



Republic of the Philippines  
**LANGASIMAN NG DAUNAN NG PILIPINAS**  
(PHILIPPINE PORTS AUTHORITY)  
5th Floor, B F Condominium  
Aduana, Intramuros, Manila

TELEPHONE NOS. 47 92-04  
40 81-66  
48 24 93

07 August 1986

FPA MEMORANDUM CIRCULAR NO. 30-86  
Series of 1986

TO : All Port Managers  
Assistant Port Managers  
Port Operations Officers  
Finance Officers  
Terminal Operations Officers  
Importers Exporters  
Consignee Shippers/Customs Brokers  
And All Others Concerned

SUBJECT : GUIDELINES FOR THE PROPER IMPLEMENTATION OF  
EXTENSION OF FREE STORAGE PERIOD UNDER  
PARAGRAPH 16 OF FPA MEMORANDUM CIRCULAR NO. 14-83

The following guidelines are hereby issued/prescribed for the proper implementation of extension of free storage period pursuant to paragraph 16 of FPA Memorandum Circular No. 14-83, as amended, otherwise known as the 1993 Port Tariff Rates.

Section 1. Grounds for the Extension of the Free Storage Period. Extension of the prescribed free storage period may be granted only under the following specific instances, to wit:

A. When the delivery of cargoes or its loading to the carrying vessel cannot be effected within the free storage period (FSF) due to congestion in the pier port, breakdown or non-availability of cargo handling equipment, strike, lock-out or civil strife, typhoon, flood, earthquake, fire or other similar occurrences calamities, any of which causes prevented cargo handling operations. Provided, however, that the following conditions requirements are met and duly complied with:

1. A written request for extension of free storage period (EFSP), specifying the reasons thereof must be filed with the PMU concerned together with the following documents:

a. Certified true copy of the Customs entry, receipt covering documents filed and completely processed within the FSF;

Certified true copies of the Delivery Permit or Special Permit to Transfer (SPT) or Authority/Permit to Load, and receipts evidencing payment of Customs duties, taxes, port charges, and other fees due the government or exemption papers if free therefrom; and,

- c. In the case of breakdown or non-availability of equipment, Certification from the cargo handling operator or its shed/warehouse/ pier/CY Superintendent/Manager, in-charge of the cargoes, involved that the reason mentioned in the request for EFSF indeed prevented cargo handling operations in the pier/port where the cargoes are located which Certification shall be duly validated by the Terminal Operations Officer and/or Asst. Port Manager/Port Manager concerned; Provided, however, that the accrued storage charges shall be for the account of the cargo handling contractor.

2. The cargoes are already cleared for delivery/ loading within the free storage period.
3. The Delivery Permit or Special Permit to Transfer or Warehousing Permit or Authority/Permit to Load was presented within the FSP and the exporter/ importer/shipper, consignee/owner/broker, who demanded delivery or loading, has sufficient means of transportation, but the delivery/loading thereof cannot be effected due to the reason(s) or cause(s) mentioned in the request under Section 1.A.(1).

B. When the entry, permit or covering documents of the cargoes involved have not been completely processed by the Bureau of Customs within the FSP due to any of the applicable causes mentioned in Section 1.A hereof. Provided, however, that the following conditions/requirements are all met or duly complied with:

1. A written request for EFSF specifying the reason(s) thereof must be filed with the FMU concerned together with the following documents:
  - a. Certified true copy of the Customs entry, permit or covering documents duly filed within the FSP; and,
  - b. Certification from the Collector of Customs as to the occurrence of the applicable causes/reasons mentioned in the request and its actual duration which prevented the



its actual duration which prevented the complete processing by Customs of the entry, entry or covering documents of the cargoes involved: provided further, that the reasons are not attributable to the owner/importer/exporter/consignee or their broker.

- E. The entry, entry or covering documents thus filed with Customs within the FSF are complete and conform with all the requirements.
- C. When the delivery of the cargoes or its loading to the carrying vessel cannot be effected due to Hold Order, Seizure Order/Suspension Order issued by the Bureau of Customs or any authorized government agency. Provided, however, that the following conditions/requirements are all met or duly complied with:
1. A written request specifying the reason(s) thereof must be filed with the PMU concerned together with the following documents:
    - a. Certified true copy of the Hold Order Seizure Order/Suspension Order; and,
    - b. Certified true copy of the Customs entry, entry or covering documents duly filed within the FSF, unless the filing of the same was legally prevented by the said orders, in which case a Certification to that effect must be secured from the Collector of Customs and attached to the request.
  2. The reason(s) or cause(s) which gave rise to the Hold Order/Seizure Order/Suspension Order is not attributable to the fault of the owner/importer/exporter/consignee or their broker.

