



Republika ng Pilipinas
PANGASIWAAN NG DAUNGAN NG PILIPINAS
 (PHILIPPINE PORTS AUTHORITY)
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January 15, 1982

PPA ADMINISTRATIVE ORDER
 NO. 02 - 82

SUBJECT : Treatment of Port Charges
 on Government Cargoes

T O : ALL PORT MANAGERS, PORT USERS,
 AND OTHERS CONCERNED

Pursuant to Sections 6-a (111) and 29 of P.D. 857, the Revised Charter of PPA, and in order to facilitate the settlement of port charges and to expedite the loading/unloading/delivery of government cargoes, the following guidelines are hereby prescribed:

Section 1. Scope. - This Order shall apply to all cargoes owned by or consigned to the national or local government, its subdivisions and instrumentalities, including government-owned and controlled corporations.

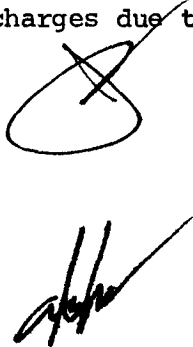
Section 2. Exempt Cargoes Under Existing Laws. - Where the law expressly grants the national or local government, its subdivisions and instrumentalities, including government owned and controlled corporations, exemption from payment of port charges as defined under its charter, e.g. P.D. or LOI, the following procedures shall apply:

- a) In claiming exemption from payment of port charges against its cargoes, the government agency concerned or its duly authorized representative shall submit to the Port Manager or his duly authorized representative, the following necessary documents to support the claim:
 - 1) Bill of Lading/Packing List
 - 11) Consular Invoice and/or Commercial Invoice/related documents
 - 111) Copy of the special law exempting them from payment of such charges/Clearance from proper authorities granting exemption from port charges.

- b) The Port Manager or his duly authorized representative shall authenticate (verify) such documents presented.
- c) The Port Manager or his authorized representative shall approve the computation and billing of port charges due on the cargoes in accordance with the accounting and reporting requirements prescribed under PPA Finance Memorandum Circular No. 5 dated August 1, 1978.
- d) The Bill of Charges shall clearly indicate the phrase "PORT CHARGES PARTIALLY EXEMPT UNDER (cite exempting law)" or PORT CHARGES FULLY EXEMPT UNDER (cite exempting law)".

Section 3. Non-Exempt Cargoes. - As a rule, government entities whose cargoes are subject to payment of port charges shall immediately pay the corresponding charges therefor. However, where no funds are earmarked/ready for the purpose, payment may be deferred under any of the following circumstances:

- a) Urgency of the project - This shall include infrastructure projects of the government, relief goods for calamity areas, and other similar government projects, where delay in the delivery thereof will cause irreparable damage, injury or loss to lives and property or embarrassment to the Philippine government. A certification as to the urgency of the project shall be issued by the head of the office of the government agency or instrumentality concerned and submitted to the Port Manager.
- b) Nature of the cargoes - This shall include perishable, dangerous, highly valuable and postal cargoes and other such cargoes which, by their nature, should be immediately loaded/unloaded from the vessel or withdrawn from the port premises.
- c) Condition of the port - This shall refer to situations in the port such as congestion, structural design or physical facilities and force majeure which necessitate the immediate loading/unloading of the government cargoes to/from the vessel or removal from the port premises.
- d) Existence of prior agreement - This shall refer to special cases when there is written arrangement between the Head of the government agency concerned and General Manager or Port Manager of the PPA regarding the release of the cargoes and payment of port charges due thereon.



Section 4. Procedure in the Processing of Payment of Port Charges for Non-exempt Cargoes. -

a) Immediate Payment

Where payment of port charges due on government cargoes are made immediately prior to loading/withdrawal, the normal existing procedures on commercial cargoes shall apply.

b) Deferred Payments

i) The Port Manager or his duly authorized representative shall require the submission of a duly accomplished Promissory Note (Annex A) signed by the Head of Agency or his duly authorized representative stating that payment shall be made within 30 days from date of promissory note together with other documents required under Section 2(a) of this Order.

