



Republika ng Pilipinas
PANGASIWAAN NG DAUNGAN NG PILIPINAS
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11 August 1989

PPA MEMORANDUM CIRCULAR NO. ⁸⁹ AGO 16 P4:3³
~~25-89~~
Series of 1989

T O ALL NORTH HARBOR PORT OPERATORS AND USERS
ALL CONCERNED

SUBJECT IMPLEMENTING GUIDELINES ON THE INTERIM PLAN
OF ACTION RE: NORTH HARBOR PORT ESTATE PROJECT

I. SCOPE

These implementing guidelines will cover the operational areas of Piers 2 to 16, Slips 3 to 17 and the newly added back-up space consisting of the western half-side of the Marcos Road stretching from Piers 2 to 16 hereinafter referred to as port estates. The facilities and areas within the port estates shall be awarded according to operational requirements of shipping companies although in the interim such awards shall be made on an annual basis through a Special Permit to Occupy (PTOc).

II PURPOSES/OBJECTIVES

The objectives of this Circular are as follows

1. To allow the interim implementation of the Port Estate Policy,
2. To minimize cost of repairs and maintenance,
3. To optimize the generation of revenue, and
4. To improve efficiency of shipping and cargo handling services.

III *SPECIFIC PROVISIONS*

A. *Request for and Issuance of the yearly Special Permit to Occupy (PTOc).*

1 Requests and applications for the issuance of the yearly PTOc shall be submitted directly to the Manager PMO North Harbor who shall conduct the initial and technical processing and undertake the appropriate recommendation. The following informations shall be submitted by the applicant

1.1. Statistics of loaded/empty containers (in TEUs) and cargoes (in Metric Tons) handled for the last five (5) years,

1 2 List of ships owned with the corresponding GRTs, DWTs, LOAs, capacities and frequencies of call at the North Harbor.

1 3. Projected volume of loaded/empty containers (in TEUs) and cargoes (in Metric Ton) to be handled and programmed ship acquisition within the next five (5) years, and

2. The yearly Special PTOc to be approved by the Port District Manager shall be recommended by the Port Manager, PMO North Harbor in accordance with the attached format This Special Permit to Occupy shall be issued to shipping companies, port users of good standing and with no outstanding account with the Authority Provided, however, that those with

outstanding accounts but were granted settlement schemes by the General Manager shall be considered in the issuance of the yearly PTOc.

B. TERMS AND CONDITIONS IN THE USE OF THE LEASED PREMISES/PORT ESTATE

The conditions as to the use of the leased premises/port estate within the scope of these guidelines are as follows:

1. The leased premises shall be used for port operational purposes including the temporary storage of empty/loaded domestic containers and cargoes.
2. In no instance shall the leased premises/port estate be used as dumping ground for unserviceable equipment, junks and/or other waste materials which obstruct the smooth flow of operational activities and container/cargo movements.
3. The Lessee shall institute a garbage disposal scheme to insure continuously clean and orderly surroundings and daily collection of garbage.
4. All improvements to be introduced in the leased premises/port estate must have the prior written approval of the Authority.

C. LESSEE'S RESPONSIBILITY

1. Repair and Maintenance Works

The Lessee shall undertake at his own expense any repair and maintenance works

which he deems necessary to make his port estate/leased premises workable until the same is rehabilitated under the Second Manila Port Project.

2. Rental Payment

The Lessee shall pay rent per month as computed per port estate/area, to be remitted at the Cashier's Office, PMO North Harbor, on or before the 5th day of the current month. Rental payment not made on time shall be imposed an interest charge of one (1%) percent per month plus a penalty charge of one (1%) percent per month.

This rental payment shall be inclusive of the storage income collected by the Lessee from the use of his port estate beyond the free storage period.

3. Cash Deposit

Within five (5) days after receipt of his approved Permit, the Lessee shall deposit an amount equivalent to two (2) months rental to the Cashier's Office, PMO North Harbor. This deposit shall be applied in payment of back rentals, if any, upon the termination of this Permit and other expenses and charges billed against the Lessee such as water and telephone bills and other utility expenses remaining unpaid.

4. Insurance Coverage

The Lessee shall insure the leased premises with the Government Service Insurance System (GSIS) against any damage, with the Authority as beneficiary. A copy of said policy shall be submitted to the Manager, North Harbor within thirty (30) days from the date of issuance of the PTOc.

5. Real Estate Taxes, Water, Electric, Telephone and Other Auxiliary Charges.

All consumption charges for water, telephone, electricity and other utility expenses shall be borne by the Lessee. This also includes the payment of corresponding real estate taxes to the local government concerned.

6. Security/Safety Measures for Properties Inside Leased Premises.

The Lessee shall be responsible for the security and safety of properties, containers and cargoes handled/stored within the leased premises. Any damages incurred, directly or indirectly thru infringement of this provision will be borne by and charged to the Lessee.

7. Provision for Trucks, Vehicle and Passenger Lanes

The Lessee shall allocate lanes for trucks, vehicles and passengers within the leased premises.

8. Maintenance of Police Functions

It is hereby understood that the Authority reserves the right to police main entry and exit gates leading to the port terminals as well as maintain traffic and peace and order functions along the public roadways. PPA police elements may enter the lease premises in cases of hot pursuit in their crime prevention duties.

9. Exercise of Inherent Functions

All government instrumentalities located/holding office inside the leased premises as authorized by the Authority, shall continue to exercise their inherent functions in the North Harbor.