In this regard, non-accrual of storage charges shall cover only, the period of actual suspension of delivery starting from the date of issuance of the order and including two (2) days for the Port of Manila; three (3) days for other ports immediately following the date of Notice of Release to the Importer/Exporter/Consignee/Shipper or their Broker. The period does not cover the time between the expiration of the Free Storage Period and the time when the Order of Suspension of delivery was issued during which storage charges shall accrue.

- D. When the delivery of cargoes or its loading to the carrying vessel cannot be effected within the FSF due to health and safety regulations whereby the same are subjected to some treatment commencing within the FSF to ensure its safe consumption or use. PROVIDED,



however, that the following conditions/requirements are all met or duly complied with:

1. A written request for EFSP specifying the reason(s) thereof must be filed with the PMU concerned together with the following documents:
  - a. Certified true copy of the entry, e it or covering documents duly filed and completely processed within the FEF;
  - b. Certified true copies of the Delivery Permit or Permit to Transfer or Authority/Permit to Load, and receipts evidencing payment of Customs duties, taxes, port charges and other fees due the government or exemption papers if free therefrom; and
  - c. Certification from the Health/Safety Officer concerned that the cargoes have been subjected to physical treatment and the actual duration thereof.
2. The owner/importer/exporter/consignee or their broker has not incurred any delay in complying with the said health and safety regulations.
3. The compliance with the aforesaid health and safety regulations was not a requirement for the filing of the Customs entry, e it or covering documents of the cargoes involved.

In this regard, non-accrual of storage charges shall cover only the period during which such regulation was required to be complied with (starting from the date of subjection of the shipments to health/allied regulations up to the time when said requirement was actually complied with). The period of non-accrual does not cover the time between the expiration of the Free Storage Period and the date when compliance with said regulation started during which storage charges shall accrue.

Section 2. Common Conditions for Extension of the Free Storage Period. The following shall be additional conditions to those enumerated above:

- A. The request for extension of the free storage period must be filed within the free storage period or within twenty-four (24) hours immediately thereafter.
- B. The applicable cause= for extension enumerated under Section 1.A should occur during or immediately fol-



lowing the free storage period. The extension of the free storage period shall be limited only for the duration of the said causes following the expiration of the free storage period.

- C. Request for extension due to other causes such as delay in the processing of other documents with other government agencies like Release Certificate and other authorization from the Central Bank, Certificate of exemption from the Ministry of Finance Ministry of Trade and Industry or other related papers/requirements which are pre-requisites for the filing or normal processing of the entry, exit or covering documents or late arrival of shipping documents, shall not be given due course.
- D. Requests for EFSP shall be processed at the FMU concerned and shall be approved/disapproved by the Port Manager thereof if the amount of storage charges involved per shipment is within his authority under FFA Memorandum Order No. 01-83, dated 28 January, 1983. Those which are beyond their authority shall, after being processed, be forwarded to the Head Office together with the recommendation for approval/disapproval of the Assistant General Manager for Operations or the General Manager depending upon the amount of storage charges involved.
- E. Cargoes/Shipments covered by the requests for extension of the free storage period which are disapproved by the Port Manager and/or by the Head Office cannot be released without prior payment of the corresponding storage charges. However, the owner/importer/exporter/shipper/consignee or their broker may pay said charges under protest pursuant to FFA Administrative Order No. 12-77, to effect delivery thereof. The payment shall include storage charges up to the date of actual delivery/release or loading of the cargoes/shipments.

Subject to Section 2.D, partial delivery, in lieu of payment under protest, may be allowed by the Port Manager where the shipment is divisible (disposable marketable by units or parts), provided, however, that the value of the portion to be retained in the pier/port is sufficient to cover all the accrued storage charges including interest and penalties in the event an adverse decision to the request for EFSP is rendered. Where shipment is not divisible, delivery/release or loading thereof can be effected only upon prior payment or payment under protest of all the accrued storage charges including interest and penalty charges.

Section 3. Reporting. Monthly report of all requests for EFSP



which were granted by the Port Manager shall be submitted to the Head Office (Finance Office) within ten (10) days after the end of each month in accordance with the format hereto attached as Annex A for record and administrative purposes. Further, the report should include copies of the requests and all its supporting documents.

Section 4. Repealing Clause. All PFA Administrative Orders, Memorandum Circulars/Orders and rules and regulations inconsistent herewith are hereby repealed or modified accordingly.

Section 5. Clarificatory Guidelines. Clarificatory guidelines which are not inconsistent with this Memorandum Circular may be issued by the General Manager.

Section 5. Effectivity. This Memorandum Circular shall take effect upon the approval by the General Manager.

  
PRIMITIVO S. SOLIS, JR.  
General Manager, PFA

APPROVED UNDER BOARD RESOLUTION NO. 790, DATED 07 AUGUST 1986

REVISED  
PRA-POM FORM NO. OPI-03

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