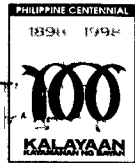




Republika ng Pilipinas  
**PANGASIWAAN NG DAUNGAN NG PILIPINAS**

(PHILIPPINE PORTS AUTHORITY)  
Marsman Bldg 22 M de San Francisco  
South Harbor Manila 1018

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SEP 13 1996

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**PPA MEMORANDUM ORDER**  
**NO. 06-96**

**T O** The District Manager, PDO Manila  
The Port Manager, PMO South Harbor  
Manila Floating Silo Corporation  
Others Concerned

**SUBJECT :** **GUIDELINES ON THE MANAGEMENT AND OPERATION OF THE  
FLOATING BULK TERMINAL FACILITIES AT SOUTH HARBOR,  
MANILA**

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**I AUTHORITIES:**

- 1.1 Presidential Decree No 857, as amended
- 1.2 PPA Board Resolution No. 1282, passed on April 07, 1992
- 1.3 PPA Board Resolution Nos. 1597 and 1598 passed on July 30, 1996

**2. SCOPE/LIMITATION:**

- 2.1 This Order shall govern the management and operation of the floating grains terminal at South Harbor, Manila to be undertaken by the Manila Floating Silo Corporation (MAFSICOR), the duly licensed contractor of the AUTHORITY (herein referred to as CONTRACTOR)

MAFSICOR shall operate the floating bulk terminal facilities and their specialized equipment, related gear and appliances at South Harbor for purposes of receiving from bulk carriers all types of bulk cargoes, convey cargoes to the hold of the terminal or to the bagging plant, to store the cargoes in the holds, to reclaim the cargoes from the bottom of the holds, and to deliver bulk and/or bagged cargoes to barges at the anchorage. Adjunct to said services, other activities shall include shipside checking and weighing of cargoes and cleaning and maintenance of the terminal

3. **PURPOSES:**

- 3.1 To provide the necessary guidelines for the operation and management of the MAFSICOR floating grains terminal, pursuant to its main contract, dated September 8, 1992 and supplemental contract dated August 8, 1996.
- 3.2 To serve as guide to bulk shippers, consignees or importers and PPA personnel in their working relations and transactions with the CONTRACTOR regarding bulk shipments intended for discharging at or bound for South Harbor, Manila.

4. **OBJECTIVES:**

- 4.1 Ensure the expeditious and economical delivery and shipment of grains.
- 4.2 Enhance turn-around time of bulk-carrying vessels.
- 4.3 Assist in ensuring adequate supply of staple products destined for Manila.

5 **SPECIFIC GUIDELINES:**

- 5.1 **Non-Compulsory Clause** - The use or availment of the floating bulk terminal facilities of the CONTRACTOR shall not be compulsory.
- 5.2 **Supervision** - The Port Management Office of South Harbor, shall have direct supervision of the management and operation of the floating bulk terminal and as such shall have monitoring and reporting responsibility to PPA Head Office, thru its District Office Accordingly, PMO South Harbor shall monitor strict compliance of the terms and conditions of the MAFSICOR contract, giving particular attention to the financial interest of the AUTHORITY, including higher operational efficiency and lower handling costs as a consequence of the use of such facilities
- 5.3 **Anchorage/Area Allocation** - The floating bulk terminal facility of the CONTRACTOR shall be assigned at anchorage berths Nos. 01 and 02 Inside Break Water (IBW) of the South Harbor or other suitable anchorage/berth facilities as may be determined by the AUTHORITY in consultation with the CONTRACTOR.



