more than 25% of the authorized capital and/or participate in the management and/or operations of an LMA, except in the role of a board director;
- n. Unjustifiably refusing or unreasonably failing to act on any received request for assistance, including request for repatriation, leading to death, severe psychological impairment, sexual abuse, or maltreatment of the seafarer;
- o. Committing acts of, as well as acts promoting Trafficking in Persons as defined by R.A. No. 9208, as amended, and other relevant laws;
- p. Conviction of a crime constituting graft and corrupt practices as defined by the Revised Penal Code, R.A. Nos. 3019, or the Anti-Graft and Corrupt Practices Act, and 6713, or the Code of Conduct and Ethical Standards for Public Officials and Employees, and other relevant laws, involving any official, employee, or personnel of the Department; or
- q. Failure to act on abandonment cases of seafarers, as defined under Part I, Rule II, Item 1, herein.

II. LESS SERIOUS OFFENSES. Less serious offenses are punishable by suspension of license from Six (6) Months and One (1) Day to One (1) Year plus accessory penalties, or in lieu thereof, alternative penalties plus accessory penalties as may be imposed:

- a. Obstructing or attempting to obstruct inspection by the Department or its duly authorized representative/s;
- b. Substituting or altering to the prejudice of the seafarer, employment contracts approved by the Department, from the time of actual signing thereof by the parties up to and including the period of expiration of the same, without the approval of the Department;
- c. Withholding or denying travel or other pertinent documents from an applicant seafarer before departure for monetary or financial considerations, or for any other reasons, other than those authorized under P.D. No. 442, as amended, and its IRR;

- d. Failure or refusal to present employment records, such as payroll and daily time records, pay slips, or other documents, such as medical records, that belong or pertain to the seafarer and that is in the possession of the LMA, when required by the individual seafarer, the Secretary of the DMW, the Secretary of the DOLE, their duly authorized representatives, or by the duly authorized representative of a recognized organization provided that the maximum fine that may be imposed for this offense shall not exceed PhP 1,000,000.00, pursuant to R.A. No. 12021 and its IRR;
- e. Failure to furnish a seafarer with copies of all his/her pertinent medical reports and/or medical records at no cost to the seafarer;
- f. Engaging in recruitment activities in places other than that specified in the license or branch authority without an SRA;
- g. Appointing or designating agents, representatives, or employees without notice to and acknowledgement from the Department within the period prescribed under the Rules;
- h. Withholding of seafarer's salaries or remittances or allotments, SSS contributions, and loan amortization or shortchanging/reduction thereof without justifiable reasons;
- i. Allowing persons who are otherwise disqualified from participating in the overseas employment program under existing laws, rules and regulations to participate in the management and operation of the agency;
- j. Failure to reimburse necessary expenses incurred and paid by the seafarer in connection with his/her documentation and processing for purposes of deployment, in cases where an employment contract has been signed and deployment does not take place without the seafarer's fault;
- k. Failure to comply with any of the undertakings submitted to the Department;
- l. Imposing a compulsory and exclusive arrangement whereby a seafarer is required to undergo health examinations (e.g., PEME), training, seminar, instruction or schooling of any kind only from specifically designated institutions, entities, or clinics, as the case may be, unless the cost is shouldered by the principal/employer or LMA;
- m. Imposing a compulsory and exclusive arrangement whereby a seafarer is required to avail of a loan from a specifically designated institution, entity, or person;
- n. Granting a loan to a seafarer with interest exceeding eight percent (8%) per annum which will be used for payment of legal and allowable fees and making the seafarer issue, either personally or through a guarantor or accommodation party, post-dated checks in relation to the said loan;
- o. Refusal to condone or renegotiate a loan incurred by the seafarer after the latter's employment contract has been prematurely terminated through no fault of the seafarer;
- p. Failure to submit reports on serious/critical incidents involving abandonment, piracy, death, missing seafarer, terrorism, hijacking, armed robbery, harassments, serious illness, and injury requiring repatriation;

- q. Failure to comply with the required notice and reportorial requirement to the seafarer's family or next of kin in case of critical and/or medical incidents under R.A. No. 12021 and its IRR;
- r. Falsifying or altering travel documents of an applicant seafarer in relation to recruitment and deployment;
- s. Failure to actually deploy a contracted seafarer within the validity of the OFW Clearance without valid reason;
- t. Engaging in any acts of misrepresentation in connection with recruitment and placement of seafarers, such as furnishing or publishing any false notice, information or document in relation to recruitment or employment; or
- u. Violation of any or all of the provisions of R.A. No. 12021 and its IRR.

Habitual Commission of Less Serious Offenses. – An LMA which commits the same less serious offense for five (5) times or more shall be considered a habitual offender. For this purpose, the maximum of the penalty shall be imposed upon it.

III. LIGHT OFFENSES. Light offenses are punishable by Two (2) Months to Six (6) Months suspension of license plus accessory penalties, or in lieu thereof, alternative penalties plus accessory penalties as may be imposed:

- a. Failure to submit other reports as required under R.A. No. 12021 and its IRR, these Rules and other issuances of the Department, as well as other applicable laws, rules and regulations;
- b. Influencing any person or entity not to employ any seafarer who has not applied for employment through the agency, or influencing any person or entity not to employ any seafarer who has formed, joined, supported, contacted or is supported by any union or workers' organization;
- c. Failure to report to the Department the termination or resignation of representatives or employees within the prescribed period;
- d. Failure to monitor and submit quarterly report on the status and condition of its deployed seafarers; or
- e. Violations of other pertinent provisions of these Rules and other relevant laws, rules and regulations, guidelines, and other issuances on recruitment and placement of seafarers for overseas employment and the protection of their welfare.

