

PHILIPPINE PORTS AUTHORITY
BF Condominium, Aduana
Intramuros, Manila

September 2, 1977

PPA ADMINISTRATIVE ORDER No. 13-77

**SUBJECT: GENERAL PORT REGULATIONS OF THE
PHILIPPINE PORTS AUTHORITY**

**TO: ALL PORT USERS, PORT MANAGERS,
OFFICERS-IN-CHARGE AND OTHERS
CONCERNED**

Pursuant to the provisions of Sections 2(a), (b), (d), 6-a(u), (iii), (viii), (x); 6-b(xv), 26, 27 and 28, in relation to Sections 22, 23(d); 39(b), (c), and 43, all of Presidential Decree No. 857, otherwise known as the "Revised Charter of the Philippine Ports Authority", promulgated on December 23, 1975, as well as in line with the provisions of Sections 79(B) and 551 of the Revised Administrative Code, the following port rules and regulations are hereby prescribed for the guidance and/or compliance by all port users and others concerned in all ports/Port Districts, port facilities, or any other places or premises under the jurisdiction of the Authority, to wit

ARTICLE I – PRELIMINARY PROVISIONS

Section 1. Title – These Regulations shall be known and cited as the "PPA ADMINISTRATIVE ORDER No. 13-77."

Sec. 2. Definition of Terms. – For purposes of these Regulations, the terms used herein shall, unless the context indicates otherwise, mean or be understood to mean, as follows:

- a) "Ad valorem rate" means rate based upon the value of the goods
- b) "Anchorage" means a place with sufficient depth of water where vessels anchor or may ride at anchor within the harbor.
- c) "Approaches" means the water area at the port entrance via which vessels navigate to make for the sheltered or protected water areas in the port.
- d) "Apron" means the area between the transit shed and quaywall.
- e) "Authority" means the Philippine Ports Authority created by P.D. 505 dated July 11, 1974, as amended by substitution by P. D. 857 dated December 23, 1975.
- f) "Bad Order Container" means container that is physically damaged which may allow exposure of cargoes to adverse conditions, natural elements and pilferages.
- g) "Berth" means the part of the pier/wharf that is occupied by a vessel, or a place where a vessel may tie up.
- h) "Berthing" means the maneuvering of a vessel from the anchorage or pilot station to a berth, including the action to make fast the vessel alongside.
- i) "Bill of Lading" means the written contract of carriage of goods whereby the common carrier for a consideration agrees to deliver on behalf of the consignor of goods to the consignee at a specified time.
- j) "Bollard" means a strong post on a ship or dock for holding a hawser fast.
- k) "Bow" means the extreme forward end of a vessel
- l) "Bullion" means ingot of gold or silver regarded as raw material.
- m) "Buoy" means floating object moored to the bottom to mark a channel, anchor, shoal, rock, etc.
- n) "Channel" means a natural or artificial waterway of perceptible extent which either periodically or continuously contains moving water or which forms a connecting link between two bodies of water, or part of a body of water deep enough to be used for navigation through the area otherwise too low for navigation.
- o) "Chassis" means an equipment used to carry containers from one place to another under the tow by prime movers or tractors as an extension of ship's gear unless declared as an importation.

