

OCT 23 2019



PPA ADMINISTRATIVE ORDER
NO. 10 -2019

TO : All Port Managers
Cargo Handling Operators
Consignees/Cargo Owners/Shippers
Brokers/Forwarders
Others Concerned

SUBJECT : Uniform Port Tariffs for Tier 3 Ports Under the Port Terminal Management Regulatory Framework

1. AUTHORITY

- 1 1 Article VII, Presidential Decree No 857
- 1 2 Board Resolution No 2839
- 1 3 PPA Administrative Order (AO) No 03-2016

2. PURPOSE

To prescribe the uniform port tariffs for Tier 3 ports under PPA AO No 03-2016 otherwise known as the "Port Terminal Management Regulatory Framework" (PTMRF)

3. COVERAGE

This Administrative Order covers the rates to be imposed for Tier 3 ports under the PTMRF, such as, but not limited to the following

- 3 1 Cargo Handling Charges
 - 3 1 1 Stevedoring Fee
 - 3 1 2 Bagging Rates
 - 3 1 3 Line Handling Rates
 - 3 1 4 Other Cargo Handling Related Charges
- 3 2 RO-RO Terminal Fee
- 3 3 Passenger Terminal Fee
- 3 4 Porterage Rate
- 3 5 Waste Reception Fee

4. DEFINITION OF TERMS

For purposes of this Order, the following terms shall be construed to mean as indicated

- 4 1 Bagging - the loading of bulk cargo from the vessel to the hopper or storage container to empty sacks/bags and weighing and sewing of sacks
- 4 2 Battery Charging – refers to service extended to clients to ensure/sustain continuity of operations Work involves moving the bogged down equipment away from the area of operation, removal of the discharged battery, charging and returning and reinstalling the recharged battery
- 4 3 Bulk Cargo – are goods shipped, liquid or dry, in bulk, not packed or bundled *in separate units, including such commodities as are loose or in mass and such commodities which must be pumped, shoveled, scooped, grabbed or forked in loading or unloading*
- 4 4 Checking Services – services of tallying marks, countermarks and numbers, quantity, conditions of cargoes, whether in good or bad order and measurement of breakbulk or bulk cargoes, containers, performed by duly authorized "Cargo Checkers "
- 4 5 Consumer Goods – are products bought for consumption by the average consumer which are given discounted port tariff
- 4 6 Containerized Cargo – are those stuffed inside a container van with the external dimensions and ratings as enumerated in series 1 of ISO 668-2013 which are specially designed to facilitate ready handling particularly their transfer from one mode of transport to another without intermediate reloading
- 4 7 Cranage – this refers to charges for the use of gantry or ship-to-shore crane
- 4 8 *Cubic Meter - It is the volume of a cube computed by multiplying the height, length and width of the cargo*
- 4 9 Extra Labor - refers to the extra manpower, outside of the standard manpower compliment, which may be required during the exigency of service The standard manpower compliment shall be defined in the Port Terminal Management Contract (PTMC)
- 4 10 General Cargo - cargoes that are listed in a number of bills of lading, each consisting of different commodities These shall include, but not limited to bagged cargoes, crates, cylinders, cases, baskets, bales, rolls, drums and such other like or similar types of packing, including heavy lift, iron and steel,

vehicles, live animals, crated or uncrated fowls such as chickens, ducks and the like and other loose cargoes

- 4 11 Handling Activities at Cold Storage – hauling services in receiving, withdrawal and shifting of palletized drums inside the Cold Storage Facility
- 4 12 Hustling – refers to the transfer of containers, as requested by the shipping line or by the shipper / consignee, from one location to another within the port premises
- 4 13 Lashing – to secure cargoes by binding closely with a rope, cable or small stuff
- 4 14 Lift-on / Lift-off – additional lifts for the cargoes in excess of the regular cargo handling move as a result of
 - 4 14 1 Sorting of outbound containers as requested by shipping lines,
 - 4 14 2 Return of container to stack due to cancellation of voyage,
 - 4 14 3 Dismounting from truck due to breakdown,
 - 4 14 4 Transfer of container to an isolated location to avert possible hazard,
 - 4 14 5 Sorting of empty container handpicked by clients, and
 - 4 14 6 Other circumstances that would require an additional move
- 4 15 Line Handling – refers to the service of securing or releasing vessel's mooring lines
- 4 16 Liquid Bulk Cargo – shall include, but shall not be limited to, diesel oil, bunker oil, natural coconut oil, gasoline, alcohol, molasses and such other similar liquid products that are loaded in bulk to/from tankers, barges and like carriers via a pipeline system, hose or other similar implements
- 4 17 Metric Ton – shall mean 1,000 kilograms
- 4 18 Mooring and Unmooring Fee - the rate charged by the Contractor for making fast and letting go the vessel's mooring lines
- 4 19 Palletized/Unitized cargoes – are general or breakbulk cargoes stacked on a portable platform or deck called a pallet, generally about five or six squares feet, which shall not be less than one (1) metric ton (MT) in weight or 1 1326 cu m in measurement, and which can be transported, usually by a mechanical appliance such as forklift truck

- 4 20 Passenger Terminal Fee - This fee is assessed against a passenger of a vessel, other than a crewmember, for the use of port terminal port facilities, inclusive of the Port Security Fee. The fee does not include charges for any other service
 - 4 21 Porterage Service – the carriage by manual handling and/or with the use of wheeled equipment like pushcarts, of passengers' pieces of baggage, luggage, and or personal belongings to/from the passengers' point of embarkation or disembarkation to/from the entrance or exit gates of the port premises
 - 4 22 Pre/Post Handling – the activity where domestic non-containerized cargoes, specifically, bagged cargoes (small, jumbo or sling) are hard-piled and stored at PPA-owned and designated open storage shed or warehouse located inside the port prior to delivery or loading to vessel
 - 4 23 Ro-Ro Terminal Fee - The fee charged for self-driven vehicles in ports where RO-RO facilities and services are available including RO-RO ports under the Strong Republic Nautical Highway
 - 4 24 Shifting – movement of cargoes from one hatch to another or within the same hatch
 - 4 25 Shoring – securing a cargo in vessel hold
 - 4 26 Stand-by Time – shall mean to be the time when workers are engaged to work but cannot work after the first one (1) hour of the entire vessel operations, and shall be limited to the following reasons
 - 4 26 1 Inclement weather, which causes stoppage of operations,
 - 4 26 2 Breakdown of vessel's cargo handling gear or equipment,
 - 4 26 3 *Waiting for cargo / barge (for shipside operations)*
 - 4 26 4 Men engaged but not put to work
- Any stand-by or temporary stoppage of cargo handling work not within the above enumeration may be subject to stand-by charges provided the cause or causes of such temporary stoppage is/are beyond the control and not thru the fault or negligence of the contractor/operator, and provided further that proper clearance and approval is granted by PPA. The shipping company/agent shall be liable for stand-by time charges
- 4 27 Stevedoring Fee – the rate to be levied by the Contractor for all work performed on board a vessel (ship side) and on the dock (dock side)

- 4 28 Stockpiling – refers to activity where foreign non containerized cargoes, specifically, bagged cargoes (small, jumbo or sling) are hard-piled and stored at PPA-owned and designated open storage shed or warehouse located inside the port prior to delivery or loading to vessel
- 4 29 Sweeping – refers to the required activity when handling bagged cargo where spillages are necessary occurrence Work involves recouping spillages and rebagging the recovered material
- 4 30 Trimming – balancing of a ship by shifting cargo, etc
- 4 31 Unbagging – refers to service rendered by the service provider as requested by the customers/shippers wherein the contents of bagged cargoes are being emptied out to the vessel hold It is a conversion of cargo from breakbulk to bulk The cargo enters the port in breakbulk and is being loaded/shipped in bulk
- 4 32 Unlashing – to untie or unfasten the lashing used to bind the cargoes
- 4 33 Waste Reception Fee - The amount imposed for the collection and/or receiving discharges of oily wastes, noxious liquid substance and garbage from vessels

5. PORT TARIFFS

The Port Terminal Management Operator (PTMO) shall be allowed to collect fees and charges for the services it will render based on the schedule of restructured port tariff in **Annex "A"** The Stevedoring Fee shall be collected by the PTMO from the shipping line company/agent upon completion of the cargo handling services The collection procedure shall be defined in the Port Terminal Management Contract (PTMC) of each port

6. APPLICABILITY

The uniform port tariffs shall be applicable upon implementation of the Terminal Management Policy and a Contract entered into with the winning Bidder/Concessionaire Those Terminal Operators/Cargo Handling Operators with existing Development, Management and Operation Contract and Cargo Handling Service Contract shall use the existing cargo handling tariff as indicated in their respective contracts

7. ADJUSTMENT OF PORT TARIFF

Upon request of the PTMO for port tariff adjustment, the Authority shall evaluate all existing PTMCs and adjust the port tariffs if applicable, subject to the conduct of public hearing and approval of the PPA Board of Directors. Any approval by the PPA Board thereon shall be applied across the board.

8. FORMULA ON PORT TARIFF ADJUSTMENT

In the determination of appropriate adjustment in port tariffs, the formula to be used is the **Consumer Price Index (CPI) Adjustment Factor**, as follows:

$$\text{New Approved Tariff} = \text{Existing Tariff} \times \frac{\text{CPI (All Items) Philippines NEW}}{\text{CPI (All Items) Philippines OLD}}$$

Where

CPI (All Items) Philippines NEW = the CPI of the immediately preceding year at the time the port tariff is to be adjusted

CPI (All Items) Philippines OLD = the latest CPI considered in the grant of the last increase

9. FREQUENCY OF PORT TARIFF ADJUSTMENT AND ENTITLEMENT

Upward adjustment of port tariffs of ports under the Tier Classification shall be every **three (3) years**. The Contractor is entitled to apply the adjusted rates for as long as Items 5 (Financial Obligations and Liabilities) and 6 (Operational Obligations) under Article VI (Specific Policy Guidelines) of PPA AO No. 03-2016 and the Key Performance Indicators set by PPA shall have been complied with.

10. PROCEDURE IN THE CONDUCT OF PUBLIC HEARING

The public hearing shall be conducted in three (3) clusters (Luzon, Visayas and Mindanao) following the procedures below:

- 10.1 **Creation and Composition of the Hearing Panel.** Upon receipt of the proposal from CSD, the OCBS **within two (2) working days** shall prepare the PPA Special Order (SO) creating the hearing panel for the conduct of public hearing to be signed/issued by the PPA General Manager and endorse the same to the PPA Board Technical Working Group (TWG), together with the proposal. The Hearing Panel shall be composed of the

Technical Assistants of the Members of the PPA Board of Directors representing **DOTr, MARINA, DPWH, DENR, DTI, DOF, NEDA, OGCC** and the **Private Sector**.

- 10 2 ***Schedule of Public Hearing.*** Upon receipt of the petition and the signed PPA SO from OCBS, the PPA Board TWG **within two (2) working days** shall organize themselves to appoint a Chairperson. The PPA Board TWG shall coordinate with OCBS and the concerned PMO as regards the schedule of the public hearing.
- 10 3 ***Creation of Secretariat.*** The PMO concerned who will be requested by the Commercial Services Department (CSD) to assist them, shall create the Secretariat who will
 - 10 3 1 Prepare and issue the Notice of Invitation
 - 10 3 2 Prepare and certify the Minutes of the Public Hearing, including the attendance sheet, and
 - 10 3 3 Prepare the Draft Report, with the PMO's recommendation
- 10 4 ***Notice of Public Hearing.*** The notice shall contain the venue, day, and time of the Public Hearing. The notice shall be posted in public areas (e.g. port office, municipal hall, public market, etc.) and in the official websites of PPA and the PMO
 - 10 4 1 The public hearing may be held in any of the Ports under the jurisdiction of the concerned PMO, or any venue which the concerned PMO would deem fit in terms of accommodating the expected number of participants
 - 10 4 2 The PMO shall post and send the notices/invitations through letters, electronic mail, facsimile, and other acceptable means, at least **10 working days** before the scheduled public hearing. A copy of the pleading, including all Annexes, duly certified by the CSD Manager as complete shall also be posted at the PPA official website
 - 10 4 3 The notices/invitations shall be served to ALL affected sectors and interested parties, including but not limited to shippers, shipper's council, port users, industry players and associations, passenger group, Local Governments Units (LGUs), and concerned civil society organizations (CSOs)
 - 10 4 4 The notices/invitations shall be delivered directly to all concerned, who shall duly acknowledge receipt of the same

- 10 5 **The Role of CSD Manager** The CSD Manager shall
- 10 5 1 Act as Moderator during the conduct of the public hearings
In the absence of the CSD Manager, the Port Manager of the PMO requested to assist CSD during the conduct of public hearing shall act as the Moderator
 - 10 5 2 Inform the body of the purpose of the public hearing, as well as the rules during the conduct of the hearing,
 - 10 5 3 Acknowledge the presence of the participants and the company/associations they present
 - 10 5 4 Present to the Chairperson of the Hearing Panel, the proof of compliance with the required posting/issuance of Notice/Invitation to participants
- 10 6 **The Power and Functions of the Hearing Panel.** The Hearing Panel shall have the following powers and authority
- 10 6 1 Call the public hearing in order after ensuring that administrative proceedings leading to the conduct of public hearing has been complied by the PMO
 - 10 6 2 Preside during the public hearings and regulate proceedings before them and to do acts and take all measures necessary or proper for the efficient performance of their duties
 - 10 6 3 Require the proponent to present the petition, including the background on the business condition, and the justification for the request for adjustment and/or proposal for new tariff
 - 10 6 4 Presence of at least **three (3)** members of the Hearing Panel shall constitute a sufficient number to conduct the public hearing
 - 10 6 5 Attendance of the member of the Hearing Panel may be allowed through video conference and/or teleconference, and
 - 10 6 6 Avail of all reasonable means to ascertain relevant facts
- 10 7 **During Public Hearing** The proponent and all attendees are given the opportunity to present their requests and comments

- 10 7 1 The proponent will be given the time to present their petition and justifications within their contract and applicable regulations of the Authority
 - 10 7 2 The attendees shall be allowed to freely express their opinion, comments and recommendations Other participants will be called to comment on the presentation of the proponents without prejudice to the submission of the written comments/position papers within the period prescribed herein
- 10 8 **After the Public Hearing.** The petitioner and all the attendees are given due course for the Hearing Panel to fully appreciate the views and comments
- 10 8 1 The participants shall submit their position in writing, addressed to the proponent, copy furnished the concerned PMO, **within five (5) working days** from the conduct of public hearing Position papers received after the prescribed period shall not be considered in evaluation.
 - 10 8 2 Upon receipt thereof, the proponent shall reply in writing, copy furnished the concerned PMO, **within one (1) working day**
 - 10 8 3 The concerned PMO, as part of its Secretariat functions, shall submit the attendance sheet, the Minutes of Public Hearing, summary of position paper received vis-a-vis the reply of the proponent and the comments of the PMO and the draft report, to the PPA Board TWG through OCBS within **two (2) working days** after the conduct of public hearing
- 10 9 **PPA BOARD TWG REPORT AND RECOMMENDATION**
- 10 9 1 **Submission of Report/Recommendation.** The PPA Board TWG, upon receipt of the complete documentation and report from concerned PMO, through the OCBS, shall convene and conduct the final evaluation of the petition, shall submit a report, including its recommendations to the PPA Board of Directors through OCBS, within **five (5) working days**.

11 REPEALING CLAUSE

All PPA orders, rules and regulations or issuances inconsistent herewith are hereby deemed modified, amended or otherwise revised accordingly

12. EFFECTIVITY

The uniform port tariffs shall be effective upon implementation of the PTMRF and a Contract entered into with the winning Bidder/Concessionaire

This Administrative Order shall take effect 15 days after publication in a newspaper of general circulation



JAY DANIEL R. SANTIAGO
General Manager

Published in the Philippine Star - October 26, 2019

Effectivity Date November 10, 2019

UNIFORM PORT TARIFFS
Tier 3 Ports under the Port Terminal Management Regulatory Framework

A CARGO HANDLING TARIFF

	Unit of Measurement	Stevedoring Fee (Php)	
		Palletized	Non-Palletized
1. Breakbulk Cargoes			
a General Cargo	Per Cubic Meter or Metric Ton whichever is higher	489 00	543 00
b Consumer Goods such as Rice, Corn, Flour, Sugar, Milk, Fresh Eggs, Dressed Chicken, Canned Fish, Edible Oil and any other consumer goods that the PPA Board of Directors may approve	Per Cubic Meter or Metric Ton whichever is higher	117 00	130 00
2 Bulk Cargoes			
a Dry Bulk	Per Cubic Meter or Metric Ton whichever is higher		256 00
b Liquid Bulk	Per Cubic Meter or Metric Ton whichever is higher		14 00
3 Containerized Cargoes		Stevedoring Fee (Php)	
		Loaded	Empty
a LO-LO	Per TEU	2,008 00	1,593 00
		Handling Fee (Php)	
		Loaded	Empty
b CHA-RO / STO-RO	Per TEU	549 00	221 00

4 Charges for Value Added Services			<u>Regular Time</u>	<u>Overtime</u>
4 1	Stand-by Charges	/gang/hr	442 00	662 00
4 2	Extra Labor Charges	/gang/hr	442 00	662 00
4 3	Shoring/ Lashing/ Unlashing/Trimming	/gang/hr	442 00	662 00
4 4	Pre/post handling	1/4 of General Cargo Rate		
			<u>Loaded</u>	<u>Empty</u>
4 5	Shifting Charges	Per TEU	1,020 00	723 00
4 6	Cranage Rates	Per TEU	1,288 00	1,083 00
4 7	Lift-on/Lift-off	Per TEU	408 00	204 00
4 8	Hustling	Per TEU	305 00	246 00
4 9	Stockpiling Charges	Cu Meter		54 00
4 10	Battery Charging	/Hour		246 00
4 11	Handling Activities at Cold Storage	Per Pallet		70 00
4 12	Sweeping	/bag		10 00
4 13	Checking Charges	/MT		125 00
4 14	Bagging	/MT		150 00
4 15	Unbagging	/MT		100 00

B RO-RO TERMINAL FEE (RRTF)

Vehicle Type	Description	RRTF Base Rates (Php)	VAT (12%) (Php)	RRTF (Php)
1	Motorcycle, Tricycle Scooter	58 04	6 96	65 00
2	Car, Minivan SUV AUV, Owner, Jeep PUJ not more than 16 pax	115 18	13 82	129 00
3	Light Delivery Truck, Van Pick-up Truck, PUJ more than 16 pax	230 36	27 64	258 00
4	Stake truck, heavy delivery truck, passenger/tourist bus, prime mover, tractor head with or without trailer/chassis, 10-wheeler	460 71	55 29	516 00

C PASSENGER TERMINAL FEE per pax Php 30 00

D PORTERAGE RATES per piece 50 00

E WASTE RECEPTION FEE

TYPE AND CLASSIFICATION OF VESSEL	Waste Reception Fee		
	Fixed Fee (covers the collection of 1 0 cu m or less of garbage)	Additional Fee	
		Excess Garbage	Only Waste and NLS
DOMESTIC			
> Passenger ferry regardless of GT that calls at base and private port for more than once a day	Php 500 00/call	Php 500 00/call	Php 6,500 00 /cu m
> Passenger/cargo vessel from 7 GT to 400 GT	Php 750 00/call	Php 750 00/ cu m	Php 6,500 00/ cu m
> Passenger/cargo vessel of 401GT - 1000 GT	Php 1 000 00 /call	Php1,000 00 / cu m	Php 6,500 00 / cu m
> Passenger/cargo vessel of 1001 GT and above	Php2,000 00 /call	Php 1,800 / cu m	Php 6 500 00 /cu m
FOREIGN			
> 1000 GT and below	Php10,000 00 /call	Php 10,000 00 / cu m	Php20,000 00 /cu m
> 1001 GT and above	Php 15 000 00 /call	Php 15,000 00 / cu m	Php20,000 00 /cu m

F LINE HANDLING FEE

Size of Vessel	Rate (Php)
Less than 25 GT	115 00
25 up to 100 GT	195 00
101 up to 500 GT	395 00
501 up to 1,000 GT	490 00
1001 up to 3,000 GT	685 00
3001 up to 5,000 GT	885 00
5001 up to 10,000 GT	1,175 00
10,001 up to 20,000 GT	1,370 00
above 20,000 GT	1,600 00