11) The Port Manager shall authenticate the documents presented and cause the same to be recorded in the logbook intended for the purpose. He shall likewise approve the billing and computation of the port charges due on the cargoes in accordance with the accounting and reporting requirements prescribed under PPA Finance Memorandum Circular No. 5 dated August 1, 1978.

111) The Bill of Charges shall clearly indicate the phrase "PORT CHARGES DEFERRED".

Section 5. Treatment of Donations Made to/by the Philippine Government and Other Similar Transactions. - Where the cargoes involved are donations to/by the Philippine government or any transaction of similar nature, a Certificate of Donation or Agreement shall be submitted to the Port Management Unit concerned, in addition to the pertinent documents required under Sections 2(a) and/or 4 (b-1) of this Order.

Where exemption from payment of port charges is being claimed by reason of donation, the procedures under Section 2 shall apply. Otherwise, provisions of Section 4 of this Order for Non-Exempt cargoes shall be followed.

Section 6. Sanction. - Failure without justifiable cause on the part of the government agencies concerned to comply with the Promissory Note they have executed in favor of this Authority to expedite

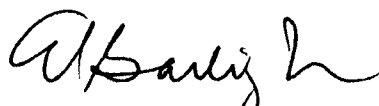
Handwritten signature and initials in black ink, consisting of a large stylized 'S' or 'D' shape above a cursive signature.

the release/withdrawal/loading/unloading of their cargoes, shall empower PPA to discontinue at its own discretion the liberal treatment thus granted/extended.

Section 7. Saving Clause. - Any provision or portion of this Order declared by competent authority as invalid shall not affect its other parts or provisions to which the declaration does not relate.

Section 8. Repealing Clause. - All PPA orders, rules and regulations, policies, guidelines, memoranda or circulars inconsistent herewith are hereby repealed or amended accordingly.

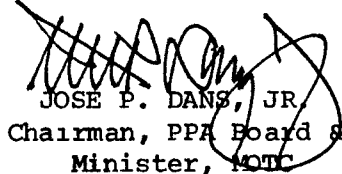
Section 9. Effectivity. - This Order shall take effect upon approval.



E. S. BACLIG, JR.
General Manager

A P P R O V E D :

2 February 1982



JOSE P. DANS, JR.
Chairman, PPA Board &
Minister, MTC

POED/POD



ANNEX "A"

PROMISSORY NOTE

₱ _____, Philippines, _____, 19__

Due _____

I, _____, for and in behalf of
(Head of Office)

_____, in my official capacity
(Name of Office)

as _____, do hereby promise to pay the Philippine Ports
(Position)

Authority, PMU _____ or Order, at its Office at _____
_____, the sum of _____ (₱ _____),

Philippine Currency, in cash or check within thirty (30) days from date
hereof.

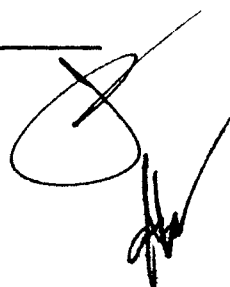
This promissory note is being executed to expedite the loading/
delivery of government cargoes specifically described below:

1. Commercial and/or Consular Invoice No. _____
2. Bill of Lading No. _____
3. Number of Package/Description _____

(Head of Office)

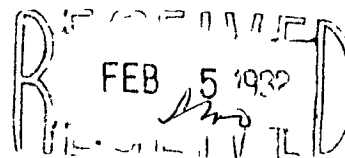
Funds Available/Noted:

(Chief Accountant)



Republic of the Philippines
MINISTRY OF TRANSPORTATION AND COMMUNICATIONS
PHILCOMCEN Building, Ortigas Ave, Pasig, Metro Manila
OFFICE of the MINISTER

PHILIPPINE PORTS AUTHORITY



Office of the General Manager

1st Indorsement
04 February 1982

Respectfully returned to the General Manager, Philippine Ports Authority, the herein approved PPA Administrative Order No. 02-82 on the Treatment of Port Charges on Government Cargoes.


JOSE P. DANS, JR.
Minister

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