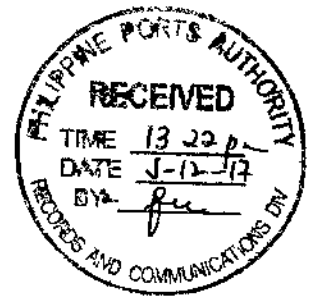




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MAY 12 2017

PPA ADMINISTRATIVE ORDER
NO. 05 - 2017

TO All Port Managers
Cargo Handling Operators
Consignees/Shippers
Others Concerned

SUBJECT Amendments in the Prescription and Application of Foreign
Currency Exchange Rates (FCER) to Dollar Denominated
PPA Port Charges

1. **AUTHORITY**

- 1.1 Executive Committee Resolution No 2017-1502, as confirmed by Board Resolution No 2597
- 1.2 Article IV, Section 6, b (iv) of P D 857, as amended

2. **OBJECTIVES**

- 1 To ensure integrity and accuracy in the revenue collections on US Dollar denominated PPA port charges
- 2 To adopt a real time foreign currency exchange rate in computing foreign denominated port charges
- 3 To provide a uniform basis in the application of the U S Dollar/Philippine peso conversion rate

3. **COVERAGE**

This Order shall cover all PPA port charges prescribed in U S Dollars and paid in the equivalent Philippine peso, as follows

VISION

By 2020 PPA shall have provided port services of global standards

MISSION

- 1 Provide reliable and responsive services in ports sustain development of communities and the environment and be a model corporate agency of the government
- 2 Establish a mutually beneficial equitable and fair relationship with partners and service providers
- 3 Provide meaningful and gainful employment while creating a nurturing environment that promotes continuous learning and improvement
- 4 Establish a world-class port operation that is globally competitive adding value to the country's image and reputation

Port Charge	Unit of Measurement
Charges on Vessel	
Port Dues	Per GRT per Call
Dockage-at-Berth	Per GRT per Calendar Day or Fraction Thereof
Dockage-at-Anchorage	Per GRT per Calendar Day or Fraction Thereof
Lay-up Fee for Foreign Vessels	Per Day per Foreign Vessel
Charges on Cargoes	
Wharfage on Non-Containerized Foreign Transshipment Cargoes	Per Metric Ton
a Sacks/Bags/Bulk/Steel Products/Logs and Lumber/Heavy Lift	
b Others	Per Revenue Ton
Wharfage on Containerized Foreign Transshipment Cargoes	Per TEU
Storage Charge on Non-Containerized Foreign Transshipment Cargoes	Per Revenue Ton per Day
Storage Charges on Containerized Foreign Transshipment Cargoes	Per Box per Day

4 **GUIDELINES**

4.1 Source of FCER

4.1.1 The FCER to be adopted is the daily rate prescribed by the Bangko Sentral ng Pilipinas (BSP) - Treasury Department

4.1.2 The rate as appearing in the BSP website, <http://www.bsp.gov.ph/statistics/sdds/exchrates.htm>, under No 1 of I Convertible Currencies with Bangko Sentral Reference Exchange Rate Bulletin **shall not be rounded-off**

4.2 Applicability of FCER

The effective daily rate of exchange obtained from BSP at 10 00 A M shall be applicable from 10 00 A M of that day to 9 59 A M of the following day

4.3 Responsible for Obtaining and Providing FCER

The Commercial Services Department (CSD), PPA Head Office shall be responsible for providing advisory to all Port Management Offices (PMOs) of the effective rate of exchange

4.4 Means of Dissemination of Advisory on FCER

CSD shall disseminate the daily FCER thru the following means

- Viber
- Email
- PPA website

4.5 Applicability of FCER on Vessel Charges

The FCER issued by CSD (based on the daily exchange rate) prevailing at the time of vessel departure shall be used in determining the peso-value of dollar denominated port charges due to PPA

4.6 Coverage of Assessment of Vessel Charge

As the assessment of Dockage-at-Berth and Dockage-at-Anchorage is based on a calendar day or fraction thereof, the cut-off of which is at 11 59 P M , the application of the FCER shall cover two (2) different dates. A sample computation in Annex "A" is attached for guidance

4.7 Applicable FCER During Weekends

Since the BSP does not issue FCER during Saturdays and Sundays, the applicable rate for these days shall be the rate issued on immediately preceding Friday

4.8 Applicable FCER During Holidays

During holidays, the rate applicable shall be the immediately preceding day rate

4.9 Applicable FCER During Fortuitous Events

In the event CSD cannot provide advisory on FCER due to suspension of work caused by fortuitous events (i.e. floods, earthquakes and the like), the applicable rate of the day shall be the immediately preceding day rate

4.10 Responsible of Record Maintenance

CSD shall maintain a daily record of FCERs issued by BSP for reference purposes and as maybe required by the Commission on Audit, Internal Audit Department and others concerned

5. SEPARABILITY CLAUSE

If for any reason, any section or part of these regulations is declared unconstitutional or invalid by competent judicial authority, the declared or invalid section or part thereof shall not affect the other sections or parts



