



05 October 1998

PPA MEMORANDUM CIRCULAR
NO. 43 - 98

T O
The District Manager, PDO-Manila
The Port Manager, PMO-South Harbor
The Officer-In-Charge, MICT
The Cargo Handling Operators at MICT
and South Harbor
The Shipping Lines at MICT and
South Harbor
The Exporters
And Others

SUBJECT **CLARIFICATION OF SHUT-OUT CHARGES**

To further clarify the implementing rules on shut-out charges on export/transshipment containers at MICT and South Harbor the following guidelines are hereby issued

- 1 Shut-out container refers to an export/transshipment container whether full or empty which fails to get loaded unto a nominated exporting vessel
- 2 Shut-out charge is an imposition on a shut-out container under the existing tariff at MICT and South Harbor
- 3 The same charge equivalent to a shut-out charge may however be imposed on containers whether full or empty when shippers/shipping lines give instructions or request for a change of status under any of the following instances
 - 3 1 Change of exporting vessel where the container/s is/are intended to be loaded,

- 3 2 Change of port of destination of the container/s, and
- 3 3 Change in weight of container/s as previously declared

4 Shut-out charge shall be for the account of the shipper or the shipping line/agent depending on the cause of the shut-out. It shall be for the account of the shipper if the shut-out is due to the shipper's instruction/fault, such as but not limited to, change of loading vessel after receipt of the container at the terminal and/or change of port discharge and/or issuance of hold order by the shipper. On the other hand, the shut-out charge shall be for the account of shipping line/agent if the change of status is due to shipping line/agent's request/instruction/fault such as but not limited to when vessel is full and/or lacks port time, vessel breaks down while in port and/or hold order issued by shipping line/agent.

5 The shut-out export container shall not be loaded to the nominated vessel without prior payment of the shut-out charge. The amount of the shut-out charge shall be based on the prevailing PPA approved cargo handling tariff of MICT and South Harbor.

~~This circular shall take effect immediately~~



JUAN O. PEÑA
General Manager

mc-shut/w