Section 159. Penalty When a Case Involves Five or More Workers. The penalty of cancellation of license may be imposed upon an LMA found liable for committing a less serious or light offense against five (5) or more workers in a single case. This provision shall not apply to consolidated cases, unless there are five (5) or more complainants in any of the consolidated cases.

Section 160. Alternative Penalty of Fines and Service of Penalty. In lieu of the penalty of suspension of license of the LMA, the alternative penalty of fine may be imposed as prescribed under the Rules of Procedure in the Adjudication of Cases of the Department of Migrant Workers (DMW Rules of Procedure) and R.A. No. 12021 and its IRR.

In case the penalty is fully served or the alternative penalty has been paid, a Lifting Order shall be issued by the Department or its duly authorized representative.

RULE IV **Disciplinary Action against Principal/Employer**

Section 161. Grounds for Disciplinary Action Against Principals/Employers and Penalties. Commission by a foreign principal/employer of any of the offenses below shall be a ground for the imposition of the corresponding penalty.

I. SERIOUS OFFENSES. Serious offenses are punishable by permanent disqualification and delisting from the roster of accredited principals/employers:

- a. Gross violation of laws, rules, and regulations on overseas employment;
- b. Gross negligence leading to serious injury or illness or death of the seafarer;
- c. Grave misconduct against the seafarer;
- d. Non-payment or underpayment of wages and benefits;
- e. Commission of any act by the principal/employer or its agent or representative against the seafarer, which is tantamount or amounts to a felony, crime, or offense punishable by the laws of the Philippines or by the port state/flag state;
- f. Compelling a seafarer to work for another employer or perform another work;
- g. Passing on or deducting from a seafarer's salary the payment of the cost of insurance fees, premium, or other insurance related charges as provided under the compulsory insurance coverage;
- h. Deliberate concealment or failure to inform the LMA of significant events adversely affecting the welfare, well-being, status, or condition of its hired seafarers;
- i. Abandonment of seafarers, as defined under Part I, Rule II, Item 1 herein; or
- j. Unlawful transfer of seafarers to another vessel without approval from the Department.

II. LESS SERIOUS OFFENSES. Less serious offenses are punishable by Six (6) Months to one (1) year suspension from participation in the overseas employment program, or in lieu thereof, the alternative penalty of fine may be imposed as prescribed under the DMW Rules of Procedure and R.A. No. 12021 and its IRR:

- a. Default on its other contractual obligations to the seafarer and/or to its manning agent;
- b. Substitution of the DMW-approved contract;
- c. Withholding of the seafarer's travel and other pertinent documents;
- d. Violation of other laws, rules and regulations on recruitment and placement;
- e. Failure or refusal to present employment records, such as payroll and daily time records, pay slips, or other documents, such as medical records, that belong or pertain to the seafarer and that is in the possession of the foreign

principal/employer, when required by the individual seafarer, the Secretary of the DMW, the Secretary of the DOLE, their duly authorized representatives, or by the duly authorized representative of a recognized organization provided that the maximum fine that may be imposed for this offense shall not exceed PhP 1,000,000.00, pursuant to R.A. No. 12021 and its IRR;

- f. Failure to monitor and submit quarterly reports on the welfare, well-being, status or condition relating to its hired seafarer to the Department;
- g. Failure to monitor and submit reports within five (5) calendar days from being informed of the incident on significant or critical incidents to the Department;
- h. Failure to provide periodic bi-monthly reports of the action taken to the seafarer's family or next of kin and the DMW as applicable until the matter is resolved, in relation to the significant or critical incidents; or
- i. Any other violation of the rights of the seafarers provided under R.A. No. 12021 and its IRR.

RULE V

Disciplinary Action Against Seafarer, Classification of Offenses and Penalties

Section 162. Grounds for Disciplinary Action Against Seafarers and their Penalties.

Commission by a seafarer of any of the offenses enumerated below shall be a ground for disciplinary action for which the corresponding penalties shall be imposed.

I. GRAVE OFFENSES. The following acts shall be considered as grave offenses which shall merit the penalty of permanent disqualification from participation in the overseas employment program:

- a. Possession, sale, transport, distribution, delivery, supply, or use of prohibited drugs, narcotics, or other drug-related contraband;
- b. Sexual assault;
- c. Rape;
- d. Murder;
- e. Acts of terrorism; or
- f. Other heinous crimes.