6. REPEALING CLAUSE

All PPA orders, rules and regulations, policies, guidelines or circulars which are inconsistent herewith are hereby repealed or amended accordingly

7. EFFECTIVITY

This Order shall take effect fifteen (15) calendar days after its publication in a newspaper of general circulation


JAY DANIEL R. SANTIAGO
General Manager

Ends

Annex "A" – Sample Computation

Published in the Philippine Star - May 16, 2017
Effectivity Date May 31, 2017

Sample Computation:▪ **Assumption**

A vessel engaged in foreign trade with GRT of 35,000 arrived and dropped anchor at South Harbor, Port of Manila on January 31, 2017 at 1 00 A M The subject vessel berthed on January 31, 2017 at 8 00 P M and departed on February 3, 2017 at 11 00 A M

▪ **Given**

GRT of vessel	35,000	
Date/Time of Stay at Anchorage	January 31, 2017	01 00 A M
Date/Time of Arrival at Berth	January 31, 2017	8 00 P M
Date/Time of Departure at Berth	February 3, 2017	11 00 A M
Port Dues Rate	US\$0 081/GRT	
Dockage-at-Berth Rate	US\$0 039/GRT/calendar day or fraction thereof	
Dockage-at-Anchorage	US\$0 020/GRT/calendar day or fraction thereof	
Wharfage - Transshipment	US\$0 833/Metric Ton	
Storage - Transshipment	US\$0 833/Metric Ton/Day	

▪ **Prevailing FCER**

Date	FCER Obtained from BSP	Remarks
January 31, 2017	49.814	Arrival / Anchorage
February 1, 2017	49.757	at berth
February 2, 2017	49.783	at berth
February 3, 2017	49.783*	departure

▪ **Applicability of FCER**

Date	FCER (US\$1 00-Php)	Coverage of FCER Application		
		Date	Jan 31	Feb 1
Jan 31, 2017	49 814	Time	10 00 A M -11 59 P M	12 00 A M – 9 59A M
		Date	Feb 1	Feb 2
Feb 1, 2017	49 757	Time	10 00 A M -11 59 P M	12 00 A M – 9 59A M
		Date	Feb 2	Feb 3
Feb 2, 2017	49 783	Time	10 00 A M -11 59 P M	12 00 A M – 9 59A M
		Date	Feb 3	Feb 4
Feb 3, 2017	49 783	Time	10 00 A M -11 59 P M	12 00 A M – 9 59A M

▪ **Stay time of Vessel**

Date		FCER (US\$1 00-Php)	Actual Time Considered in the Application of FCER	Stay time
Jan 31, 2017	Arrival at anchorage	49 814	1 00 A M – 7 59 P M	1 day
Total No of Days the Vessel Stayed at Anchorage				1 day
Jan 31, 2017	Arrival at Berth	49 814	8 00 P M – 11 59 P M	1 day
Feb 1, 2017	At berth	49 757	12 00 A M – 11 59 P M	1 day
Feb 2, 2017	At berth	49 783	12 00 A M – 11 59 P M	1 day
Feb 3, 2017	departure	49 783	11 00 A M	1 day
Total No of Days the Vessel Stayed at Berth				4 days

▪ **Computation of Port Charges:**

A. Port Dues

➤ **Formula**

$$\text{GRT of Vessel} \times \text{Port Dues Rate} \times \text{Prevailing FCER}$$

➤ **Computation and Result**

$$35,000 \text{ GRT} \times \text{US\$}0.081 \times \text{Php}49.783^* = \underline{\text{Php}141,134.81}$$

• *FCER at the time of departure*

B. Dockage-at-Berth

➤ **Formula**

$$\text{GRT of Vessel} \times \text{Dockage-at-Berth Rate} \times \text{Prevailing FCER} \times \text{No. of Days}$$

➤ **Computation and Result**

$$35,000 \text{ GRT} \times \text{US\$}0.039 \times \text{Php}49.783^* \times 4 \text{ days} = \underline{\text{Php}271,815.18}$$

• *FCER at the time of departure*

C. Dockage-at-Anchorage

➤ **Formula**

GRT of Vessel x Dockage-at-Anchorage Rate x Prevailing FCER x No of Days

➤ **Computation and Result**

35,000 GRT x US\$0.020 x Php49.783* x 1 day = Php34,848.10

- *FCER at the time of departure*

D. Wharfage – Foreign Transhipment

➤ **Formula**

Metric Ton x Foreign Transhipment Rate x Prevailing FCER

➤ **Computation and Result**

2,000 MT x US\$0.833 x Php49.783* = Php82,938.48

- *FCER at the time of arrival of the cargo at the port*

E. Storage – Foreign Transhipment (Charged on cargoes that remain at the port after the “free storage period” of 15 calendar days from the day of arrival to the day of departure)

➤ **Formula**

Revenue Ton x Foreign Transhipment Rate x Prevailing FCER x No of Days

➤ **Computation and Result**

2,000 RT x US\$0.171 x Php49.783* x 2 days = Php34,051.57

- *FCER at the time the carrying vessel has berthed and the Master of the vessel has signified that the vessel is ready to receive cargoes for loading*