

# PHILIPPINE PORTS AUTHORITY

## CY 2016 YEAREND ACCOMPLISHMENT REPORT

### EXECUTIVE SUMMARY

The Authority performed well during the year 2016, outpacing its performance during the same period last year. The expectation to perform well and surpass targets resulted in positive variances of performance metrics such as financial performance, port operation statistics, and port performance indicators, among others.

In particular, revenue generated by the Authority continued its upward inclination as figures for the period ending 31 December 2016 not only recorded a positive deviation against target but also exceeded the previous year's returns by more than 7.00%, notwithstanding the recorded decline in revenue from Storage owing from anti-port congestion measures implemented by PPA. The positive results in revenue, however, were counterweighed by the 5.47% increase in corporate expenditures which was propelled primarily by accelerated facilities maintenance projects of PPA as well as greater costs relative to administration. Notwithstanding this, Net Income After Income Tax ended 15.37% higher when compared with that recorded in 2015.

Sustained growth momentum in port operation statistics was also exhibited by PPA with registered improvements in volume of transactions in shipping and trade as well as in key port performance metrics. Cargo throughput and Containers handled at the ports for the year were higher by 8.98% and 11.23%, respectively, where both foreign traffic components took the biggest share in the overall positive deviation. Likewise, passenger traffic and vessel serviced during the period posted growth due to increased reliance on water-borne transport for domestic inter-island connectivity, and increased demand for prime commodities and construction materials which resulted in higher vessel calls. The Ports of Manila, on the other hand, continue to remain free from congestion as a result of the measures set in place to ensure the smooth sailing movement of containers. The faster and efficient flow of movement of commodities resulting from the anti-port congestion programs implemented yielded rates well within internationally accepted standards.

To provide responsive, uninterrupted, and streamlined port services to its clientele, PPA awarded Contracts and/or Permits to private entities for the development of ports, lease of idle spaces, and provision of cargo handling and ancillary services. PPA also issued a total of 11 appointments to harbour pilots at various pilotage districts nationwide. Private partnerships were likewise sought for the lease, management, operation, and maintenance of existing Passenger Terminal Buildings where eight (8) were successfully awarded to the winning contractors.

In view, however, of the Authority's regulatory function, policies, rules and regulations and/or updates of existing policies were issued to keep its operation in line with national government thrusts as well as current business trends and best practices in the water transport industry.

In the area of port development, PPA completed various engineering projects for the improvement facilities and increase in productivity as well as for maintaining ports at its optimum capacity. Considerable amounts are apportioned from the corporate budget to port infrastructure facilities construction, dredging, and repairs and maintenance nationwide aimed at improving the capacity, service standards, safety, and efficiency of ports, consistent with the government's development agenda.

Various strategic initiatives were likewise undertaken by PPA in view of its vision of providing globally competitive services which included, among others, the future proofing of gateway ports by preparing selected major ports in the Visayas and Mindanao for container operations, certification of ports to QMS 9001:2015 standards for vessel entrance and clearance, transport connectivity improvement, and installation of Automatic Identification System (AIS).

With the intensified business operation of PPA, it endeavoured to complete the second tranche of filling-up of positions per GCG-approved staffing pattern. Per approved RatPlan, a total of 3,151 positions was approved by the GCG of which 1,318 positions are for filling-up in 2016. Temporary and/or immediate employment opportunities in PPA's infrastructure projects were also made available by PPA through the Community-Based Employment Program (CBEP)/Kabuhayan Program. Moreover, various programs were undertaken for the welfare of PPA employees as well as of the port stakeholders aimed at addressing gender-related issues and concerns and responding to the needs of persons with special needs (PWSN).

While demands and expectations from PPA have been entirely challenging during the year, it is not remiss on its duty to be a model corporate agency by faithful compliance with the requirements of the Governance Commission for GOCCs relative to Good Governance.

**JAY DANIEL R. SANTIAGO**  
General Manager

# PHILIPPINE PORTS AUTHORITY

## YEAREND ACCOMPLISHMENT REPORT

### CY 2016

#### I. AGENCY MANDATE AND FUNCTIONS

##### A. Mandate

PPA was created through Presidential Decree (P.D.) No. 505, otherwise known as the *“Philippine Port Authority Decree of 1974”*, issued on July 11, 1974. Under the said Decree, PPA is given general jurisdiction and control over all persons, groups, and entities that already existing or are still being proposed to be established within the different port districts throughout the country.

PPA, in coordination with other government agencies, is also mandated to prepare and annually update a *“Ten-Year Philippine Port Development Program”* which shall embody the integrated plan for the development of the country’s ports and harbors.

However, recognizing the need to integrate and coordinate port planning, development, control and operations at the national level while at the same time promoting the growth of regional port bodies which may be more familiar with the peculiarities and potentials of their respective localities, P.D. No. 857, or the *“Revised Charter of the Philippine Ports Authority”*, was issued on November 16, 1978.

PD No. 857 expanded the concept of port administration not only to focus on revenue collection, harbor maintenance, and cargo handling but also to include emphasis on the role of ports as key to spurring regional growth.

In 1978, PPA’s charter was further amended by Executive Order (E.O.) No. 513, granting police authority to the PPA; creating a National Ports Advisory Council (NPAC) to strengthen cooperation between the government and the private sector; and empowering the PPA to exact reasonable administrative fines for specific violations of its rules and regulations. Other amendments were also introduced to further define the role of PPA.

##### B. Functions

Pursuant to Article IV Section 6 of the PPA Charter, the following are the corporate duties of the Authority:

- a. To formulate in coordination with the National Economic and Development Authority a comprehensive and practicable Port Development for the State and to program its implementation, renew and update the same annually in coordination with other national agencies;
- b. To supervise, control, regulate, construct, maintain, operate, and provide such facilities or services as are necessary in the ports vested in, or belonging to PPA;
- c. To prescribe rules and regulation, procedures, and guidelines governing the establishment, construction, maintenance, and operations of all other ports, including private ports in the country;
- d. To license, control, regulate, supervise any construction or structure within any Port District;
- e. To provide services (whether on its own, by contract, or otherwise) within the Port District and the approaches thereof, including but not limited to berthing, towing, mooring, moving, slipping, or docking any vessel; loading or discharging any vessel; and, sorting, weighing, measuring, warehousing, or otherwise, handling goods;
- f. To exercise control of or administer any foreshore rights or leases which may be vested in PPA from time to time;
- g. To coordinate with the Bureau of Lands or any other government agency or corporation, in the development of any foreshore area;
- h. To control, regulate and supervise pilotage and the conduct of pilots in any Port District;
- i. To provide or assist in the provision of training programs and training facilities for its staff of port operators and users for the efficient discharge of its functions, duties, and responsibilities; and,
- j. To perform such acts or provide such services as may be deemed proper or necessary to carry out and implement the provisions of the PD, including the adoption of necessary measures to remedy congestion in any government port, and in coordination with the Bureau of Customs in the case of ports of entry (as amplified by E.O. No. 513).

## **II. KEY POLICY ISSUANCES**

In view of the regulatory function of PPA, new rules and regulations and/or updates on existing policies were issued to keep its operation aligned with the thrusts of the national government and current business trends and best practices in the water transport industry. Among the port operations policies issued during the year 2016 are as follows:

### **Operations Memorandum Circular (OMC)**

- OMC 001-2016 Clarification on the Assessment of Storage Charges for Outbound Domestic Cargoes
- OMC 001-2016 Classification of Cement in Sling and Jumbo Bags
- OMC 002-2016 Updated Roster of Harbor Pilots - Manila Pilotage District (MPD)
- OMC 002-2016 Clarification on the Assessment of Storage Charges on Export Cargoes

### **Operations Memorandum Order (OMO)**

- OMO 001-2016 Guidelines in the Adoption of Cargo Handling Tariffs in PPA Ports

### **Administrative Order (AO)**

- AO 001-2016 Complimentary PPA Annual Vehicle Pass for Very Important Port Customers/Stakeholders Improving Provisions of PPA Administrative Order No. 004-2009 (Revised General Pass Control System and Access Regulations as Amended)
- AO 002-2016 Simplification of Requirements in the Issuance of Short-Term Lease Permits and Contracts of Lease Permits and Contracts of Lease.
- AO 003-2016 Port Terminal Management Regulatory Framework
- AO 004-2016 Supplemental Policy on Mandatory Weighing of Containers and RORO Vehicles
- AO 005-2016 Erratum on the PPA Administrative Order No. 004-2016 RE: Supplemental Policy on Mandatory Weighing of Containers and RORO Vehicles
- AO 006-2016 Suspension of Compulsory TUG Assistance Service in Ports Declared by PPA

### **Memorandum Circular (MC)**

- MC 001-2016 Amended Guidelines on PPA Memorandum Circular No. 41-85 Entitled Guidelines in the Imposition of Wharfage Fee on Cargoes that Pass through Private Ports
- MC 003-2016 Amending Provision No. 2 of PPA MC No. 01-2016 Entitled Amended Guidelines on PPA Memorandum Circular No. 41-85 entitled Guidelines on the Imposition of Wharfage Fee on Cargoes that Pass through Private Ports

### III. OPERATIONAL HIGHLIGHTS

#### A. Key Operational Data

##### Comparative Port Statistics Summary For the Years ended 31 December 2016 and 2015

	2016	2015	Inc/(Dec)	
			Volume	%
<b>Cargo (MT)</b>	<b>243,757,530</b>	<b>223,672,070</b>	<b>20,085,460</b>	<b>8.98</b>
Domestic	94,364,460	89,051,207	5,313,253	5.97
Foreign	149,393,070	134,620,863	14,772,207	10.97
<i>Import</i>	85,031,592	73,765,548	11,266,044	15.27
<i>Export</i>	64,361,478	60,855,315	3,506,163	5.76
<b>Container (in TEUs)</b>	<b>6,520,264</b>	<b>5,861,830</b>	<b>658,434</b>	<b>11.23</b>
Domestic	2,636,882	2,379,708	257,174	10.81
Foreign	3,883,382	3,482,122	401,260	11.52
<i>Import</i>	1,976,050	1,737,873	238,177	13.71
<i>Export</i>	1,907,332	1,744,249	163,083	9.35
<b>Passenger</b>	<b>68,951,205</b>	<b>62,762,732</b>	<b>6,188,473</b>	<b>9.86</b>
Embarked	33,316,950	32,194,820	1,122,130	3.49
Disembarked	35,634,255	30,567,912	5,066,343	16.57
<b>Ship Calls</b>	<b>433,580</b>	<b>395,095</b>	<b>38,485</b>	<b>9.74</b>
Domestic	421,265	384,897	36,368	9.45
Foreign	12,315	10,198	2,117	20.76

The following observations on the data above are highlighted:

#### **Cargo**

Sustained cargo traffic was exhibited in 2016 as evident with the registered improvement of 20.447 MMT (8.98%) from the recorded volume in 2015.

In particular, domestic cargo relatively improved by 5.97% with notable cargo performance registered at the Ports of North Harbor, MICT, Cagayan de Oro, Davao, and Iloilo. This is due to significant increase in demand for crude minerals, grains, fuel products and construction materials, i.e., cement and metals.

Likewise, foreign cargo volume grew by 11.24% with both import and export components registering growth of 15.76% and 5.76%, respectively. Growth in import traffic was a result of the robust domestic consumption while the enhanced foreign cargo volume owed primarily from growth in export markets which are more pronounced at the ports of MICT, South Harbor, Limay, Cagayan de Oro, and General Santos.

## **Container (TEUs)**

In terms of containerized cargoes handled nationwide, traffic grew 658,434 TEUs (11.23%) from last year's record. Domestic and foreign container volume rose by 10.81% and 11.52%, respectively. As expected among the base ports, the Port of North Harbor continues to rank first in terms of volume of domestic containerized cargo handled during the period with 1,301,099 TEUs. On the other hand, MICT remains as the leader in terms of total volume of foreign containerized cargo handled during the period with 2,173,988 TEUs.

## **Passenger**

Passenger traffic increased by 6.188 million (9.86%) owing primarily to increased reliance on RoRo vessels, fastcrafts, and motorized bancas as primary mode of transportation for domestic inter-island connectivity. In addition, the surge in passenger traffic was likewise a result of the impact of the government's eco-tourism programs encouraging leisure inter-island RoRo travel to tourist destinations such as Boracay, Puerto Galera, Coron, El Nido, and other emerging tourism sites.

## **Ship Calls**

During the period in review, a total of 433,580 vessels were serviced nationwide which rose 38,485 (9.74%) with both domestic and foreign ship calls posting growth of 9.45% and 20.76%, respectively. The improved vessel traffic was a result of increased number of trips of passenger vessels; and, increased shipment of prime commodities and construction materials, i.e., rice/grains, molasses, fertilizers, fuel, cement, ores, and metals among others.

## **B. Productivity Data of Manila Ports (NCR North, NCR South, and MICT)**

PPA continuously monitor the efficacy of anti-port congestion measures set in place as well as the movement of containers at Manila ports, ensuring that efficient port operation is maintained and the ports remain free from congestion. Thus, port performance indicators and allowable measures were established to gauge the productivity and capacity of ports. Shown hereunder is the comparative performance of Manila ports per port performance indicator:

**Port Performance Indicators of Manila Ports  
Monthly Average Rate as of December**

	<b>Berth Occupancy Rate</b>	<b>Yard Utilization Rate</b>	<b>Quay Crane Productivity (move/hr)</b>
NCR North	71.48%	47.00%	25.90
NCR South	58.42%	68.42%	26.17
MICT	69.42%	61.57%	26.33

Indicative data, particularly Yard Utilization Rate, show no sign of congestion problems.

For ports other than those based in Manila, PPA is studying key performance indicators that can be adopted for benchmarking the performance of vessel and or cargo operations according to the type of traffic to which they cater, i.e. bulk, breakbulk, or containerized.

**C. Financial Performance**

Revenue continued to spur growth at a steady pace, posting a year-on-year (YOY) improvement of 7.78% notwithstanding the continuing decline in revenue derived from Storage Charges. Improved performance of other PPA tariff items owing to intensified port operation which offset unrealized revenue from Storage Charges and underscored the increase of 5.47% in corporate expenses heftily contributed to increase in Net Income After Tax of 15.37%.



**Comparative Revenue and Expense**  
**For the Years ended 31 December 2016 and 2015**  
*(In Million Pesos)*

Particulars	Jan.-Dec. 2016		Inc/Dec.		Jan.-Dec. 2015		Inc./(Dec.)	
	Actual	Target	Amount	%	Actual	Amount	%	
<b>REVENUE</b>								
<b>Port Revenue</b>	<b>14,228.24</b>	<b>13,097.22</b>	<b>1,131.02</b>	<b>8.64</b>	<b>13,197.80</b>	<b>1,030.44</b>	<b>7.81</b>	
Port Dues	617.84	515.84	102.00	19.77	519.88	97.96	18.84	
Dockage (Berthing)	599.73	474.57	125.16	26.37	476.45	123.28	25.87	
Dockage (Anchorage)	604.15	549.02	55.13	10.04	574.89	29.26	5.09	
Usage Fees	410.91	369.51	41.40	11.20	364.68	46.23	12.68	
Lay-up Fees	6.60	1.76	4.84	274.89	2.17	4.43	204.06	
Wharfage Dues	2,497.16	2,423.58	73.58	3.04	2,296.11	201.05	8.76	
Storage	1,009.85	1,128.48	(118.63)	(10.51)	1,527.49	(517.64)	(33.89)	
Arrastre/Stevedoring	895.93	923.61	(27.68)	(3.00)	861.33	34.60	4.02	
RO-RO Fees	276.61	205.64	70.97	34.51	190.26	86.35	45.38	
VTMS	18.82	16.89	1.93	11.44	17.90	0.92	5.15	
Other Income	738.41	646.15	92.26	14.28	712.64	25.77	3.62	
Pilotage	63.39	50.81	12.58	24.75	52.17	11.22	21.50	
ICTSI Fees	4,494.74	4,002.64	492.10	12.29	3,960.32	534.42	13.49	
ATI Fees	1,782.05	1,576.67	205.38	13.03	1,437.60	344.45	23.96	
MNHPI	212.05	212.05	0.00	0.00	203.90	8.15	4.00	
<b>FMI</b>	<b>91.89</b>	<b>45.49</b>	<b>46.40</b>	<b>101.99</b>	<b>88.97</b>	<b>2.92</b>	<b>3.28</b>	
<b>Total Revenue</b>	<b>14,320.12</b>	<b>13,142.71</b>	<b>1,177.41</b>	<b>8.96</b>	<b>13,286.77</b>	<b>1,033.36</b>	<b>7.78</b>	
<b>EXPENSES</b>								
<b>Operating Expenses</b>	<b>7,419.98</b>	<b>10,654.98</b>	<b>(3,235.00)</b>	<b>(30.36)</b>	<b>7,220.39</b>	<b>199.60</b>	<b>2.76</b>	
Personal Services	1,093.71	2,553.55	(1,459.84)	(57.17)	1,225.21	(131.51)	(10.73)	
R&M	2,034.86	2,511.06	(476.20)	(18.96)	1,819.40	215.47	11.84	
Dredging Costs	326.14	767.34	(441.21)	(57.50)	344.98	(18.85)	(5.46)	
Other Admin Costs	1,584.99	2,442.74	(857.75)	(35.11)	1,398.00	186.99	13.38	
Depreciation	2,239.16	2,239.16	-	-	2,291.67	(52.51)	(2.29)	
Amortization	141.13	141.13	-	-	141.13	(0.00)	(0.00)	
<b>Non-Oprrng. Exp.</b>	<b>576.12</b>	<b>192.61</b>	<b>383.50</b>	<b>199.10</b>	<b>361.15</b>	<b>214.97</b>	<b>59.52</b>	
Financial Charges	192.61	192.61	-	-	126.93	126.93	100.00	
Others	383.50	-	383.50	-	234.22	234.22	100.00	
<b>Total Expenses</b>	<b>7,996.10</b>	<b>10,847.59</b>	<b>(2,851.50)</b>	<b>(26.29)</b>	<b>7,581.54</b>	<b>414.56</b>	<b>5.47</b>	
<b>NET INCOME BEFORE INCOME TAX</b>	<b>6,324.03</b>	<b>2,295.12</b>	<b>4,028.91</b>	<b>175.54</b>	<b>5,705.23</b>	<b>618.79</b>	<b>10.85</b>	
<b>Income Tax</b>	<b>1,643.61</b>	<b>1,643.61</b>	<b>-</b>	<b>-</b>	<b>1,648.46</b>	<b>(4.86)</b>	<b>(0.29)</b>	
<b>NET INCOME AFTER TAX</b>	<b>4,680.42</b>	<b>651.51</b>	<b>4,028.91</b>	<b>618.39</b>	<b>4,056.77</b>	<b>623.64</b>	<b>15.37</b>	

Note on the Table: *Based on the 2016 COA Audited Report*

A detailed examination of PPA's Financial Performance based on the CY 2016 COA Audited Financial Statements of PPA is discussed below.

### Revenue

The Authority gained 7.78% improvement in Revenue which totalled Php14.320 billion from the Php13.287 billion in 2015. All revenue tariff items demonstrated growth with the exception of Storage Charges posting a decrease of Php517.64 million (33.89%) due to the introduction of various anti-port congestion efforts. The overall favourable revenue performance is

primarily effected by the increase in volume of cargo and vessel traffic at the ports.

Meanwhile, the Fund Management Income (FMI) showed modest increase of Php2.92 million (3.28%) to Php91.89 million despite the unstable market behaviour in view of the global and local risks, including but not limited to economic and political uncertainties. Renewed investor confidence and upbeat consumer spending, and improved peace and order under the current administration, among others, facilitated the revamp in market interest rates which in return resulted in higher FMI performance.

FMI is purely a passive income on Investment in Treasury Bonds and other temporary/short-term investments placed with PPA's depository banks, i.e., Philippine Veterans Bank (PVB) and Land Bank of the Philippines (LBP).

### **Expenses**

Total Expenditures, composed of Operating and Non-operating Expenses, went up Php414.56 million (5.47%) to Php7.996 billion. Operating Expenses in particular continue to hold the largest portion of the recorded outlays with Php7,419.98 million, up by Php199.60 million (2.76%) driven primarily by the accelerated R&M Projects of the Authority and increase in Other Administrative Costs.

Non-operating Expenses, likewise, grew Php214.97 (59.52%) as a result of higher Financial Expenses and other non-operating costs.

### **Net Income After Tax**

After recognizing the corporate expenditures from the Total Revenue generated as well as the Income Tax due for the year, Net Income After Income Tax stood at Php4.680 billion. This is higher by Php623.64 million (15.37%) compared from that recorded during the same period last year.

### **Dividend Remittance**

Pursuant to R.A. 7656 which requires all Government Owned and Controlled Corporations (GOCC) to remit to the National Treasury at least 50% of their annual net earnings as either cash, stock or property dividends, the Authority handed over during the year a sum amount of Php2.158 billion as cash dividend based on 2015 Net Income. This is relatively higher by 358.95 million compared with that remitted last year.

## D. Financial Position

The Authority's Financial Position indicated an overall healthy financial condition with indications of strong ability to service obligations and long-term financial security. Total Asset base improved by 3.04%, Liabilities increased by 1.66%, and Equity progressed by 3.16%.

### Comparative Statement of Financial Position For the Years ended 31 December 2016 and 2015 (In Million Pesos)

	As of December 2016	% of Total	As of December 2015	Inc./ (Dec.) Amount	%
<b>ASSETS</b>					
<b>Current</b>	<b>15,673.20</b>	<b>12.87</b>	<b>13,870.01</b>	<b>1,803.18</b>	<b>13.00</b>
<i>Cash on Hand and in Banks</i>	10,933.63	8.98	9,788.66	1,144.97	11.70
<i>Receivables - Net</i>	1,947.43	1.60	1,686.05	261.38	15.50
<i>Prepayments</i>	2,406.76	1.98	2,125.36	281.40	13.24
<i>Inventories</i>	75.58	0.06	62.14	13.44	21.63
<i>Other Current Assets</i>	309.80	0.25	207.81	101.99	49.08
<b>Non-Current</b>	<b>106,072.37</b>	<b>87.13</b>	<b>104,286.17</b>	<b>1,786.20</b>	<b>1.71</b>
<i>Property &amp; Equipment - Net</i>	105,066.16	86.30	103,237.06	1,829.10	1.77
<i>Investment in Securities</i>	300.51	0.25	301.13	(0.62)	(0.21)
<i>Other Non-Current Assets</i>	705.70	0.58	747.98	(42.28)	(5.65)
<b>Total Assets</b>	<b>121,745.57</b>	<b>100.00</b>	<b>118,156.18</b>	<b>3,589.37</b>	<b>3.04</b>
<b>LIABILITIES</b>					
<b>Current</b>	<b>5,124.34</b>	<b>4.21</b>	<b>4,933.81</b>	<b>190.53</b>	<b>3.86</b>
<i>Accounts Payable</i>	2,837.06	2.33	2,780.73	56.33	2.03
<i>Payables to Other Gov't Agencies</i>	1,007.53	0.83	1,148.73	(141.20)	(12.29)
<i>Current Portion of Foreign Loans</i>	418.79	0.34	386.18	32.61	8.44
<i>Other Current Liabilities</i>	860.96	0.71	618.17	242.79	39.28
<b>Non-Current</b>	<b>4,754.09</b>	<b>3.90</b>	<b>4,783.24</b>	<b>(29.14)</b>	
<i>Foreign Loans Payable</i>	3,828.18	3.14	3,916.28	(88.10)	(2.25)
<i>Retirement Payable</i>	250.83	0.21	275.35	(24.52)	(8.91)
<i>Deferred Credits</i>	675.09	0.55	591.61	83.48	14.11
<b>Total Liabilities</b>	<b>9,878.43</b>	<b>8.11</b>	<b>9,717.05</b>	<b>161.38</b>	<b>1.66</b>
<i>Capital Contribution</i>	6,378.99	5.24	6,378.99	(0.00)	(0.00)
<i>Appraisal Surplus</i>	72,547.65	59.59	72,547.68	(0.03)	(0.00)
<i>Retained Earnings</i>	32,940.50	27.06	29,512.47	3,428.03	11.62
<b>EQUITY</b>	<b>111,867.14</b>	<b>91.89</b>	<b>108,439.14</b>	<b>3,428.00</b>	<b>3.16</b>
<b>Total Liabilities &amp; Equity</b>	<b>121,745.57</b>	<b>191.89</b>	<b>118,156.18</b>	<b>3,589.39</b>	<b>3.04</b>

## IV. OTHER IMPORTANT ACCOMPLISHMENTS

### A. Port Development

Considerable amounts are apportioned from the corporate budget to port infrastructure facilities construction and repairs and maintenance nationwide aimed at improving the capacity, service standards, and efficiency of ports, consistent with the government's development agenda and strategic objectives as well as the Authority's vision of

providing globally competitive services.

### A.1. Locally-Funded Projects

Value of physical accomplishment of PPA's Locally-Funded Projects (LFP) amounted to Php9.809 billion covering 171 projects (carry-over and new) nationwide. Of the total number of projects implemented, 54 projects are for Luzon ports, 62 projects for Visayas ports, and 55 for Mindanao ports. As of December 2016, status of PPA LFPs is as follows:

	Luzon			Visayas			Mindanao			Total
	Head Ofc	Field Ofc	Total	Head Ofc	Field Ofc	Total	Head Ofc	Field Ofc	Total	
<b>Completed</b>	8	12	<b>20</b>	10	16	<b>26</b>	5	17	<b>22</b>	<b>68</b>
<b>Ongoing</b>	14	2	<b>16</b>	13	6	<b>19</b>	12	4	<b>16</b>	<b>51</b>
<b>Terminated</b>	-	-	-	-	-	-	-	-	-	-
<b>Suspended</b>	-	-	-	-	1	<b>1</b>	-	-	-	<b>1</b>
<b>Under Procurement</b> <i>(Under DE/POW/etc.)</i>	-	18	<b>18</b>	-	16	<b>16</b>	-	17	<b>17</b>	<b>51</b>
<b>Total</b>	<b>22</b>	<b>32</b>	<b>54</b>	<b>23</b>	<b>39</b>	<b>62</b>	<b>17</b>	<b>38</b>	<b>55</b>	<b>171</b>

### Dredging Operations

PPA has programmed under a privatized set-up with WTG Construction & Development, Kwan Sing Construction Corp., and IBC Builders International Corporation the removal of silts at various piers and harbors to ensure that serviceable water depths are maintained for the safe navigation of large vessels calling at the ports.

As of end of December, a total of 773,644.70 cu.m. of silts was removed at the following ports and harbors:

- a. Zamboanga Port;
- b. South Harbor Entrance Channel and Fairway leading to Pier 15;
- c. El Codo, Pasig, Manila;
- d. Fort San Pedro, Panay/Guimaras;
- e. Sta. Cruz Port, Marinduque/Quezon;
- f. Bulan Port, Sorsogon;
- g. San Andres Port, Catanduanes;
- h. Tagbilaran Port, Bohol;
- i. North Harbor Pier 16 (Marine Slipway);
- j. Port of Legazpi;
- k. Port of Lucena;
- l. Pier 15, South Harbor;
- m. Pier 3, South Harbor;
- n. Port of Currimao; and,
- o. Port of Salomague.

## **A.2. Repair and Maintenance Program**

For Repairs & Maintenance Projects of PPA, total approved budget for the year amounted to Php2.511 billion which will be used to fund a total of 241 R&M projects nationwide. The total budget covers Php1.502 billion for new repair projects, Php1.104 billion for carry-over repair, and Php137.890 million for routine maintenance projects.

As of December, 157 projects have already been completed, 68 are ongoing, and 16 have not yet started. Value of physical accomplishment is placed at Php2.173 billion.

## **B. Port Operations and Services**

### **B.1. Permits/Clearances to Develop**

As of December 2016, PPA approved a total of 7 applications of Permit/Clearance to Develop private port facilities in various locations nationwide.

#### **Approved Clearance to Develop Private Port Facility CY 2016**

<b>PRIVATE PORT OWNER/OPERATOR</b>	<b>LOCATION</b>
1 Titan Mining and Enegy Corporation	Brgy. San Ignacio, Manay, Davao
2 Mil-Oro Mining Corporation	Brgy. Macambol, City of Mati, Davao
3 ERENAS Petroleum & General Services, Inc.	
4 Atlantic Grains Incorporated	Calaca, Batangas
5 Phoenix Petroleum Philippines, Inc.	Brgy. Katipunan, Villanueva, Misamis Oriental
6 Phoenix Petroleum Philippines, Inc.	Tambler, General Santos City
7 Phoenix Petroterminals & Industrial Park Corporation	Brgy. Puting Bato, Calaca, Batangas

### **B.2. Real Estate Management**

To optimize the utilization of identified idle areas at the ports, provide additional revenue, as well as to encourage the active participation of private entities in providing ancillary port services at the ports, PPA approved a total of 4 Contracts for Lease and 579 applications for Permit to Occupy.

#### **Lease Contracts Issued CY 2016**

<b>LESSEE</b>	<b>PORT MANAGEMENT OFFICE</b>
1 Manila North Harbour, Inc.	NCR North
2 Maritime Industry Authority	Surigao
3 Maritime Industry Authority	Misamis Oriental/Cagayan de Oro
4 Movers and Managers Corporation	NCR South

### **B.3. Operation and Development of Private Ports**

The following are the Certificates of Registration or Permits to Operate (COR/PTO) issued by the Authority to various port operators during the year 2016:

**Approved Certificates of Registration (COR)/  
Permits to Operate (PTO)  
CY 2016**

<b>PRIVATE PORT OWNER/OPERATOR</b>	<b>LOCATION</b>
1 SMC Shipping and Lighterage Corporation	Brgy. Namonitan, Sto. Tomas, La Union
2 San Miguel Consolidated Power Corporation	Brgy. Culaman, Malita, davao del Sur
3 Palm Concepcion Power Corporation	Sitio Puntales, Brgy. Nipa, Concepcion, Iloilo
4 Siddharta Holdings Co., Inc.	Sitio Baloy, Brgy. Tablon, Cagayan de Oro
5 SMC Shipping and Lighterage Corporation	Baseco Compound, Mariveles, Bataan
6 Empire East Land Holdings, Inc./ South Point Science Park, Inc.	Brgy. Guimalas Balayan, Batangas
7 Algimar Port Management and Allied Services, Inc.	Brgy. Tugbo, Pinamarbuhan, Mobo, Masbate
8 Rolando M. Magsino (Landoor Pier)	Brgy. San Juan, Mabini, Batangas
9 Santa Clara Shipping Corporation	Brgy. Jubasan, Allen, Northern Samar
10 Universal Robina Corporation	Km. 10, Sasa, Davao
11 Jeti Petroleum, Inc.	Brgy. Lucanin, Mariveles, Bataan
12 Island Integrated Offshore Services, Inc. (ISLOFF)	Cristobal, Paco, Manila
13 North Luzon Renewal Energy Corp.	Brgy. Caparispisan, Pagudpud, Ilocos Norte
14 La Filipina Uygongco Corp. (LFUC)	Brgy. Ignore, La Paz, Iloilo City
15 Hinatuan Mining Corporation	Brgy. Buenavista, Guiuan, Eastern Samar
16 Unifrutti Tropical Philippines, Inc. (Craft Haven International Services, Inc.)	Km. 15, Panacan, Davao City
17 Mil-Oro Mining Corporation	Brgy. Macambol, Mati City, Davao Oriental
18 Minergy Power Corporation	Brgy. Mandangao, Balingasag, Misamis Oriental
19 Dive Industries Philippines, Inc.	Sitio Marina Beach, Brgy. Alas-Asin, Mariveles, Bataan
20 Pagbilao Energy Corporation	Brgy. Ibabang Polo, Pagbilao, Quezon
21 Cathay Pacific Steel Corporation	No. 18, Purok 1, Dr. A. Natividad St., Napindan, Taguig City
22 Simon Lori Holdings, Inc./ Simon Enterprises, Inc.	3403 Lubiran St., Bacood, Sta. Mesa, Manila
23 Universal Robina Corporation	Pasig, Blvd., Bagong Ilog, Pasig City
24 Rio Tuba Nickel Mining Corporation (Hydrometalurgical Processing Plant)	Rio Tuba, Bataraza, Palawan
25 Pilipinas Shell Petroleum Corporation	Brgy. Rawis, Anibong, Tacloban City
26 SR Metals, Inc.	Brgy. La Fraternidad, Tubay, Agusan del Norte
27 Westernshore Nickel Corporation	Brgy. Imelda, Tubajon, Dinagat Island
28 SMC Consolidated Power Corporation	Brgy. Lamao, Limay, Bataan

**B.4. Cargo Handling Operations**

PPA, as a matter of policy, continuously delegates the provision of cargo handling services to private partners. In 2016, PPA awarded a total of 26 Cargo Handling Contracts/Permits/Hold-Over

Authorities with varying duration from six (6) months to ten (10) years, as follows:

**CHO Contracts/Permits/HOA Issued  
CY 2016**

<b>CARGO HANDLING CONTRACTOR</b>	<b>PORT</b>
<b>10-year Contract</b>	
Prudential Customs Brokerage Services, Inc.	Dapitan
<b>5-year Contract</b>	
Batanes Merchant Services Corporation	Basco
<b>3-year Contract</b>	
CCF Seaport Services	Salomague
Southports Arrastre Stevedoring Services, Inc.	Cantilan
Liloy Cargo Handling Services Corp.	Lamao
<b>1-year HOA</b>	
Calapan Labor Service Development Cooperative	Calapan
Sorsogon Terminals and Arrastre Services Corp.	Matnog
Masbate Consolidated Arrastre and Stevedoring, Inc.	Masbate
Prudential Customs Brokerage Services, Inc.	Brooke's Point
Iloilo Integrated Arrastre Services Co.	Iloilo
PPA Culasi Port Services	Culasi
Antique CH & Port Terminal Services, Inc.	San Jose de Buenavista
Visayan Vets Port Services	Iloilo Commercial Port Complex
FTM Brokerage & Port Services, Inc.	Jordan
FTM Brokerage & Port Services, Inc.	Estancia
Panaon Arrastre Services, Inc.	Maasin
IMASCO Arrastre and Stevedoring Co., Inc.	Iligan
Concord Arrastre and Stevedoring Corp.	Butuan/Masao
Apollo Arrastre and Stevedoring Services, Inc.	Tandag
South Cotabato Integrated Port Services, Inc.	General Santos
<b>6-months HOA</b>	
Batanes Merchant Services Corporation	Basco
Prudential Customs Brokerage Services, Inc.	Larena
San Jose United Arrastre Stevedoring Services, Inc.	San Jose, Carangian
Davao Integrated Port and Stevedoring Services Corp.	Sasa
Filipinas Port Services, Inc.	Sasa
Zamboanga City Integrated Port Services, Inc.	Zamboanga

**B.5. Ports with Existing MOA with Local Government Units**



PPA entered into cooperative partnerships agreements, with varying duration of one (1) to 25 years, for the administration, management and operation of ports by Local Government Units. As of December 2016, total expired MOA is 17 while those which are outstanding and/or about to expire are 7.

#### **B.6. Harbor Pilot Appointments**

In 2016, a total of three (3) probationary appointments and eight (8) regular appointments for harbour pilots at various pilotage districts were issued by PPA. Per PPA A.O. No. 01-95, the total number of authorized harbour pilot position is 181, of which 112 positions are already filled up, 5 posts are under probation, and the rest (64) are still vacant.

Harbor pilot selection and appointment is expected to be rationalized upon the issuance of the Omnibus Pilotage regulations which aimed to address issues and concerns hounding the sector for quite some time.

#### **B.7. Privatization of Existing Passenger Terminal Buildings**

Biddings were undertaken on various ports for the privatization of PTBs. As of end of December 2016, a total of eight (8) PTBs were successfully privatized with Notice of Award issued to the winning bidder for a 5-Year Contract of Lease, Management, Operation and Maintenance to PTB Operators, as follows:

- a. RASI (Port of Legazpi on 29 Jan. 2016)
- b. PAPTSI (Port of Tubigon on 13 Apr. 2016)
- c. WCCHSS (Port of Pio Duran on 01 Apr. 2016)
- d. JASI (Iloilo Fastcraft Terminal on 15 Apr. 2016)
- e. JASI (Port of Larena on 05 May 2016)
- f. JASI (Port of Dumaguete on 05 May 2016)
- g. MCASSI (Port of Bulado, Guihulngan on 04 July 2016)
- h. SMISCO (Port of Tagbilaran on 03 Oct. 2016)

As of December 2016, a total of sixty-nine (69) out of the 103 PPA-owned PTBs are Wi-Fi enabled while the rest are either not operational, under repair or there is no Wi-Fi connectivity service provider.

### **C. Support to Operations**

#### **C.1. Shore Reception Facility (SRF)**

The MARPOL 73/78 is the main international marine environmental convention covering the prevention of pollution from ships including, but not limited to, dumping, oil, and exhaust pollution or accidental causes. As a signatory to the Convention,

PPA complies with the requirements of the Shore Reception Facilities (SRF) in different ports within its jurisdiction through the procurement of services of Golden dragon International Terminal Services (GDITI) which shall establish and operate Shore Reception and Treatment Facilities. GDITI was awarded with a 15-year contract which shall expire in August 2018.

The operational status of SRF in PPA Ports is as follows:

<b>PMOs with Active SRF (Covered in Contract)</b>	<b>PMOs with Inactive SRF (Covered in Contract)</b>	<b>PMOs with No SRF (Covered in Contract)</b>	<b>PMOs not covered in SRF Contract</b>
<ol style="list-style-type: none"> <li>1. NCR South</li> <li>2. NCR North (including MICT)</li> <li>3. Bataan/Aurora</li> <li>4. Batangas</li> <li>5. Palawan</li> <li>6. Negros Or./Siquijor</li> <li>7. Panay/Guimaras</li> <li>8. Western Leyte/ Biliran</li> <li>9. Negros Occ./ Banago/BREDCO</li> <li>10. Eastern Leyte Samar</li> <li>11. Misamis Or./CDO</li> <li>12. Agusan</li> <li>13. Surigao</li> <li>14. Davao</li> <li>15. SOCSARGEN</li> <li>16. Zamboanga</li> <li>17. Bohol</li> <li>18. Northern Luzon (San Fernando)</li> </ol>	<ol style="list-style-type: none"> <li>1. Bicol</li> <li>2. Misamis Occ./Ozamiz</li> <li>3. Lanao del Norte/ Iligan</li> </ol>	<ol style="list-style-type: none"> <li>1. Mindoro</li> <li>2. Cotabato</li> </ol>	<ol style="list-style-type: none"> <li>1. MarQuez*</li> <li>2. Masbate</li> <li>3. Zamboanga del Norte</li> </ol>

*\*PMO MarQuez, a newly established PMO, has an existing contract with Azulrem Construction & Engineering Services (Azulrem) for the collection and disposal of solid wastes from the PTB, offices, passengers, buses, private vehicles including vessel-generated wastes at base port Lucena.*

Moreover, PPA submits to the Supreme Court Quarterly Monitoring and Progress Report of the activities undertaken relative to the Cleaning-Up of Manila Bay pursuant to Sections 2 and 6c of E.O. 513 and the International Convention for the Prevention of Pollution from Ships.

## **C.2. Terminal Management Operation and Service Policy**

Based on the approved Terminal Management Operation Policy, Tier Mapping/Classification of ports in relation to the new policy was completed in October 2016.

Among the main objectives of this policy reform is to foster higher efficiency and productivity in port operations through, among others, greater private sector participation and consistency in the procedures and requirements for award of port terminal management contracts under the different identified modalities of private sector involvement.

PPA initially classified its ports according to investment requirements and potential arrangements between PPA and the prospective terminal operator. PPA conducted consultation meetings on this new policy with various stakeholders in strategic locations.

### **C.3. Upgrading of Enterprise Strategy Program**

PPA is now experiencing improved network connectivity as a result of the PPA-wide network infrastructure upgrades which consisted of faster internet connection speed of 120Mbps from 6Mbps, the installation of Wi-Fi connection and Firewall at the Head Office, and the installation of 5Mbps IPVPN Links and Branch Routers in PMOs. Other accomplishments during the year are as follows:

- a. Set-up Virtual Machines and deployed an application on Azure;
- b. Set-up and configured Production Environments;
- c. Conducted Inventory of PPA hardware and software components;
- d. Backed-up image of Servers in virtualized environment in order to make the migration faster and easier;
- e. Virtualized Servers delivered by iOne and used as Production Servers for in-house applications; and,
- f. Installed, working and in use Networking Platform, Servers, and IPPBX and Media Gateway Equipment.

### **D. General Administration and Support**

The Authority has completed the second tranche of the filling-up of vacant positions nationwide based on the GCG-approved Rationalization Plan. Total GCG Approved positions are 3,151 composed of 647 positions for the Head Office and 2,504 for the field offices.

Status of newly hired/promoted/transferred/ reemployed personnel is shown below:

	Promoted	Transferred	Reemployed	Demoted	Newly Hired	Total	Approved ATF	% of Filling-Up
<b>As of December 2016</b>	<b>97</b>	<b>9</b>	<b>7</b>	<b>0</b>	<b>108</b>	<b>221</b>	<b>484</b>	<b>45.66</b>
Head Office	19	1	6	0	18	44	107	9.09
PMOs	78	8	1	0	90	177	377	36.57
<b>As of December 2015</b>	<b>331</b>	<b>10</b>	<b>3</b>	<b>2</b>	<b>160</b>	<b>506</b>	<b>604</b>	<b>83.77</b>
Head Office	71	2	1	1	38	113	148	18.71
PMOs	260	8	2	1	122	393	456	65.07

Moreover, a total of 4,797 graduates benefited from various scholarships/training programs successfully undertaken by PPA and in cooperation with various sponsoring institutions. Shown below is the schedule of human resource development programs for CY 2016:

Human Resource Programs	No. of Participants/Scholars		
	Male	Female	TOTAL
In-House Training Programs <i>(to include Management Systems Training Program)</i>	2,204	2,053	<b>4,257</b>
Foreign Scholarship	13	17	<b>30</b>
Local Scholarship	34	13	<b>47</b>
Local Training Programs	197	255	<b>452</b>
Academic Programs <i>(Master in Government Management-Regular Program)</i>	1	10	<b>11</b>
<b>TOTAL</b>	<b>2,449</b>	<b>2,348</b>	<b>4,797</b>

## V. PLANS/PROGRAMS/ACTIVITIES/STRATEGIES COMPLETED IN 2016

For 2016, the Authority programmed various strategic initiatives based on PPA's Vision, Mission and Strategy Map and aligned with the government thrusts. Among the

### A. DOTr Approved Tourism and Social Reform Related Port Projects

The DOTr, thru the PPA, targeted the bidding of 47 Social Reform Projects of the Department to Promote Tourism and Economic Development Agenda of the Government. Of the total 47 port projects for downloading to PPA, 34 projects were successfully bid out and 13 are still pending with the DOTr of which, seven (7) projects have pending requests for downloading of funds, while six (6) other projects have issues involving the preparation, evaluation, and approval of Program of Work (POW).

### B. Future Proofing of Gateway Ports

PPA programmed during the year 2016 the modernization of three (3) of its major gateways, namely, Iloilo Commercial Port Complex (ICPC) in Lapaz, Iloilo City, Port of Zamboanga, and Port of Makar, General Santos. The project, which formed part of the Authority's Locally-Funded

Projects (LFP), marked the construction of Wharf for Rail Mounted Gantry Crane on the aforementioned ports. As of yearend, status of civil work is as follows: ICPC in Iloilo is 64.54% complete, Zamboanga Port is 32.53% complete, and Makar Port is 49.83% complete.

### **C. Quality Management System (QMS) pursuant to E.O. 605**

A total of nine (9) ports have already been certified to QMS for Vessel Entrance/Clearance (VEC) under the 9001:2008 standards, namely, Batangas, Cagayan de Oro, Davao, Zamboanga, General Santos, Iloilo, Ozamiz, Legaspi, and Puerto Princesa.

In 2016, the Authority aimed the addition of 16 ports, i.e, North Harbor, South Harbor, Lamao, Tagbilaran, Lucena, San Fernando, Tacloban, Dumaguete, Ormoc, Calapan, Nasipit, Surigao, Cotabato, Dapitan, Pulupandan and Iligan, as well as the certification of the PPA Head Office on Core Processes in relation to VEC.

In December 2016, the internal audit for the 16 ports and for the Head Office was already completed. The certification process is expected to be completed by the 2<sup>nd</sup> Quarter of 2017.

### **D. Port Users' Annual Satisfaction Survey (PASS)**

In 2015, the 3<sup>rd</sup> Port Users' Needs and Satisfaction Survey (PUNSS III), a comprehensive survey for the overall satisfaction of PPA's stakeholders nationwide covering a much diversified respondents including the Cargo Handling Operators, Cargo Owners and Private Port Operators, was conducted and administered by the DAP.

PPA again contracted the Development Academy of the Philippines (DAP) for the conduct of its 2016 run of Port Users' Annual Satisfaction Survey (PASS). The survey focuses on the port users' perception of the services and administration of PPA, thus, the respondents were limited only to Passengers and Shipping Lines at targeted base ports with high passenger volume, i.e., North Harbor, Bohol, Ozamiz, Cagayan de Oro, Siquijor, Bicol, and Batangas.

The PASS Draft Final Report which was submitted by the DAP in December, showed that the overall Service Quality Index (SQI) stood at 3.79%, representative of the satisfactory perception of the port users with PPA's services and administration. Shown below is the comparative SQI per PMO:

#### **Service Quality Index per PMO per Port User Type**

PMO	PASS (2016)		PUNSS III (2015)		Percentage Change	
	Passenger	Shipping Lines	Passenger	Shipping Lines	Passenger	Shipping Lines
North Harbor	3.69	3.71	3.84	3.63	<b>(3.91)</b>	<b>2.11</b>
Bohol	3.92	3.82	3.46	4.00	<b>13.29</b>	<b>(4.50)</b>
Ozamiz	3.67	4.09	3.45	4.09	<b>6.38</b>	<b>0.01</b>
CDO	3.81	3.97	3.45	4.15	<b>10.43</b>	<b>(4.39)</b>
Siquijor	3.84	4.00	3.71	3.78	<b>3.50</b>	<b>5.89</b>
Bicol	3.66	3.69	3.34	3.25	<b>9.58</b>	<b>13.59</b>
Batangas	3.77	3.41	3.71	3.60	<b>1.62</b>	<b>(5.19)</b>
<b>Service Quality Index</b>	<b>3.76</b>	<b>3.81</b>	<b>3.57</b>	<b>3.79</b>	<b>5.45</b>	<b>0.65</b>

Overall SQI during the 2015 run of satisfaction survey (PUNSS III) stood at 3.92 which is within the satisfactory range of 3.50 to 4.49 while that during the recently concluded survey (PASS) is 3.79. However, comparison between the 2015 and 2016 overall results of the survey cannot be made since the PUNSS SQI encompassed dimensions for measuring the satisfaction of other port stakeholders aside from Passengers and Shipping Lines, i.e. Cargo Handling Operators, Cargo Owners, and Private Port Operators while the survey in 2016 covered passenger and shipping lines only.

Based on the results for passengers and shipping lines alone, the table above shows that the overall SQI improved with progression equivalent to 5.45% on passenger satisfaction and 0.65% on shipping lines.

## E. Enhanced Transport Connectivity

Included in the roster of strategic initiatives by PPA is the addition in sites with enhanced transport connectivity through the provision of Ro-Ro ramps. During the year, PPA has completed thirteen (13) Ro-Ro ramp projects at the following ports:

- a. San Jose (Caminawit);
- b. Maguino-o (Calbayog);
- c. Hayanggabon (Surigao del Norte);
- d. Jasaan (Misamis Oriental);
- e. San Agustin (Romblon);
- f. Bulalacao (Oriental Mindoro);
- g. Romblon (Romblon)\*;
- h. Balanacan (Marinduque);
- i. Jagna (Bohol);
- j. Sogod (Southern Leyte); and,
- k. Dapitan (Zamboanga del Norte)

*\*Consisting of three (3) Ro-Ro Ramps*

## F. Installation of Automatic Identification System (AIS)

To complement these VTMS facilities, PPA has successfully installed during the year the Automatic Identification System (AIS) units in

selected PPA base ports, namely, Ormoc, Cagayan de Oro, Iligan, and General Santos bringing to five (5) the total number of ports with AIS including the Port of Surigao, which was installed in 2014.

The VTMS Control Center is a state-of-the-art vessel monitoring facility installed by PPA and jointly operated with the Philippine Coast Guard (PCG) on a 24/7 basis in compliance with the provisions of the International Maritime Organization on Safety of Navigation. As of yearend, PPA has already three (3) existing VTMS Control Centers located in Manila, Batangas, and Bataan.

## VI. LOCAL AND FOREIGN ENGAGEMENTS

PPA is an active member of a number of international maritime associations such as the International Association of Ports and Harbors (IAPH), International Maritime Organization (IMO), Asia-Pacific Economic Cooperation (APEC), ASEAN Port Authorities (APA), APEC Port Services Network (APSN), Organization for Economic Cooperation and Development (OECD), Permanent International Association of Navigation Congresses (PIANC), and the Brunei-Indonesia-Malaysia-Philippines East Asia Growth Association (BIMP-EAGA).

For the year 2016, PPA officials in their capacity as authorized representatives of the Authority, attended various meetings and conferences which included, among others, the following:

- a. 83<sup>rd</sup> Meeting of ASEAN Coordinating Committee on Services (CCS) and Related Meetings;
- b. Permanent Task Group on Climate Change Meeting and 44<sup>th</sup> Meeting of the Environmental Commission;
- c. 3<sup>rd</sup> Session on the Sub-Committee on Pollution Prevention and Response (PPR);
- d. 13<sup>th</sup> ASEAN-Japan Port Technology Group Meeting;
- e. 31<sup>st</sup> ASEAN Transportation Facilitation Working Group Meeting;
- f. 3<sup>rd</sup> Session on the Sub-Committee on Ship Systems and Equipment;
- g. 5<sup>th</sup> Experts Group Meeting on ASEAN-Japan Cruise Promotion Strategy;
- h. 40<sup>th</sup> Session on Facilitation Committee (FAL);
- i. 42<sup>nd</sup> APEC TPT-WG Meeting;
- j. Marine Environment Protection Committee (MPEC) – 69<sup>th</sup> Session;
- k. 12<sup>th</sup> Meeting of the Regional Comprehensive Economic Partnership (RCEP) Trade Negotiating Committee (TNC) and Related Meetings;
- l. Maritime Safety Committee (MSC) – 96<sup>th</sup> Session;
- m. 4<sup>th</sup> BIMP-EAGA Transport Working Group Meeting 2016;
- n. 84<sup>th</sup> ASEAN Coordinating Committee on Services (CCS) and Related Meetings;
- o. UNCTAD Port Management Events and Training of Trainers (ToT) Workshop Modules 1-4 for English Speaking Network;
- p. 76<sup>th</sup> Council Meeting and IX PIANC Conference on Coastal and Port Engineering in Developing Countries;
- q. 70<sup>th</sup> Session on the Marine Environment Protection Committee Meeting of the IMO;
- r. 11<sup>th</sup> BIMP-EAGA Transport Ministers Meeting;
- s. 9<sup>th</sup> APSN Council and Workshop on Safety of Dangerous Goods at Ports;
- t. 97<sup>th</sup> Session of the Maritime Safety Committee Meeting; and,
- u. Russia-ASEAN Transportation Ministerial Meeting.



## VII. PERSONNEL COMPLEMENT

As of end 2016, personnel count totalled 1,833. Out of the said figure, 401 personnel are assigned at the Head Office while the remaining 1,432 are at the Field Offices. Meanwhile, outsourced personnel of PPA for technical and administrative positions as of December totalled 1,203 where 265 are assigned at the Head Office while 938 are designated at Field Offices. Shown hereunder is the inventory of personnel of PPA as of December 2016:

Responsibility Center	New Plantilla			No. of Outsourced Personnel
	Positions Filled	Vacant Positions	GCG Approved SP	Approved ATO
Head Office	401	246	647	265
Manila/Northern Luzon Cluster	218	141	359	181
Southern Luzon Cluster	320	277	597	209
Visayas Cluster	374	270	644	238
Northern Mindanao Cluster	303	227	530	205
Southern Mindanao Cluster	217	157	374	105
<b>GRAND TOTAL</b>	<b>1,833</b>	<b>1,318</b>	<b>3,151</b>	<b>1,203</b>

## VIII. EMPLOYMENT GENERATION PROGRAM/POVERTY ALLEVIATION PROGRAM

In 2010, various government agencies including Government Owned and Controlled Corporations (GOCCs) were enjoined to participate in the Department of Labor and Employment's (DOLE) Community-Based Employment Program (CBEP) otherwise known as Kabuhayan Program. The program aims to provide employment to skilled, semi-skilled, and low-skilled workers in the community through government undertakings such as infrastructure development projects.

As of December 2016, 1,427 workers were provided with temporary or immediate employment from various infrastructure projects implemented by PPA. Of the total number of workers, 1,145 were employed by Field Offices and the remaining 282 persons were employed by Head Office.

## IX. GENDER AND DEVELOPMENT ACCOMPLISHMENTS

Various programs and activities were undertaken by PPA which are directed towards addressing various gender-related issues based on the validated research findings of the Development Academy of the Philippines (DAP) which included, among others, the following:

- a. Existence of violence against women and lesbian, gay, bisexual, and transgender (LGBT), and among men in the port premises;

- b. Lack of gender responsive facilities to address the needs of women and men particularly persons with special needs (PWSN);
- c. Rampant trafficking in persons (TIP) particularly of women and children in ports which are used as transit points;
- d. Lack of private sector participation in providing gender-responsive and persons with special needs (PWSD)-friendly Passenger Terminal Buildings (PTB);
- e. Inadequate monitoring capacities and functions, particularly to ascertain the gender sensitivity and responsiveness of PPA PAPs;
- f. Inadequate trained PPA technical staff to design, implement, and monitor gender-responsive PPA programs; and,
- g. Absence of comprehensive database to provide appropriate intervention programs to gender concerns.

To address these issues, PPA, through its GAD Focal Points, accomplished the following:

- a. Conduct of various seminars and trainings on violence against women and children (VAWC), women and children sex-tourism, rights of persons with special needs (PWSN), occupational sexism for stakeholders , and anti-sexual harassment for CHO employees, and PPA employees and security guards;
- b. Active participation in Women's Month Celebration, National Disability Prevention and Rehabilitation (NDPR) Week and World Day Against Trafficking in Person);
- c. Dissemination of anti-VAWC information and campaign materials;
- d. Provision of gender-responsive facilities in PTBs and port premises;
- e. Maintained/improved/repared PWSN ramps and railings, Halfway Houses, and other PTB amenities;
- f. Establishment of Sex-Disaggregated Database;
- g. Review of the structural and functional layout of the PPA Template Design for PTBs and other port facilities; and,
- h. Review/amendment of the Terms of Reference for the privatization of PTB at PMO Bicol and Marinduque/Quezon to ensure that PTBs remain gender-responsive and persons with special needs (PWSN)-friendly.