

31 March 2017

Department
MEMORANDUM CIRCULAR
Number 2017-005

# SUPPLIERS OF RADIO COMMUNICATIONS EQUIPMENT FOR MARITIME SECURITY COMMUNICATION

#### I. AUTHORITY:

- A. Republic Act No. 9993 and its IRR s. 2011
- B. Office of the President of the Philippines Memo Order No.04 dated 26 September 2016
- C. Office of the Presidents of the Philippines Memorandum Order No. 03, s. 2016

#### II. PURPOSE:

This circular prescribes the policy of accreditation of manufacturers and/or suppliers of radio communications equipment used onboard all Philippine-registered vessels, watercrafts and conveyances, to include shore based stations, to ensure that such equipment have met the standards and specifications require for effective maritime communications and essentials to the detection and broadcasting of any threats to shipping, for the enhancement of maritime safety and security.

#### III. SCOPE:

This Circular applies to all companies/entities duly authorized under existing Philippine laws engaged in manufacturing and/or sale of radio communications equipment including supplies/materials for such, used onboard all Philippine-registered vessels; as well as owners/operators/charterers of such ships using equipment on board their vessels to include their shore based stations.

This shall not apply to the following:

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- A. Vessels of the Philippine Coast Guard;
- B. Vessels of the Armed Forces of the Philippines;
- C. Vessels of Philippine National Police;
- D. Vessels of Bureau of Fisheries and Aquatic Resources;
- E. Vessels of National Mapping and Resources Information Authority;
- F. Other Vessels that may be exempted by the competent authority of the PCG

#### IV. GENERAL PROVISIONS:

- 1. All companies that are engaged in the manufacture and sale of radio communication equipment to be used onboard Philippine-registered vessels and shore based stations shall:
  - a. apply for accreditation at the Maritime Communications Office of the Philippine Coast Guard (PCG);
  - b. ensure that their products have been type-approved by the National Telecommunication Commission (NTC).
- 2. Suppliers/distributors of imported radio communication equipment shall ensure that they possess a certificate authorizing them as the supplier/distributor of such products.
- Ship owners/ operators/ charterers of all Philippine-registered vessels/ watercrafts and water conveyances including shore based stations shall ensure that all radio equipment to be used thereat is accredited by the PCG.
- 4. The PCG may conduct spot inspections/ audits to the office facilities and operations of PCG accredited companies/ entities, as well as conduct random testing of manufactured products.

# V. <u>ACCREDITATION REQUIREMENTS</u>:

- 1. Letter application for Philippine Coast Guard accreditation, with the request for verification/ inspection of office/ facilities, equipment and personnel, and shall be supported with the following requirements:
  - a. Securities and Exchange Commission (SEC) Registration;
  - b. Certificate and Articles of Incorporation/BOI Accreditation/BDT-DTI Registration;
  - c. Mayor's/ Business Permit;
  - d. BIR registration;
  - e. List of officers and key personnel including the owner with corresponding Bio-data and credentials and supported with NBI and Police clearances;
  - f. List of facilities and equipment owned/operated by applicant company/entity;

- g. For applicants to be accredited as manufacturers, original copy of ISO certification or its equivalent, or proof of having applied for certification and that such is under process (only for the initial application);
- h. For applicant to be accredited as supplier, list and details of the radio communication equipment and parts to be marketed with the corresponding documentation on the type-approval/approval of NTC for each, and proof of sole distributorship for imported products; and
- i. Additional report on radio communications equipment (in case of renewal).
- The applicant shall submit all the requirements above-mentioned for evaluation including verification/inspection by a PCG inspector of the office/facilities, equipment and personnel of the applicant company/entity.
- In case of companies/entities with a quality assurance system, the resulting Inspection Report, inclusive of Findings and Recommendations, shall form part of the requirements to be evaluated for Maritime Security Communication purposes.

## VI. VALIDITY:

- A. The Certificate of Accreditation to be issued by PCG to companies, manufacturing and/or supplying entities shall be valid for one (1) year and shall be applied for renewal fifteen (15) days before the lapse of its validity.
  - B. Any violation of conditions, requirements and standards imposed by the PCG to the accredited company/supplier or entity shall provide a basis for the withdrawal of such accreditation, after due process under applicable PCG rules and regulations.

## VII. ACCREDITATION FEES:

The following fees shall be paid for the corresponding application for accreditation (new and renewal) filed;

Application for Accreditation as:	Processing Fee	Accreditation Certificate
Manufacturer	P 1,000.00	P5,000.00
Supplier	P 1,000.00	P 5,000.00

Inspection Fee	-	P 3,000.00
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## VIII. <u>FINES AND PENALTIES</u>:

1. Companies/entities engaged in or transacting business for the manufacture, and/or supply of radio communications equipment for Philippine-registered vessel without valid PCG Accreditation Certificate.

Offense	Fines/penalties	
First Offense	P 50, 000.00	
Second offense	P 75, 000.00	
Third and Succeeding Offense	P 100, 000.00	

2. Domestic ship owners and/ or operators of Philippine-registered vessels and shore based stations found to be utilizing radio communication equipment supplied and manufactured by a non-PCG accredited company/ supplier, shall serve as a basis of detention of such vessel with corresponding fines and penalties:

Offense	Fines/penalties	
First Offense	P 50, 000.00	
Second offense	P 75, 000.00	
Third and Succeeding Offense	P 100, 000.00	

# IX. RESCISSION:

All policies, directives, and orders that are inconsistent with this circular are hereby amended, repealed, or rescinded accordingly.

# X. <u>SEPARABILITY CLAUSE</u>:

If any provision or portion of this circular is declared unconstitutional, contrary to law, or invalid the remainder of this circular shall not be affected by such declaration and shall remain in force and effect.

# XI. <u>EFFECTIVITY</u>:

This circular shall take effect fifteen (15) days after publication in the Official Gazette or in any two (2) newspapers of general circulation and upon filing of general circulation and upon filing of three (3) certified copies thereof with the University of the Philippines Law Center.

AR HUR P. TUGADE
Secretary, DOTr

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