- p) "Container" means a structure so designed to hold and keep articles, materials and products together inside a hold in the form of boxes, tanks, or the dike, for singular or unit handling and transport, generally, having an internal volume or capacity of not less than one (1) cubic meter. Containers are further defined according to their uses as dry cargo, refrigerated, liquid bulk, platform, open top, solid bulk, ventilated, etc.
- q) "Container Berth" means berthing space especially designed and constructed to accommodate containerships.
- r) "Containerized/Container Cargoes" means cargoes packed in containers for easy handling or transporting of the same as a unit.
- s) "Container Equipment Receipt" means shipping receipt issued by container operators, agents, or shipping companies relative to bringing in and taking out of containers in the Port/Customs Zone. This document (IN/OUT) shows, among others, the inspections conducted on the container at the time of receipt and of delivery.
- t) "Container Freight Station" means normally a warehouse or a transit shed adjacent to the Container Yard (CY) used for sorting and storage of container cargo both for import and export.
- u) "Containership" means a cargo vessel designed and constructed primarily to carry containers.
- v) "Container Tally Sheet" means cargo receipt issued by the ship's checker or agent and acknowledged by the arrastre's checker as evidence or receipt of containers. It indicates, among others, the physical condition of the container.
- w) "Container Terminal" means a port facility designed to provide an integrated use of berthing facilities for containership and harbor transport system for containers and their contents.
"Container Yard" means a designated area in a Container Terminal usually adjacent to the Marshalling Yard (MY) where containers and chassis are received, stacked and dispatched.
- x) "Control Tower" means a signal station generally located at a place which commands a full view of the Container Terminal. It supervises by signals, telephones or other means of communicating the movements, stacking and handling of containers in the terminal.
- y) "Conventional Ship" means a cargo vessel designed and constructed primarily to carry break-bulk and limited quantity.
- z) "Deck" means a platform or roof over which a section of a ship holds, serving as a floor.
- aa) "Dock" includes locks, cuts, entrances, graving docks, inclined planes, slipways, quays, and other works and things appertaining to any dock.
- bb) "Dolphin" means a buoy or spar used in mooring a boat.
- cc) "Draft" means the depth/level of the vessel below the water line, measured vertically from this water line to the lowest part of the hull.
- dd) "Drydock" means a dock from which the water can be temporarily excluded, in order to effect repairs to hulls and keels of ships or vessels.
- ee) "Dues" includes harbor fees, tonnage and wharfage dues, berthing charges, and port dues and any other dues or fees imposed by virtue of existing law or Decree 857.
- ff) "Dunnage" means a loose packing of any bulky material put around cargo for protection.
- gg) "Excreta" means waste matter excreted from the body, as sweat or urine or feces.
- hh) "Fairway" means part of a waterway kept open and unobstructed for navigation.
- ii) "Fender" means a pad or cushion of rope, wood, etc. hung over a ship's side to protect it in docking.
- jj) "Filth" means a foul dirt or disgusting matter.
- kk) "Full Container Load" means a container loaded with cargoes belonging to a single consignee and/or covered by only one Bill of Lading.
- ll) "Funnel" means a cylindrical chimney or smoke stack.
- mm) "Gang" means the number of workers employed to work.
- nn) "Goods" includes animals, carcasses, baggage, and any movable property of any kind.
- oo) "Grit" means rough, hard particles of sand, stone, etc.
- pp) "Harbor" means a protected part of a sea, lake or other body of water used by vessels as a place of safety.

- qq) "Hatch" means an opening in ship's deck through which cargo can be lowered.
- rr) "Lash Barge" means a barge of lighter which for all intents and purposes, is an extension of the ship's equipment or gears and used purely in such ship's cargo operations.
- ss) "Lash Ship" means a vessel designed and constructed to carry lash barges as containers of cargoes.
- tt) "Latrine" means a toilet, or privy for the use of many people.
- uu) "Length over all" means the length of a vessel between the extreme end of the bow and the extreme end of the stern.
- vv) "Less Container Load" means a container loaded with cargoes belonging to more than one consignee and/or covered by more than one bills of lading.
- ww) "Lift-Off Containership/Non-Sustaining" means a containership especially designed and constructed to carry containers but not provided with ship's gears to handle them.
- xx) "Lift-On Containership/Self-Sustaining" means a containership especially designed and constructed to carry containers. It is provided with gears like ship's deck crane and the like and is capable of loading and discharging containers by itself.
- yy) "Marshalling Yard" means a place where containers are stacked and arranged according to the sequence of withdrawal to consignee or transferred to CY-CFS or CY inside Port/Customs Zone. It is also where the containers are arranged prior to loading to a carrying vessel in accordance with the sequence of loading on the storage plan.
- zz) "Moor" means to secure a vessel alongside the berth by means of mooring ropes.
- i) "Nuisance per accidens" means a nuisance under certain circumstances like a factory emitting smoke in a residential district.
- (ii) "Packing or Stuffing" means loading of cargoes inside a container.
- (iii) "Pier means any structure built into the sea but not parallel to the coast line and includes any stage, stair, landing place, landing stage, jetty, floating barge or pontoon, and any bridge or other works connected therewith.
- (iv) "Port" means a place where ships may anchor or tie up for the purpose of shelter, repair, loading or discharge of cargo, or for other such activities connected with water-borne commerce, and including all the land and water areas and the structures, equipment and facilities related to these functions.
- (v) "Port District" means the territorial jurisdiction under the control, supervision or ownership of the authority over an area (land or sea), declared as such in accordance with Section 5 of P.D. 857 including but not limited to any Port within said District
- (vi) "Rates" means any rates or charges including any toll or rent under existing law or imposed by the Authority by virtue of P.D. 857 for facilities used or services rendered.
- (vii) "Refuse" means anything thrown away or rejected as worthless, waste, trash.
- (viii) "Rigging" means the fitting of a ship's sails or shrouds to the mast or yard.
- (ix) "Roll-On/Roll-Off Containership" means containership especially designed and constructed to carry containers and chassis and allows loading and unloading of containers on chassis or trailers by providing a ramp over the side, at the bow or at the stern of the ship.
- x) "Rubbish" means also waste, trash.
- (xi) "Semi-Containership/Comboship" means cargo vessels designed and constructed to carry at least fifty percent (50%) of its load in containers.
- (xii) "Shipper's Load and Count" means a container packed with cargo by one shipper where the quantity, description and conditions of the cargo is the sole responsibility of the shipper.
- (xiii) "Ship stores" includes ship gears, equipment, parts or its properties not being goods or merchandise.
- (xiv) "Soot" means black substance consisting chiefly of carbon particles formed by the incomplete combustion of burning matter.
- (xv) "Stern" means the extreme aft end of a vessel.
- (xvi) "Stripping" means unloading goods from a container.
- (xvii) "Stuffing" means loading goods into a container.
- (xviii) "Terminal Facility" includes the seaport and its facilities of wharves, piers, slips, docks, drydocks, bulkheads, basins, warehouses, cold storage, and loading or unloading equipment.

- (xix) "Transit Shed" means a building or shed which is situated at or near a quay, wharf or pier, and is used for the temporary or short-term storage of goods in transit, or to be shipped or discharged from a vessel.
- (xx) "Trimming" means the placing of sails or balancing of a ship by shifting cargo, etc
- (xxi) "Unfit for Use Container" means refrigerated container or reefer container whose cooling machinery is not functioning normally. Dry cargo containers intended for packing is declared unfit for use if the standards of cleanliness and/or sanitation are not satisfied. It shall be certified by competent authority or any agency duly licensed or authorized to clean, fumigate and sanitize.
- (xxii) "Unpacking or Stripping" means removing or unloading of cargoes from a container.
- (xxiii) "Vermín" means any troublesome, filthy or destructive animals.
- (xxiv) "Vessel" includes any ship or boat, or any description of a vessel or boat, or any artificial contrivance used or capable of being used as a means of transportation on water.
- (xxv) "Warehouse" means a building or shed used for the storage of cargo.
- (xxvi) "Wharf" means a continuous structure built parallel to along the margin of the sea or alongside riverbanks, canals, or waterways where vessels may lie alongside to receive or discharge cargo, embark or disembark passengers, or lie at rest
- (xxvii) "Winchman" means the one who operates a lifting machinery or device on the deck of a ship to hoist or lower cargo.

Sec. 3. Abbreviations. – The following abbreviations used in these Regulations shall represent the terms indicated

1. Ad Vad.	– Ad Valorem
2. B/L	– Bill of Lading
3. BOC	– Bad Order Container/Cargo, Bureau of Customs
4. CBM	– Cubic Meter
5. CER	– Container Equipment Receipt
6. CFS	– <i>Container Freight Station</i>
7. Cm.	– Centimeter
8. CT	– Container Tower
9. CTS	– Container Tally Sheet
10. CY	– Container Yard
11. ETA	– Expected Time Arrival
12. ETD	– Expected Time Departure
13. FCL	– Full Container Load
14. Ft.	– Feet
15. GRT	– Gross Registered Tonnage
16. ICCO	– Integrated Containers Control Office
17. ICM	– Inward Cargo Manifest
18. ICR	– International Collision Regulations
19. IMCO	– Intergovernmental Maritime Consultative Organization
20. LCL	– Less Container Load
21. MY	– Marshalling Yard
22. NRT	– Net Registered Tonnage
23. OCM	– Outward Cargo Manifest
24. OIC	– Officer-in-Charge
25. PCG	Philippine Coast Guard
26. PPA	– Philippine Ports Authority
27. R/T	– Revenue Ton
28. Sq. M.	– Square Meter
29. TRS	– Transit Receiving Station
30. UUC	– Unfit for Use Container
31. W/M	– Weight or Measurement whichever is greater
32. W/T	– Weight Ton of 1,000 kgs.

ARTICLE II – ARRIVALS AND DEPARTURES

Sec. 4. Notice of Arrival. – The owner or agent of every vessel other than a vessel of 100 GRT or less, intending to call at a port shall, within the time specified in Section 29 of these Regulations, prior to the Estimated Time of Arrival, give notice in writing to the Authority of its arrival, and make application for a berth if it is intended to berth at the wharf, pier, or anchorage within the Port, Port District or harbor limits.

Sec. 5 Particulars to be furnished. – The notice of arrival and the Application for a Berth shall be in a form prescribed by the Authority and shall contain full particulars regarding:

- a) Name of vessel and its flag
- b) The Gross Registered Tonnage (GRT) and Net Registered Tonnage (NRT)
- c) Draft, Length Over All, and beam
- d) Names of the Owner, Master, ship's agent in the port of call
- e) ETA and ETD of vessel
- f) Tonnage of cargo to be discharged and loaded
- g) Dangerous cargo (whether to be discharged or not)
- h) Number of passengers, disembarking and embarking
- i) Any other pertinent information relating to the working (e.g. heavy lifts) or safety of the vessel in the port.

Sec. 6. Hoisting of National Colors. – The Master of every vessel entering or leaving a port between sunrise and sunset shall cause to be hoisted its national colors and signal letters, if any. The national colors shall continue to be exhibited while the vessel remains in port.

Sec. 7. Immigration and Quarantine Signals. –

a) The Master of every vessel arriving from a foreign port shall exhibit the Customs, Immigration and Quarantine signals as prescribed by those government agencies. Such signals shall remain hoisted until the proper officer has given the permission to lower those signals.

b) No vessel other than an authorized vessel shall approach within 200 meters to a vessel which is exhibiting the Immigration, Health, or Custom signals. An authorized vessel shall mean an Immigration, Health, customs, Pilot Launch, or Philippine Coast Guard (PCG) vessel.

c) No person other than a pilot or authorized government officer(s) may board or disembark from any vessel coming from a foreign port until the vessel is cleared by the Immigration, Quarantine, Customs and PCG officers and the respective signals have been lowered.

Sec. 8. Securing of Vessel before Discharge/Loading. – Every vessel entering a port shall be anchored or properly secured to a wharf, pier, or buoy before commencing the loading or discharging of cargo, and/or the embarkation or disembarkation of passengers.

Sec. 9. Port Clearance. – No vessel shall leave a port unless possessed of a valid PPA Port Clearance issued by, or in behalf of, the Authority, in addition the requirements of other government agencies and the final clearance issued by the PCG.

ARTICLE III SHIPPING OPERATIONS AND MOVEMENTS

Sec. 10. Compliance With Instructions. – The Master of every vessel shall comply with the instructions or directions given by the Authority and/or its duly authorized Officers relative to the berthing, mooring, and anchoring of the vessel.

Sec. 11. Collision Regulations. – Every vessel navigating or lying at anchor in a port or Port District/harbor limits shall exhibit the respective lights and shapes prescribed in the International Collision Regulations.

Sec. 12. -- Moderate Speed. -- All vessels under way shall proceed with due caution and at a moderate speed. A moderate speed shall mean a speed at which a vessel could be slowed down and stopped in as short a time as possible with due regard to prevailing conditions and the safety of the vessel, passengers and cargoes.

Sec. 13. Damage Caused by Wash. Any vessel causing damage by her wash shall be held responsible for such damage in the absence of any contributory negligence on the part of the owner or person in charge of the property or vessel so damaged.

Sec. 14. Harbor Craft.

a) A harbor craft shall not cross the bows or otherwise impede the movement of any seagoing vessel underway in any port, Port District/harbor limit and shall give such vessel as wide a berth as possible

b) Nothing in these Regulations shall relieve the Master of a seagoing vessel from his duty to prevent a collision or accident, whenever and wherever possible.

Sec. 15. Anchorages. --

a) Special Quarantine, Explosives, Dangerous Goods, Prohibited Anchorages, and Prohibited Areas shall be those defined or delimited by proper government agencies for the respective port, Port District/harbor limit. For this purpose the Authority, through the Port Manager or his equivalent, of every port or Port District, shall issue a chart of the port or Port District indicating therein the various anchorages or prohibited areas in coordination with those agencies.

b) No vessel shall anchor or moor in any prohibited anchorage nor use an anchor in that area except for the purpose of assisting in berthing alongside or unberthing.

c) No vessel shall anchor in, or use an anchorage, other than for the purpose for which the anchorage is designated or intended.

d) No vessel shall anchor, berth, moor or lie,

(i) in the approaches to a port

(ii) in any principal fairway

(iii) in such a manner as to obstruct the approach to an anchorage or pier/wharf used by other vessels

(iv) in a cable reserve area, or in any special anchorage indicated in the chart of the port or Port District except for the purpose specified

(v) in a position which is likely to foul a vessel which is anchored, moored, or made fast to a buoy

Sec. 16. Vessel Readiness to Move.--

a) While in a port/Port District no vessel shall, without the written permission of the authority, carry out engine repairs or other related work which may render the vessel unable to move when required to do so.

b) No vessel while berthed at a pier or wharf in a port/Port District shall be left without any authorized personnel and competent officer who can move the same when required to do so, and without prior written permission from the Authority. Failure of the Master to comply with this, shall empower the Authority to cause the removal of the vessel at owner's/Master's expense and all damages incurred by reason thereof is the sole liability of the master or owner of the vessel

c) While in port and without the written permission of the Authority, no vessel shall reduce its steam or power below a level adequate to move the vessel when so required

~~d)~~ If a vessel is unable to move when so required by the Authority, the same shall be, or caused to be, moved by the Authority, provided that all expenses incurred by the Authority in performing such work shall be paid by the vessel, without prejudice to the penalty imposed under these Regulations.

e) No unpropelled lighter or barge shall be allowed to berth at a pier/wharf without the written permission of the Authority and without any stand-by tugboat to move said lighter or barge when required to do so.

f) No vessel shall remain idle at berth for more than one (1) hour, if there are other vessels waiting to berth.

Sec 17 Laid Up Vessels –

- a) The person in charge of a laid up vessel shall insure that such vessel is securely anchored or moored in a position directed by the Authority so as to prevent its swinging outside such limits and clear of all other vessels during any condition of wind and tide
- b) Every laid up vessel shall at all times on board a sufficient number of men competent to tend the anchor-lights, veer, cable, let-go and anchor, as well as to take necessary action in case of emergency or necessity

Sec. 18. Oil, Spirit, Etc. – No oil, spirit, or inflammable liquid shall be pumped or discharged from a vessel, or from any place on land into the sea

Sec 19. Transfer of Dangerous Liquid Cargo. – Without the written permission of the Authority and previous clearance of the Bureau of Customs (BOC), and such other clearance required by other government agency, no transfer of dangerous import/export liquid cargo shall be carried out either between two (2) vessels anchored in a port, or in the approaches to a port, or between one vessel lying alongside a pier or wharf and another vessel lying alongside the former vessel. In the case of domestic cargo, the Authority's permit is necessary, and such other permits as may be required by proper authority

The term "dangerous liquid cargo" as used in this Section means any gas or liquid which is obnoxious, corrosive, inflammable or which exhibits dangerous properties that likely endangers the safety of the vessel(s), its cargo and/or passengers, or physical port facilities

In determining the propriety of such transfer, the Authority shall see to it that the process would not likely endanger life and property and shall require the vessels concerned to provide the necessary precaution therefor, provided, however, that the Authority shall not be responsible for any damage that may arise from the operation

Sec. 20. Logs and Lumber. –

a) Unless with the permission of the Authority, no logs, lumber, or timber shall lie afloat unattended within the limits of any port/Port District/harbor, except alongside a vessel loading such logs, lumber, or timber or within a properly constructed log enclosure approved by the Authority.

b) Every log enclosure shall

(i) be situated clear of all wharves/piers, mooring buoys, special anchorages, harbor channel, and the approaches

(ii) consists of at least 15 cm (6 inches) diameter piles driven securely at intervals of not more than 15 meters (50 ft) with a boom of floating logs between them securely attached to each vertical pile by wire or chain cable or such other suitable scheme or method approved by the Authority, and the PCG/Bureau of Forestry, if required

(iii) be subject to inspection by the Authority to determine that the log enclosure is properly secured and maintained by the operator to prevent the logs placed therein from being scattered and strayed

c) Any log or raft found adrift or beached within the limits of any port or Port District/harbor, except in cases provided under subparagraph (b), above, may, after proper notice, be impounded by the Authority for proper disposition