II. SERIOUS OFFENSES. Serious offenses are punishable by One (1) Year and One (1) Day to Two (2) Years suspension from participation in the overseas employment program:

- a. Submitting, furnishing, or using false material information or documents or any form of gross misrepresentation for the purpose of job application or employment;
- b. Willfully making a false statement, report, certification, or document for personal gain or with intent to mislead or defraud the company or the authorities;
- c. Commission of other acts amounting to a felony or crime involving moral turpitude punishable by the laws of the Philippines, the flag state or the port state committed during employment, including but not limited to:

- i. Gun-running or illegal/unauthorized possession of firearms, ammunition, explosives and/or related items thereto; or
 - ii. Possession of child pornographic materials.
- d. Unjustified breach of employment contract by the seafarer;
- e. Gross violation of LMA policies and regulations;
- f. Deserting or attempting to desert;
- g. Physically assaulting a superior officer, crew, passenger or other persons with business onboard the ship;
- h. Grave abuse of authority causing serious harm, injury, illness or death to any person on board;
- i. Inciting mutiny or malicious destruction of ship's property or any activity which will endanger the safety of the ship and its crew;
- j. Drunkenness, such as being drunk or intoxicated while on duty, creating trouble on board due to alcohol intoxication, or failure to perform assigned jobs due to alcohol intoxication;
- k. Connivance with or coddling of a stowaway; or
- l. Conviction for violation of R.A. No. 9262 or the Anti-Violence Against Women and Children Act, or any other relevant laws involving gender-based violence.

III. LESS SERIOUS OFFENSES. Less serious offenses are punishable by Six (6) Months to One (1) Year suspension from participation in the overseas employment program:

- a. Unjustified refusal to join ship after all employment and travel documents have been duly approved by the appropriate government agencies;
- b. Violation of the Code of Discipline for Seafarers;
- c. Other forms of misrepresentation relative to the overseas employment of the seafarer;
- d. Smuggling or violation of any customs rules and regulations of the Philippines and of foreign ports, such as:
 - 1. Smuggling any taxable item;
 - 2. Abetting or conniving with others to commit smuggling;
 - 3. Misdeclaration of or failing to declare articles leading to their seizure and fine to the ship;
 - 4. Misdeclaration of or failing to declare articles leading to their seizure but the ship is not implicated;
 - 5. Possession of pornographic materials other than child pornography leading to their confiscation and fine to the ship; and
 - 6. Any other violation of customs rules and regulations which implicates the ship;
- e. Advising, assisting, or persuading another to desert;
- f. Abandoning or leaving one's post or duty without being properly relieved;

- g. Leaving the ship without permission from responsible officers during or outside working hours;
- h. Entrusting to others assigned duties without authority of a superior officer;
- i. Sleeping on post while on duty;
- j. Insubordination or any act of disobedience to lawful orders of a superior officer;
- k. Attempting to assault a superior officer, crew, passenger or other persons with business at the ship;
- l. Behaving with disrespect towards a superior officer;
- m. Insulting a superior officer by words or deeds;
- n. Inciting another to commit insubordination;
- o. Creating trouble outside the ship's premises that unjustly implicates the ship;
- p. Any form of gambling, including online gambling, that results in fighting or any incident as to upset the harmonious relationship on board the ship or any other form of gambling, including online gambling, which is not purely recreational;
- q. Violation of company policies and regulations for:
 - 1. Pilferage or theft of ship's store or cargo;
 - 2. Pilferage or theft of ship's property, of crew or passengers or other persons with business at the ship;
 - 3. Embezzlement of ship's funds;
 - 4. Unauthorized disposal of ship's properties for personal gain;
 - 5. Any act of dishonesty with intention to defraud the company;
 - 6. Gross negligence and failure to observe proper storage and cargo handling procedures resulting in delay of ships and/or damage to cargo;
 - 7. Failure to observe and comply with the regulation on non-manifested baggage, parcels, and cargo on board;
 - 8. Failure to observe regulations on expiration of shore liberty;
 - 9. Being left behind by the ship in any port without justifiable reason;
 - 10. Disorderly conduct and/or disrespect towards passengers or other persons;
 - 11. Immorality so as to cast aspersion on the good name of the ship and the company; or
 - 12. Inflicting harm or injury to others.
- r. Incompetence and inefficiency of a seafarer;
- s. Concerted action to breach approved contracts;
- t. Any activity which tends to destroy the harmonious relationship between and among the ship's crew and/or the company;
- u. Grave abuse of authority which disturbs the harmonious relationship of the ship's crew;
- v. Any other case of abuse of authority;
- w. For gross misbehavior prejudicial to good order and discipline;

- x. Gross negligence resulting in damage, loss, spoilage or deterioration of the ship's stocks and property;
- y. Any other case as to cast aspersion on the good name of the company and the ship;
- z. Violation to observe safety and environmental rules/ regulations;
- aa. Failure to comply with the drug and alcohol policy of the company;
- bb. Embezzlement of monies and/or properties of a fellow worker entrusted for delivery to kin or relatives in the Philippines;
- cc. Failure to refund the cost of his/her repatriation advanced by the principal/employer or LMA where termination of employment was due to his/her own fault;
- dd. Failure or refusal by the master mariner to present employment records, such as payroll and daily time records, pay slips, or other documents, such as medical records, that belong or pertain to the seafarer and that is in the possession of the master mariner, when required by the individual seafarer, the Secretary of the DMW, the Secretary of the DOLE, their duly authorized representatives, or by the duly authorized representative of a recognized organization provided that the maximum fine that may be imposed for this offense shall not exceed PhP 1,000,000.00, pursuant to R.A. No. 12021 and its IRR; or
- ee. Unjustified refusal to be repatriated in case of mandatory repatriation in accordance with the declaration of the Philippine government.

RULE VI

Complaints

Section 163. Who May File. Any person, natural or juridical, who is aggrieved by the commission of an offense as enumerated in these Rules may file a complaint.

For this purpose, an aggrieved person is one who is prejudiced by the commission of any act amounting to recruitment violation or grounds for disciplinary action.

The Department may likewise initiate a complaint based on duly substantiated reports of violation of these Rules and other issuances on overseas employment. The report shall state clearly the facts constituting the offense, accompanied by all available evidence and/or supporting documents relative thereto. The same shall be referred to the Adjudication Bureau for evaluation and/or determination of the appropriate venue.

Section 164. Venue. Complaints shall be filed in the Regional Office having jurisdiction over the place where the seafarer was recruited or resides, or where the principal office of the respondent LMA or the residence of the seafarer-respondent is situated, at the option of the complainant.

Where two (2) or more Regional Offices can take cognizance of the venue of the complaint, the Regional Office where the complaint was first filed shall take cognizance of the case.

In case of multiple complainants, where two (2) or more Regional Offices have jurisdiction over the place where the seafarers were recruited or reside, or where the principal office or residence of any of the respondents is situated, the venue shall be at the option of the

majority of the complainants. In case of disagreement, the Adjudication Bureau shall determine the venue of the case.

Section 165. Issuance of Order of Preventive Suspension. Pending investigation of the recruitment violation or disciplinary action complaint, the erring LMA, foreign principal/employer, or seafarer may be suspended by the Department for a period not exceeding ninety (90) calendar days, on the following grounds:

a. For the LMA

1. There exists reasonable ground to believe that the continued operation of the LMA will lead to further violation or exploitation of workers being recruited or deployed, or will adversely affect friendly relations with any country, or will prejudice national interest; and
2. There is a *prima facie* evidence of a case for violation of the DMW Rules and Regulations pertaining to a serious or less serious offense.

b. For a foreign principal/employer

1. There exists reasonable ground to believe that the continued deployment to the principal/employer will result in further violation or exploitation of OFWs; and
2. There is a *prima facie* evidence of a case for violation of the DMW Rules and Regulations.

c. For a seafarer

There is a *prima facie* evidence of a case for violation of the DMW Rules and Regulations pertaining to a serious offense and there is reasonable ground to believe that the continued deployment of the seafarer shall be harmful to the life of other overseas workers, public health, morality, human dignity, or the dignity of the Republic of the Philippines.

Section 166. Resolution of the Case. After notice and hearing, the Adjudicator shall submit his/her findings and recommendations to the Regional Director in the form of a draft Order. The Regional Director shall render a decision after receipt of the findings and recommendations.

RULE VII Appeal and Execution of Judgment

Section 167. Jurisdiction. The Secretary shall have exclusive jurisdiction over appeals from the Orders of the Undersecretary for Adjudication Services and Regional Operations and the Regional Directors. No Motion for Reconsideration shall be filed before the Regional Directors. However, a Motion for Reconsideration elevated to the Department may be given due course.

Section 168. Period to Appeal. The party aggrieved by an Order/Decision may appeal the same within fifteen (15) calendar days from receipt of a copy thereof. No motion or request for extension of the period within which to perfect an appeal shall be allowed.

A Motion for Reconsideration shall be treated as an appeal and should therefore comply with the requirements on appeal.

Section 169. Where to File Appeal. Appeals from the Orders/Decisions of the Regional Director, Undersecretary for Adjudication Services and Regional Operations (formerly Undersecretary for Licensing and Adjudication Services), or the former POEA Administrator shall be filed with the Office of the Legal Service or the Regional Office concerned.

Section 170. Execution of Judgments. In executing an Order that has become final and executory, the Enforcement Officer shall be guided strictly by the provisions of the DMW Rules of Procedure.

Section 171. Stay of Execution. The original Order shall be stayed during the pendency of the appeal except when:

- a. The penalty imposed is cancellation of license;
- b. The penalty imposed is suspension of license for one (1) year or more; or
- c. The penalty imposed is permanent disqualification against the principal/employer.

Section 172. Effect of Petition for Certiorari on Execution. A Petition for Certiorari with the Court of Appeals or the Supreme Court shall not stay the execution of the assailed decision of the Secretary, unless a restraining order is issued by the said courts.

RULE VIII Clemency

Section 173. Clemency. Subject to the conditions as provided in the DMW Rules of Procedure, a foreign principal/employer imposed with permanent disqualification, or a partner, officer, or a director of an LMA whose license has been cancelled, or a suspended/permanently disqualified seafarer, may file a Motion/Petition for Clemency, a Motion/Petition to Delist from Derogatory Record, or a Motion/Petition for Commutation of Penalty, as the case may be, with the Adjudication Bureau.

PART VI ASSISTANCE TO SEAFARER

RULE I Assistance to Seafarer

Section 174. Responsibility to Seafarers. The Department shall ensure that overseas Filipino seafarers are amply protected, and that their interests, well-being, and welfare are promoted. LMAs shall be responsible for the faithful compliance by their principals/employers of all obligations under the SEC or the employment contract.

Section 175. Free Legal Representation. In cases of violations of R.A. No. 11641, R.A. No. 12021, or their respective IRRs, violations of these Rules, or breach of contract and the seafarer cannot afford the services of a counsel, seafarers shall have the right to free legal assistance and protection and to the fair and speedy disposition of cases, including the expeditious settlement of money claims, subject to applicable laws, rules, and regulations. The Department shall provide legal assistance in accordance with the guidelines provided for the use of the *Agarang Kalinga at Saklolo para sa mga OFW na Nangangailangan* (AKSYON) Fund.