D. EFFECTIVITY

This Memorandum Circular shall take effect immediately.


ROGELIO A. DAYAN
General Manager

APPROVED: Per PPA Board Resolution No. 1080 dated
9 August, 1989.

Republic of the Philippines
PHILIPPINE PORTS AUTHORITY
Port District of Manila

SPECIAL PERMIT TO OCCUPY

This Special Permit to Occupy
hereby authorizes

to occupy and operate Port Estate No.
at North Harbor, Manila
with a total area of square meters
for a period of one (1) year
effective upon date of issue
subject to the terms and conditions
hereto attached.

Issued this day of 1989
at the City of Manila, Philippines.

Port District Manager

0044755

TERMS AND CONDITIONS

1. Period of Occupancy. The term of this Special Permit to Occupy is for One (1) year commencing on _____.

2. Use and Purpose. It is hereby expressly agreed that the leased premises shall be used for port operational purposes including the temporary storage of empty/loaded domestic containers and cargoes. In no instance shall it be used as dumping ground for unserviceable vessels, equipment, junks and other waste materials which will obstruct the smooth flow of operational activities and cargo movements thereat. Said lease excludes the working apron, access roads and structures occupied by the Authority and other government instrumentalities located therein.

3. Rental Payment. The lessee shall pay a monthly rent of _____ (P_____) per month to be remitted at the Cashier's Office, PMO North Harbor, on or before the 5th day of every month. Rental payment not made on time shall be imposed an interest charge of one (1%) percent per month plus a penalty charge of one (1%) percent per month. These interests and penalty charges shall be automatically deducted from the amount so deposited.

4. Cash Deposit. Upon signing of this Permit, an amount equivalent to two (2) months rental shall be paid, same to be applied in payment of back rents, if any, upon the termination of this Permit and other expenses and charges billed against the company such as water and telephone bills and other utility expenses remaining unpaid.
5. Insurance and Other Requirements. The lessee shall keep the pier berth, transit shed/s and other areas in good and tenantable conditions. Any cost due to damage on the berth, transit shed/s and open yards shall be borne by him. The leased premises including all goods contained therein shall be insured against any damages.
6. Non-transfer of Leasehold Rights. The lessee shall not directly or indirectly sublease, assign, transfer, convey, mortgage or in any way incumber its right of lease over the leased premises and any portion thereof under any circumstances whatsoever. Any contract that may be entered in violation of this clause shall be null and void.
7. Water, Electricity, Telephone, Other Utility Expenses. Charges for water consumption, electricity, telephone and other utility services in the premises, including repairs shall be for the account of the company.
8. Repair and Maintenance. The lessee shall take care, maintain and preserve the premises with

extraordinary diligence. He is responsible for the upkeep, maintenance and repair of the leased premises. The extent and amount of repair works done shall be borne solely by the lessee.

9. Garbage Disposal Scheme. The lessee shall institute and implement a garbage disposal scheme to ensure continuously clean and orderly surroundings and daily garbage collection.
10. Permanent/Temporary Structures/Other Alterations. The lessee shall not introduce any improvements or make any alterations in the leased premises without the prior written consent and approval of the Authority.
11. Provision of Space for Trucks, Vehicles and Passenger Lanes. The lessee shall allocate specific areas within the leased premises to allow easy access of trucks, vehicles and passengers within the terminal.
12. Inspection/Use of Premises on Specific Instances. The Authority or its duly authorized representative/s shall have the right to inspect the leased premises at any reasonable hour of the day. Furthermore, the Authority hereby reserves the right to police entry and exit gates and the use of the leased premises for national security purposes inherent to its exercise of its regulatory functions.
13. Safety/Precautionary Measures for Cargoes/Properties Found Inside Leased Premises. The lessee shall not

bring into or store in the leased premises, any inflammable and explosive goods or materials. Any damage caused, directly or indirectly, by any infringement of this prohibition will be borne by and charged to the Lessee.

14. Compliance with PPA's and Other Government Agencies Rules and Regulations. The lessee shall comply with all rules, ordinances, promulgated by the Authority and those of other government agencies regarding the use, occupation and sanitation of the leased premises and non-compliance therewith shall be at its own risks and expenses. It is understood therefore that all government instrumentalities holding office thereat shall continue to exercise the right of occupancy of their areas in the exercise of their functions.
15. Submission of Reports. The Lessee shall promptly submit pertinent data or records pertaining to the leased premises which may be required by the Authority from time to time.
16. Return of Premises upon Termination of Permit to Occupy. Upon the expiration of the term of this Permit to Occupy or upon cancellation thereof as herein provided, the lessee shall promptly surrender the premises to the Authority in as good and tenantable condition as when taken. That upon termination or cancellation, the lessee shall not bring any action

intended to stifle, prevent, obstruct, hinder or hamper the exercise of the Authority of its rights and priveleges as owner of the property.

17. Sufficiency of Notice to Vacate. The Authority reserves the right to revoke this Permit within a thirty (30) days notice for violation on non-compliance with any of the aforesatated conditions.
18. Notice of Renewal. A written intention to renew must be submitted to the Port Manager at least thirty (30) days before the expiration of this Permit.
19. Claims by Third-Parties. The Lessee hereby holds the Authority free and harmless from any and all claims, liabilities, action or suits, by third-parties by reason of this permit.or occupancy.

CONCURRED :

WITNESSED BY:
