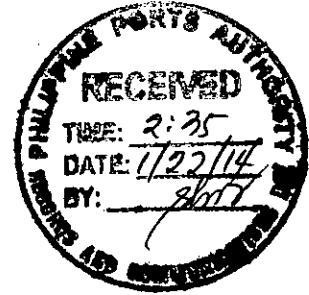




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JAN 22 2014

PPA OPERATIONS MEMORANDUM ORDER
NO. 01 - 2014



T O : All District Managers
Port Managers and
Others Concerned

F R O M : The AGM for Operations

S U B J E C T : **Amendment to PPA Operations Memorandum Order (OMO) No. 01-2013 - "Clarificatory Guidelines on the Manpower Management of CH Service Providers at PPA Ports (Not Allowing Outsourcing)"**

In consideration of the recent developments in the manpower management enabling CH Operators to ensure cost-efficient CH operations at PPA Ports through flexibility in allocating manning resources consistent with port traffic fluctuations, operational peaks, and cargo-mixes, as raised by CH Operators represented by the Philippine Chamber of Arrastre and Stevedoring Operators (PCASO) during a dialogue held on 16 October 2013, PPA OMO No. 01-2013 is hereby amended as follows:

a) Item 6 of 1st Paragraph to read as:

"All regular, contractual, and/or casual employees who have served for at least six (6) months or more continuously at the time of separation shall be covered by the Portworkers' Retirement and Separation Fund (PRSF) and other benefits pursuant to pertinent provisions of PPA Administrative Order No. 01-2006, as amended".

b) 2nd Paragraph to read as:

"Upon written request, outsourcing certain CH services will be allowed as may be authorized by the Port Manager upon issuance of a PMO Certification that any of the following circumstances exists at the port:

- 1. Sudden surge or expected increase in cargoes to be handled whereby vessel turn-around time will be adversely affected which may result to demurrage claims despite maximum labor deployment;*
- 2. Refusal of regular portworkers to provide services for certain types of cargoes/commodities due to justifiable reasons or reasons beyond the control of the CHO or PPA;*
- 3. Arrival of specialized cargoes requiring specific expertise not available in the existing CHO manpower pool or services not regularly performed or undertaken by the CHO;*

VISION

By 2030, customers doing business in our ports shall experience full and sustained productivity, efficiency, comfort, connectivity, safety and security.

MISSION

We commit to provide reliable and responsive services in our ports, sustain development of our port communities and environment and be a model corporate agency of the government.

4. *Deployment/utilization of leased CH equipment not part of CH Operator's current CH equipment inventory requiring qualified or licensed operators not available in the existing CHO manpower pool;*
5. *Proper collection and disposal of port-generated garbage.*

Such written requests for outsourcing must have the following information:

- a. *Scope of port operation, or specific cargo handling function or task;*
- b. *Number of additional portworkers required;*
- c. *Duration of work, whether in terms of inclusive dates, particular cargo/commodity type to be handled or particular vessel to be served;*
- d. *Name of intended Port Labor Provider;*
- e. *Other information which may be required to aid the Port Manager in evaluating the validity of request."*

Other Conditions:

1. All other conditions not included in the foregoing circumstances shall be referred to the Office of the AGM for Operations for evaluation and approval. Under no instance shall outsourcing be allowed without prior approval of the Authority.
2. All damages and other consequences brought about by outsourcing shall at all times be the responsibility of the authorized CH Operator and shall immediately be reported in writing to the Port Manager concerned without demand therefor.
3. PMO must be provided copies of Contracts of Services of outsourced personnel, including list of names and qualifications thereof, specific areas of responsibilities, specific duration of such agreements and on a per-voyage basis.
4. Outsourced personnel shall abide by all the rules and regulations implemented inside the port, including the wearing of Personal Protective Equipment (PPE) and prescribed uniforms with valid identification cards (IDs) prominently displayed for security, access control and monitoring purposes.
5. Outsourcing shall only be allowed in exceptional cases. Discretionary implementation thereof shall not be allowed. As such, the CH Operator shall not be exempted from hiring regular portworkers to perform its core functions of arrastre, stevedoring and CH equipment operation, among others.

Other provisions of PPA OMO No. 01-2013 not affected by this amendment shall remain effective and in full force.

For compliance.


RAUL T. SANTOS