For seafarers with cases before the Department, the DMW shall advise the seafarer that he or she may secure the services of counsel and if he or she so chooses, refer him or her to the Public Attorney's Office (PAO) who shall render, free of charge, legal

representation, assistance, and counseling to seafarers. In the event that the seafarer does not avail of the services of counsel, the Overseas Employment Adjudicator shall endeavor to protect the seafarer's rights.

For seafarers who have cases abroad, the shipowner and/or concerned LMA shall have the primary obligation to inform the Department of the nature of the case to enable it to provide legal assistance in accordance with the guidelines provided for the use of the AKSYON Fund.

Section 176. Monitoring of Deployed Workers and Submission of Reports.

Commencing from the deployment of its hired seafarer until the expiration of the term of the seafarer's contract, the LMA, in coordination with the principal, shall monitor the status or condition of its deployed seafarer and submit a corresponding quarterly report to the Department. It shall likewise immediately act on complaints or problems brought to its attention and submit corresponding reports to the Department.

In case of significant or critical incidents such as but not limited to death, injury, abandonment, detention, physical/sexual abuse, maltreatment, accidents, missing, runaway, or emergency medical assistance of a seafarer, the shipowner and the LMA shall submit, within five (5) calendar days from being informed of the incident, a report of the incident. The shipowner and LMA shall provide periodic bi-monthly reports on the actions taken to the seafarer's family or the next-of-kin and the Department as applicable until the matter is resolved.

Failure to comply with the foregoing reportorial requirements shall be meted the corresponding penalties as provided in these Rules.

Section 177. Monitoring System. To standardize the monitoring reports and facilitate submission thereof, the LMAs shall use the OFW Welfare Monitoring System (OWMS) as the tool in submitting the quarterly monitoring reports and significant or critical incident reports on the status and condition of the deployed seafarer.

Section 178. Financial Security System to Assist Seafarers in Case of Abandonment, Sickness, Injury, Disappearance, Death or Other Causes. In accordance with the MLC 2006, as amended, on financial security for vessels, the shipowner shall provide an expeditious and effective financial security system to assist seafarers in the event of their abandonment and to assure compensation for contractual claims in the event of the seafarer's sickness, injury, disappearance, death, or other causes occurring while they are serving under a seafarer's employment contract, or arising from their employment under such agreement.

The certificate or other documentary evidence of financial security cover shall contain the following information:

- a. Name of the ship;
- b. Port of registry of the ship;
- c. Call sign of the ship;
- d. IMO number of the ship
- e. Name and address of the provider or providers of the financial security;
- f. Contact details of the persons or entity responsible for handling seafarers' request for relief;
- g. Name of the shipowner;
- h. Period of validity of the financial security; and
- i. An attestation from the financial security provider that the financial security meets the requirements of the MLC 2006, as amended.

Section 179. Creation and Management of Welfare Records. The LMA shall create a welfare record in the OWMS for every newly-hired and deployed seafarer within the first thirty (30) calendar days of the latter's deployment.

Section 180. Seafarers' Welfare and Crisis Management Officer (SWACO). The LMAs and foreign principals shall designate or employ at least one (1) regular and trained SWACO in its office to monitor and report the status and condition of the seafarers, including significant incidents onboard. The SWACO shall timely respond to complaints of seafarers and their families, as well as inquiries from the Department.

The designated SWACO may perform subsidiary functions with the LMA; provided that the SWACO's welfare responsibilities remain a priority and are not compromised.

Section 181. Capability Enhancement Training. The Department, in coordination with other national government agencies, shall conduct capability enhancement training for SWACOs of LMAs to equip them with the necessary tools to help address the complaints of the seafarers or their families.

Section 182. Reporting of Erring Employer/Principal. The LMA shall report to the Department any information that comes to the knowledge of the agency, with respect to any violation of these Rules by their principal/employer. The matter shall be referred to the Office of the Undersecretary for Foreign Employment and Welfare Services, Office of the Undersecretary for Licensing and Anti-Trafficking-in-Persons, and/or Office of the Undersecretary for Adjudication Services and Regional Operations for appropriate action.

Section 183. Administrative Sanctions. Failure by LMAs and/or principals/employers to submit reports or to act on requests for assistance and/or complaints of seafarers and/or their families shall warrant the imposition by the Department of documentary processing suspension or such sanctions as it may deem appropriate.

Section 184. Welfare Programs and Reintegration. The Department shall develop and implement a full-cycle reintegration program specific for seafarers, which shall cover the different dimensions of support such as economic, social, psychosocial, gender-responsive, and cultural interventions.

This reintegration support shall be without prejudice to the program and services of the OWWA under its mandate pursuant to R.A. No. 10801, or the Overseas Workers Welfare Administration Act.

RULE II

Repatriation

Section 185. Primary Responsibility to Repatriate Overseas Filipino Seafarers. Notwithstanding the provisions on compulsory insurance coverage as required by law, the repatriation of a seafarer or the latter's remains, the payment of salaries, benefits, and/or other forms of assistance, as well as the transport of personal effects shall be the primary responsibility of the principal/employer and the deploying LMA. This entails the obligation to cover repatriation and attendant costs, including airfare and immigration fines/penalties. This obligation shall be without prior determination of the cause of the need to repatriate the seafarer. After the seafarer has returned to the country, the principal/employer or LMA may, however, recover the cost of repatriation from the seafarer if the termination of the employment was due solely to the seafarer's fault.

Section 186. Department's 24/7 Emergency Response and Action Center Unit. The Department shall maintain a centralized system that facilitates, assists, monitors, and

documents the repatriation of seafarers in distress, regardless of employment status, in coordination with relevant government agencies, the private sector, and other stakeholders.

Section 187. Repatriation Procedures. In all cases of repatriation, the affected seafarer shall be repatriated to the point of hire based on the travel itinerary arranged by the employer: Provided, that in case of permanent or temporary incapacity or death, the seafarer or his/her remains shall be repatriated to the point of hire or the seafarer's place of domicile, at the option of the seafarer or the seafarer's next of kin. All costs related to the repatriation and transport of the personal effects and remains of seafarers, including the provision of financial security in case of abandonment of seafarers, shall be borne by the shipowner or LMA concerned. The shipowner or LMA shall expedite the repatriation without prior determination of the cause of repatriation or termination of the seafarer's employment.

Section 188. Suspension of Documentary Processing. The repatriation of the seafarer, including the imposition of suspension of documentary processing of the erring LMA and/or principal/employer, shall follow the procedure as may be prescribed in the guidelines to be issued by the Department.

Section 189. Lifting of Order of Documentary Processing Suspension. Upon request, the Order of Documentary Suspension shall be lifted by the Undersecretary for Foreign Employment and Welfare Services only when there is proof of compliance by the LMA and/or principal/employer with the directive issued by concerned Bureau Director/Regional Director and upon the latter's recommendation.

Notwithstanding the above provision, the Department may allow the processing of seafarers for emergency purposes, in compliance with applicable international treaties and/or conventions.

Section 190. Repatriation Expenses, Advance, Recovery, and Costs. The repatriation expenses that shall be borne by the shipowner or the LMA concerned shall include:

- a. Basic pay and allowances from the moment the seafarers leave the ship until they reach the repatriation destination;
- b. Accommodation and food from the moment the seafarers leave the ship until they reach the repatriation destination;
- c. Transportation charges, wherein the default mode of transport should be by air;
- d. Deployment cost of the shipowner; and
- e. Immigration fees, fines, and penalties.

However, in cases where the termination of employment is for just cause, voluntary resignation, or upon the request of the seafarer, the cost of repatriation shall be for the account of the seafarer in accordance with the SEC or the employment agreement.

The responsibility to provide for the repatriation costs shall be without prejudice to the right to civil, criminal, or other claims in accordance with law or otherwise, particularly in cases of maritime accident or death other than natural causes.

Section 191. Repatriation Costs in Case of Failure to Repatriate. When those primarily responsible for the repatriation fail to fulfill their obligations, a recommendation to advance the repatriation costs using the AKSYON Fund under the DMW or the Emergency Repatriation Fund (ERF) and OWWA Funds under the OWWA may be endorsed to the Department, subject to the reimbursement of the costs by the LMA or

principal/employer and the imposition of appropriate administrative sanctions against the LMA or principal/employer before the Department.

Section 192. Prohibition Against Performance Bonds and Deposits. The LMA shall not require any bond or cash deposit from the seafarer to guarantee performance under the contract or for the seafarer's repatriation.

Section 193. Emergency Repatriation. The DMW and the OWWA, in coordination with the DFA, and in appropriate situations, with all relevant stakeholders, shall undertake the emergency repatriation of seafarer in cases of war, epidemic, disasters or calamities, natural or man-made, and other similar events, without prejudice to reimbursement by the responsible shipowner/principal or LMA within sixty (60) calendar days from notice. In such cases, the Office of the Undersecretary for Foreign Employment and Welfare Services shall simultaneously identify and give notice to the LMAs concerned, copy furnished the corresponding insurance companies when applicable.

Section 194. Mandatory Repatriation of Underage Overseas Filipino Seafarer. Upon receipt of verifiable information on the presence of a seafarer whose actual age falls below the minimum age requirement for overseas deployment, the shipowner/employer and the LMA shall, without delay, repatriate the underage seafarer and report the incident to the DFA and the DMW through the fastest means of communication available of such information.

Failure to repatriate and/or report under this section shall constitute gross violation of these Rules with the corresponding penalty.

Section 195. Medical Repatriation. In case of medical repatriation, all costs related to repatriation, including transport through medical evacuation, with medical or non-medical escorts, until transport to repatriation destination at the option of the seafarer's family or next of kin, shall be shouldered by the shipowner or LMA concerned.

In case of repatriation due to death, including suicide, all costs attendant to repatriation, including transport of remains and personal belongings, upon arrival to point of repatriation destination at the option of the seafarer's family or next of kin, shall likewise be borne by the shipowner/LMA.

Section 196. Quarantine and Medical Expenses in Repatriation Due to Epidemic or Pandemic. In case of an epidemic or pandemic declared by the World Health Organization (WHO), the shipowner/principal or LMA shall be responsible for the medical care expenses and board and lodging for periods spent by seafarers in self-isolation or quarantine, whether or not the seafarers have symptoms, have been exposed, or are quarantined as a safety precaution for the community, until the seafarers have been duly repatriated to the point of hire.

When the shipowner/principal or LMA primarily responsible for the above medical and quarantine expenses fail to fulfill their obligations, the Department shall shoulder the said expenses using the AKSYON Fund, subject to reimbursement from the responsible shipowner/principal or LMA.

Upon arrival at the point of hire until the seafarer's return to the place of domicile, the Department shall bear the cost of medical care and quarantine expenses, following the whole-of-government approach in the management of epidemics and pandemics.

Section 197. Restrictions on Waiver of Entitlement to Repatriation. A waiver of entitlement to repatriation shall be valid only if it is written and made freely and voluntarily, with full knowledge of its consequences.

When a seafarer is abandoned, detained, held captive on or off the ship as a result of acts of piracy, terrorism, hijacking, or armed robbery against the ship, or is incapable of traveling due to illness, injury, or incapacity, or other causes that affect the seafarer's safety and security, no waiver shall be allowed or presumed.

RULE III

Warlike and High-Risk Areas and Insurance

Section 198. Declaration of War, Warlike, and/or High-Risk Areas. In order to protect the seafarer from the hazards of war or deteriorating political and security situations, the Department shall, pursuant to prior declaration by the DFA or other internationally recognized bodies, such as, but not limited, to the International Bargaining Forum (IBF), or in line with relevant Travel Advisories, declare specific areas as war zones, warlike, and /or high-risk areas.

Section 199. Premium Pay and Additional Insurance Coverage. Seafarers sailing through areas declared by the Department as war zone, warlike, and high-risk zones shall be entitled to premium pay, or its equivalent, and war risk insurance coverage, the form of which shall be determined by the Department.

This war risk insurance shall be provided by the shipowner/principal or the LMA at no cost to the seafarer.

Section 200. High-Risk and War-Like Zones. LMAs are directed to comply with the requirements/entitlements for their seafarers passing through designated High-Risk and War-like areas as determined by the IBF/International Transport Workers' Federation (ITF).

LMAs are likewise directed to respect a seafarer's right to refuse sailing in areas designated as High-Risk and War-like zones and comply with the reportorial obligations as prescribed by the Department.

RULE IV

Comprehensive and Integrated Public Education Program

Section 201. Public Education Program. The Department shall undertake a comprehensive and integrated public education program on overseas employment involving seafarers, LMAs, principals/employers, and government personnel for the purpose of promoting safe and legal migration and preventing illegal recruitment and trafficking in persons.

Section 202. Workers Education Program. The Department shall disseminate information on labor and employment conditions and migration realities as well as reintegration preparations to adequately prepare individuals and empower them to make informed and intelligent decisions about overseas employment.

Toward this end, the Department shall resort to modes of information and dissemination campaigns, such as the conduct of PEOS, PDOS, and PAOS. Completion of the PEOS online and PDOS shall be mandatory for all applicants for overseas employment.

The Department shall likewise conduct a nationwide, multi-media campaign to continuously disseminate anti-illegal recruitment and anti-trafficking in persons laws and

regulations, updated lists of licensed agencies and entities, and other essential information through information and education materials in various media.

Section 203. Partnerships with Stakeholders. The Department shall maintain and strengthen its partnership with LGUs, other government agencies, private sector, non-government organizations, unions, international organizations, and civil society organizations advocating the rights and welfare of seafarers, for the purpose of dissemination of information on all aspects of overseas employment, including the conduct of information and education campaigns on anti-illegal recruitment and anti-trafficking in persons, and welfare and reintegration.

Section 204. Agency Education Program. The Department shall provide PLOS and CAEP for the officers and personnel of LMAs.

Section 205. Adequate Training and Onboard Procedures to Maintain Mental Health and to Combat Workplace Harassment, Bullying, and Violence. Filipino seafarers shall only board ships with policies, plans, programs, and accessible procedures to maintain mental health and to eliminate and address harassment, bullying, and violence onboard ships.

The shipowner shall ensure a well-structured training program for cadets and new recruits such as mentoring schemes, employee assistance programs, and an awareness program on mental health to all seafarers onboard.

The shipowner shall provide preventive measures, and clear, safe and effective complaints procedures against bullying, harassment and other workplace violence.

RULE V

Registration of Seafarers

Section 206. Registration of Seafarers. The Department shall maintain a registry of all Filipino seafarers: Provided, that the registry of seafarers aboard ocean-going ships, whether foreign-registered or Philippine-registered, shall be integrated into the shared government information system for migration established under R.A. No. 8042, as amended.

The registry shall contain updated and relevant information or data to promote employment opportunities for seafarers, whether on board or ashore, or to provide a list of available training and education programs to support the skills development and improve on the competencies of seafarers, as well as provide a digitized copy of the duly executed contract. The Department shall adopt and maintain a system of registration of seafarers according to skills, occupation, or such classification as it may deem expedient and effective.

The Department shall ensure compliance with R.A. No. 10173 and its IRR in handling seafarer's relevant information or data in their respective registries.

RULE VI

Seafarer Research and Development

Section 207. Research Studies. The Department, in coordination with other relevant entities, shall conduct periodic research and studies on labor supply, especially as it relates to the monitoring of the supply of seafarers *vis-à-vis* the demand for them in international shipping; and conduct strategic studies and researches in support of the decent employment, protection of rights, and promotion of the welfare of seafarers, including the empowerment of women seafarers, among others.

