

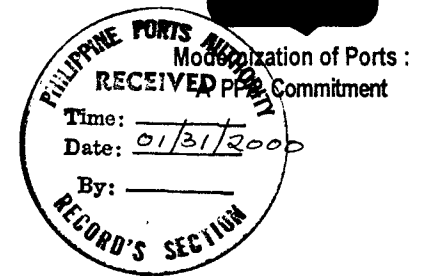


REPUBLIKA NG PILIPINAS
PANGASIWAAN NG DAUNGAN NG PILIPINAS
PHILIPPINE PORTS AUTHORITY



JAN 31 2000

PPA ADMINISTRATIVE ORDER
NO. 02 -2000



T O : All District Managers, Port Managers, Private Port Operators and All Others Concerned

SUBJECT : Clarificatory Guidelines on PPA MO No. 02-94, PPA MC No. 07-94, PPA MC No. 03-95 and PPA AO No. 06-95

1. **Authorities**

- 1.1 PPA Memorandum Order No. 02-94 entitled Guidelines on the Intensification of the Monitoring and Documentation on the Discharge, Movement, Release/Withdrawal of Imported Cargoes.
- 1.2 PPA Memorandum Circular No. 07-94 entitled 1994 Port Tariff Rates.
- 1.3 PPA Memorandum Circular No. 03-95 entitled Implementing Guidelines on the Proper Assessment and Collection of the 1994 PPA Port Tariff Rates.
- 1.4 PPA Administrative Order No. 06-95 otherwise known as the Liberalized Regulations on Private Ports Construction, Development and Operation.
- 1.5 PPA Board Resolution No. 1812 dated 27 January 2000.

2. **Objectives**

- 2.1 To ensure close monitoring of foreign and coastwise movement of goods passing through the private ports.
- 2.2 To prevent the use of private port facilities in the furtherance of illegal activities, specially smuggling.
- 2.3 To clarify the applicable PPA port charges in registered private commercial and non-commercial ports as indicated under Items 2, 3, 4 & 11 of PPA Memorandum Circular No. 07-94 and Section B, sub-section 3, paragraph 3.1 of PPA Memorandum Circular No. 03-95.
- 2.4 To clarify the provisions of Sections 2.4.1 and 2.4.2 of PPA AO No. 06-95; and
- 2.5 To ensure strict compliance with the stipulated terms and conditions of Certificate of Registration issued to private port owner/operator.

3. Scope

This Order shall cover all private ports both registered and not registered with the Authority.

4. Clarifications

4.1 Cargo Monitoring

To intensify government's drive to prevent illegal activities specially smuggling, the Authority hereby reiterates strict enforcement of PPA Memorandum Order No. 02-94 entitled Guidelines on the Intensification of the Monitoring and Documentation on the Discharge, Movement, Release, Withdrawal of Imported Cargoes, including activities in the private ports, in close coordination with the Bureau of Customs and other concerned agencies.

- 4.1.1 All Port Management Offices shall maintain a staff to monitor movements of cargoes and vessels at private ports as well as to ensure collection of corresponding port charges.
- 4.1.2 Vessels seeking berth at private ports shall apply for such service at the PPA Office which has operational jurisdiction over the location. As such, documents normally required prior to berthing, such as the passenger/cargo manifest and vessels information, among others, shall be submitted to PPA.
- 4.1.3 Likewise, no vessel shall leave a private port unless possessed of a valid PPA port clearance issued by, or on behalf of the Authority, in addition to the requirements of other government agencies.
- 4.1.4 Any act of smuggling or other illegal activities shall be reported by the Port Manager concerned to the AGM for Operations within one (1) day from date of occurrence or discovery of any fraud.
- 4.1.5 Cargoes suspected to be smuggled, misdeclared or undervalued shall not be released, delivered or loaded without prior or formal authorization from the Collector of Customs or his duly authorized representative. Any release, delivery or loading officer who does not adhere to these shall be charged for neglect of duty and shall be penalized in accordance with existing laws and regulations.

4.2 Actual Use/Purpose of Private Port Facility

The private port facility registered shall be operated in accordance with existing PPA rules and regulations and other related laws and issuances. The grantee shall ensure that the private port facility shall not be utilized for any illegal activities such as gunrunning and smuggling.

4.3 Permit to Operate

The discount in port charges as provided under PPA Memorandum Circular No. 07-94, is due a private port owner depending on the PERMIT TO OPERATE issued, i.e. whether the facility is officially registered as either commercial or non-commercial private port.

4.3.1 Registered Private Non-Commercial Port

The permit to operate a private non-commercial port authorizes the grantee to operate the same for his own particular use and need. Its use by third party users is only incidental and conducted on a limited and non-commercial basis.

They may, however, be allowed to handle third party cargoes under the following instances:

- due to congestion in the government port
- due to draft limitation of the government port
- due to absence of specialized and dedicated cargo handling equipment and gears in the government port.

4.3.2 Registered Private Commercial Port

The permit to operate private commercial port authorizes the grantee to handle not only his own cargoes but also third party cargoes.

4.4 Charges on Vessels/Cargoes Discharged at Private Commercial and Non-Commercial Ports

4.4.1 At Private Commercial Port

Vessels calling at duly registered private commercial ports shall be charged dockage/usage fee equivalent to 1/2 of the rate prevailing in the nearby government port. In like manner, cargoes discharged, whether owned by the private port owner/operator or third party cargoes shall be charged wharfage equivalent to 1/2 of the rate in a government port.

4.4.2 At Private Non-Commercial Port

Vessels calling at a registered non-commercial private port shall be charged dockage/usage fee equivalent to 1/2 of the rate prevailing in a government port. Likewise, if cargoes discharged thereat are owned by the registered private port owner/operator, the same shall be charged 50% wharfage.

Should the private non-commercial port owner/operator cater to third party cargoes, the vessel shall be charged 100% dockage/usage fee and the cargoes shall likewise be charged 100% wharfage unless the same has been authorized by the PPA Port Manager for reasons stated in 4.3.1 hereof, in which case the charges shall be 50%.

5. Visitorial Powers

Authorized personnel of PPA and other concerned government agencies shall be allowed entry into the private port premises to inspect the facilities and cargoes, including examination of specific records to determine compliances with this Order and other pertinent rules, laws and regulations promulgated or to be promulgated.

6. Cancellation/Suspension of Permit to Operate

Any violation of this regulation and other PPA rules committed by the registered private port owner/operator or its agents shall be sufficient ground for the cancellation/suspension of the certificate of registration/permit to operate of the concerned private port.

7. Repealing Clause

All existing PPA issuances, rules and regulations or any portion thereof which are inconsistent with this Order are hereby repealed or modified accordingly.

8. Effectivity

This Order shall take effect immediately.

JUAN O. PENA
General Manager