



PPA Memorandum Circular
Number 15 - 2015

T O : The Port Managers
The RC Heads Concerned
All Shipping Lines/Shippers/Consignees
All Cargo Handling Operators
And All Other Port Users Concerned

SUBJECT : Amended Guidelines on Decentralized
Revolving Fund Payment Scheme

1. Authority

Section 6.a)(iii) Presidential Decree No. 857

2. Rationale

As a general rule, the Authority collects its fees and charges on a "Cash and Carry Basis". The exception to the cash and carry rule is the maintenance of a REVOLVING FUND (RF) to address the concerns of port users in the payment of fees and charges, such as, to facilitate the clearance of cargoes and vessel; to avoid incurrence of late charges and/or penalties; and to avoid the risks in carrying/handling substantial amount of cash; among others.

3. Coverage

These guidelines shall cover the privilege granted to port users for the decentralized payment of their invoices/billings for cargo and/or vessel charges.

4. General Policies

- 4.1. The Decentralized RF Facility is open to all port users for payment of their invoices/billings for cargo and/or vessel charges.
- 4.2. RF Customers availing of the Decentralized RF facility shall be required to maintain with PPA (or the servicing PMO, as applicable) a minimum cash deposit equivalent to its average 15-day transaction volume.
- 4.3. The Decentralized RF shall be replenished every week or when the RF balance reaches 20% of the required minimum deposit to ensure that their transactions are adequately covered by the Decentralized RF deposit balance.
- 4.4. An RF Invoice shall not be created in the System if the Decentralized RF balance is below the 20% threshold. In this case, the RF Customer will be automatically treated as Cash Basis Customer where transactions shall be required to be paid in cash.

VISION

By 2030, PPA shall have provided globally competitive port service in the Philippines characterized by increased productivity, efficiency, connectivity, comfort, safety, security and environmental sustainability.

MISSION

1. Provide reliable and responsive services in ports, sustain development of community and the environment, and be a model corporate agency of the government.
2. Establish 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 values to the country's image and reputation.

4.5. The Decentralized Revolving Fund privileges shall be restored only when replenishment is made and the minimum required Decentralized RF balance is met.

5. Registration of the Decentralized RF Account

5.1. A customer availing of the decentralized RF facility shall accomplish a "Customer Registration Form (CRF)" (Annex A) and shall choose or indicate Decentralized RF Facility.

5.2. The RF Customer availing of the Decentralized RF facility shall be assigned a Debtor Code for each area of operation or Servicing PMO and shall maintain separate RF per servicing PMO.

5.3. The duly accomplished registration form shall be submitted to the Servicing PMO.

5.4. The concerned Operating Unit (OU)/Servicing PMO shall forward the accomplished CRF by fax or e-mail to HO-MISD to be enrolled into the system and assign RF Customer's Debtor Code.

5.5. The approved CRF indicating the Decentralized RF Customer's Code shall be sent by HO-MISD to the Servicing PMO, copy furnished RF Customer.

6. Mechanics

6.1. Initial Deposit to the RF Account

6.1.1. Upon approval of the Customer Registration Form (CRF), a port user with decentralized RF facility shall deposit the minimum maintaining balance of RF at any Servicing PMO for credit to its centralized account.

6.1.2. A port user with decentralized RF facility shall make the deposit to all its RF accounts in each and every enrolled area of operation or Servicing PMOs.

6.1.3. The Operating Unit (OU) shall issue a "Non-VAT Official Acknowledgment Receipt" evidencing the initial deposit made by the RF Customer and treated in the books as guaranty deposit under Guaranty Deposits Payable-Revolving Fund.

6.2. Creation of RF Invoice/Billing

6.2.1. Each servicing PMO shall create, generate and transmit the RF invoices to its RF Customer

6.2.2. RF invoices issued at an NCP port should be handled separately from the other NCP transactions utilizing the template. RF Template should be e-mailed within two days to the PMO for uploading into the FIRST OU Accounting Module, as detailed in the "Procedures on Loading of NCP Invoice Template", to keep the RF account always at its current balance.