Section 208. Advanced and Strategic Policies on Migration and Development. The Department shall ensure that its policies related to the recruitment and employment of seafarers, as reflected in these Rules and the standards and requirements it imposes, are:

- a. Responsive to current conditions and challenges that have an impact on, or are, in turn, impacted by overseas labor migration and/or the development goals of the Philippine government;
- b. Capable of anticipating and leveraging emerging trends towards the end of ensuring the personal development of overseas workers and their families on the one hand, and the sustainability of our national development on the other;
- c. As far as practicable, supported and guided by evidence-based and data-driven advanced and strategic studies on migration and development; and
- d. Formulated through consultative engagement with key stakeholders and experts in various fields of study, including the participation of government and non-government organizations.

For this purpose, the Undersecretary for Policy and International Cooperation, through the Institute for Advanced and Strategic Studies on Migration and Development (IASSMD), and the Assistant Secretary for Sea-based OFW Concerns, through the NMP, shall establish the Department's policy-making framework for overseas deployment of Filipino seafarers.

Section 209. Training Programs and Standards. The Department, through the NMP, shall coordinate with private entities, government agencies, and employers concerned in the formulation of training programs and standards; provision of skills enhancement trainings mandated and recommended by the international maritime conventions and other capability building interventions that measure up to quality standards that respond to the need of seafarers; and conduct strategic studies and research in support of decent employment, protection of rights, and promotion of the welfare of seafarers, including the empowerment of women seafarers, among others.

RULE VII

Code of Discipline For Filipino Seafarers

Section 210. Obligations of Filipino Seafarers. It is the duty of all seafarers to conduct themselves in the most professional, responsible, and ethical manner in the performance of their duties and fulfill the following obligations:

a. Duty to Family:

1. To provide financial and moral support to the seafarer's family in the Philippines; and
2. To communicate with the seafarer's family as often as possible.

b. Duty to Fellow Seafarer:

1. To assist and cooperate with other crew on board the same ship; and

2. To conduct themselves professionally and refrain from engaging in and/or encouraging any acts of harassment and bullying against their fellow crew or their superior on board ships or onshore.

c. Duty to Country:

1. To uphold the ideals of the Republic of the Philippines and to defend it, if warranted;
2. To abide by the rules and regulations aimed at promoting the seafarer's interest and enhancing national gains; and
3. To be ambassadors of goodwill for the Philippines, demonstrating the best traits of the Filipinos and refraining from any acts that may tarnish the Filipino image abroad.

d. Duty to Manning Agency and/or Principal/Employer:

1. To provide the correct and true statements/certifications regarding the seafarer's skill, experience, and other qualifications;
2. To abide by the terms and conditions of the SEC or the employment contract;
3. To maintain a high level of productivity as well as abide by company rules and regulations; and
4. To refrain from committing acts which are detrimental to the interest of the seafarer's principal, employer, or LMA once a contract has been executed by the seafarer and/or during the seafarer's employment.

e. Duty to Port State and Flag State:

To respect and obey the laws, morals, customs, and traditions of the port state and the flag state.

PART VII INCENTIVES AND AWARDS

Section 211. Incentives and Awards System for LMAs, Shipowners, Principals, or Employers. In consultation with the MITC, the Department shall establish and administer an incentive and awards system for maritime industry stakeholders.

Deserving LMAs, shipowners, principals, or employers and other organizations or entities shall be commended or awarded for their outstanding performance in upholding seafarers' rights and complying with these Rules and R.A. No. 12021 and its IRR.

PART VIII GENERAL AND MISCELLANEOUS PROVISIONS

Section 212. Authority to Administer Oaths. The Secretary, or any person authorized under existing laws, shall have the authority to administer oaths and require the attendance of witnesses or the production of any book, paper, correspondence, memoranda, and other documents relevant or material to the case or inquiry.

The Secretary may authorize other DMW personnel to administer oaths.

Section 213. Construction. These Rules shall be liberally construed to carry out the objectives of the Constitution, R.A. Nos. 11641 and 12021 and their IRRs, and other laws pertaining to overseas employment, and to assist the parties in obtaining just, expeditious, and inexpensive settlement of disputes.

All doubts in the implementation or interpretation of these Rules shall be resolved in favor of labor.

Section 214. Effectivity of Existing Policies, Rules, and Regulations. All existing policies, rules, and regulations of the POEA, DOLE, and of the merged/subsumed agencies, in so far as they are not in conflict with the foregoing Rules, shall continue to remain in full force and effect unless and until repealed or modified by subsequent issuances of the Department.

Section 215. Application of Provisions Prior to the DMW Sea-based Rules. All actions, claims, or causes of action accruing prior to the effectivity of these Rules shall be determined in accordance with the laws in force at the time of their accrual.

Section 216. Subsequent Department Issuances, Amendments, and Supplements. Department Orders or any other issuance amending or supplementing any part of these Rules shall be deemed incorporated herein.

Section 217. Separability Clause. If any provision or the application of these Rules is declared or held invalid or unconstitutional, the validity of the other provisions shall not be affected and shall remain in force and effect.

Section 218. Repealing Clause. All policies, issuances, rules, and regulations inconsistent with these Rules and Regulations are hereby repealed or modified accordingly.

Section 219. Effectivity. These Rules shall take effect fifteen (15) days after publication in a newspaper of general circulation.

Signed this 7th of June 2026, at Quezon City, Philippines.



HANS LEO J. CACDAC
Secretary