5.4 Documentation/Reports - The following documents/ reports shall be submitted to the Office of the Port Manager, PMO South Harbor by the parties hereunder specified:

- 5.4.1 Floating Terminal Facility -
  - 5.4.1.1 Certificate of Philippine Registry
  - 5.4.1.2 Appropriate license from government agency/ies concerned
  - 5.4.1.3 Cargo Manifest (if facility is loaded at the start of the initial operations)
  - 5.4.1.4 PPA Official Receipt on Floating Terminal fee/government share
  - 5.4.1.5 Report on gross revenue/month (supported by bill of charges on operations for all cargoes handled)
- 5.4.2 Carrying Vessel (serviced by the floating terminal)
  - 5.4.2.1 PPA official receipt on wharfage (for single consignee)
  - 5.4.2.2 Tonnage report (daily/per consignee)
  - 5.4.2.3 Statement of facts (shipping agent)
  - 5.4.2.4 PPA Official Receipt for payment of Floating Terminal fees
- 5.4.3 Barges/consignees (for withdrawal to final destination/consignee's warehouse)
  - 5.4.3.1 Approved berthing permit at Pasig from the TMO
  - 5.4.3.2 Latest payment of bay and river usage fees
  - 5.4.3.3 Approved shipside permit (BOC)



5.4.3.4 Official Receipt for payment of wharfage/consignee/permit (import and domestic-out for cargoes bound to domestic port)

5.4.3.5 Tonnage loaded per barge (certified by the terminal facility)

5.5 Pre-Planning Operations - There shall be a pre-planning meeting to be presided by the Port Manager, South Harbor or his duly authorized representative at least 48 hours before the arrival of the vessel to be attended by representatives of concerned parties. Such pre-planning meetings shall ensure immediate dispatch of the vessel through deployment of adequate number of stevedores, barges or lighters, as well as proper sequencing in loading/unloading operations.

5.6 Manpower/Equipment Requirement - The CONTRACTOR shall hire the stevedoring services from the authorized cargo handling contractor at South Harbor, Manila who shall provide adequate and qualified manpower as may be required by the bulk handling operator. Further, the CONTRACTOR/floating terminal operator shall provide the specialized cargo handling equipment as the nature of the cargo and/or the technical requirements of operations may demand, subject to modifications by the AUTHORITY after due deliberation/consultation.

5.7 Responsibility and Liability for Injury to Workers and Cargo Damage/Loss - The CONTRACTOR shall be solely responsible for injury suffered by its personnel/workers, or damages/losses caused to cargoes on account of its negligence or fault of its agents or employee/s. In this connection, the AUTHORITY is free from any liability whatsoever therefrom. Accordingly, claims for cargo damage/loss shall be filed with the CONTRACTOR, copy furnished the AUTHORITY (PMO South Harbor). The claim shall be made within 15 days from date of issuance by the CONTRACTOR of a certificate of loss, spillage or damage.

For this purpose, the Claims Arbitration Committee created for PMO South Harbor shall have jurisdiction over all claims not resolved by the CONTRACTOR

5.8 Terminal Service Fee - The CONTRACTOR shall be authorized to prescribe and collect a terminal services fee provided that no such fee shall be imposed unless approved by the AUTHORITY



- 5.9 **Floating Terminal Fee** - The CONTRACTOR shall pay to the AUTHORITY the Floating Terminal Fee of ₱0.05/GRT/day as a special anchorage or berthing fee for all the floating bulk terminal facilities at South Harbor
- 5.10 **Billing and Billing Procedures** - The CONTRACTOR shall bill all cargoes handled, received and placed in its custody based on actual weight or measurement, whichever is greater, but in no case less than those indicated in the inward or outward manifest.
- 5.11 **Visitorial Power of the AUTHORITY** - The CONTRACTOR shall make available, at all times during office hours for inspection, examination and audit by duly authorized representative of the AUTHORITY and other government agencies exercising visitorial powers all books of accounts, properties, inventories, payrolls and financial records of the CONTRACTOR relative to the operations and management of MAFSICOR. Such visitorial powers shall be exercised by authorized officials concerned pursuant to and within the limits of their duties and functions.

6. **EFFECTIVITY:**

This Order shall take effect immediately

  
CARLOS L. AGUSTIN  
General Manager