Sec. 21. Rafts. –

a) No raft of logs or timber shall exceed 200 meters in length or 18 meters in breadth without the permission of the Authority

b) Should it be deemed necessary, the Authority may restrict the length and breadth of lografts in any port or Port District.

c) Rafts being towed shall be moved with reasonable dispatch and shall not be towed through any of the Special Anchorages. These anchorages shall be determined and defined through the coordinated efforts of the Authority, PCG and other government agency concerned, pursuant to Section 15(a) of these Regulations.

d) All log towing vessels shall carry conspicuously, during daytime a black diamond shape of at least one-half meter in diameter, and at night two white lights positioned vertically two meters apart from each other.

Sec. 22. Tugs Towing Rafts. —

a) Every tug or launch used for the towing of rafts shall be of sufficient horsepower to hold her tow in control under tidal and normal weather conditions.

b) All tugs and launches with rafts in tow shall, unless it is unsafe or impracticable to do so, leave clear for shipping main channels in any port or Port District or approaches to a port.

Sec. 23. Smoke, Soot, Etc. — No vessel shall emit smoke, soot, ash, grit, or oil from the funnel or any part of the vessel in such quantity as to constitute a nuisance per accidens.

Sec. 24. Chipping and Scaling. —

a) No vessel shall, without the written permission of the Authority, carry out any chipping or scaling of metal within a port or Port District.

b) This regulation shall not apply to any vessel undergoing construction or repair in a recognized/authorized slipway or shipyard.

Sec. 25. Sinking, Strandings, Etc. —

a) When a vessel, watercraft, raft, or float from whatever cause, except force-majeure, sinks, strands, capsizes, or catches fire within a port or Port District, the Master or owner of the vessel, if at fault or negligent, shall be held responsible under existing laws and regulations for all consequences arising therefrom, and shall immediately at its/his own expense remove the watercraft, raft, or float when called upon to do so by the Authority to prevent obstruction to shipping, provided that the necessary salvage permit therefor is first secured from the PCG.

b) If the Master or owner/agent of a vessel, raft, float or watercraft unreasonably fails or is unable to remove the same when required to do so, the Authority may, in the public interest or safety of shipping, cause its removal in the most expedient manner under existing regulations on salvage, and the cost incurred therefor shall be borne by the Master, owner or agent thereof.

Sec. 26. Buoys and Moorings. — No private buoy or mooring shall be laid or positioned in the waters in any port or Port District/harbor unless prior authority therefor is first secured from the PCG.

Sec. 27. Damage to Notices, Etc. — No person shall remove, alter, deface, damage, or otherwise interfere with any notice placed by the Authority on any vessel in a port or Port District or on any of the premises under the jurisdiction of the Authority.

Sec. 28. Excessive Use of Siren, Etc. — No steam whistle, siren, horn, or like instrument shall be used by any vessel in a port or Port District other than as a signal of danger, or for the purpose of giving warning for the vessel's maneuver, or other legitimate cause.

ARTICLE IV – BERTHING

Sec. 29. Berthing Regulations. —

a) The allocation of a berth belonging to, or operated by, the Authority shall be at the Authority's discretion.

b) A vessel shall be considered for berthing allocation only after the agent of said vessel has filed an application for berth

c) All applications for berthing in pier/wharf/anchorage shall be submitted 24 hours before arrival for vessels on scheduled runs and 36 hours for tramping vessels (without regular schedules). In either case application should be filed within sufficient allowable time.

d) All applications received after the berthing meeting shall be deliberated upon the following day before the actual arrival of the vessel.

e) No vessel shall be berthed or unberthed alongside a wharf or pier belonging to, or operated by, the Authority without its permission or contrary to its directions, nor shall any vessel occupy a berth other than the berth allocated to said vessel.

f) First come-first served basis shall be the general rule in determining berthing priorities of vessels, subject to the exceptions hereinafter provided. Vessel's arrival will mean the time a vessel drops anchor at the Anchorage Area when there is no available area or the time a vessel reaches the Port's Boarding Area when a berth is available.

g) When the available berthing space is inadequate for berthing a larger vessel having the priority to berth, the smaller vessel next in priority which can be accommodated shall be allowed to berth on condition that should additional space be made available such that the larger vessel can already be accommodated, the smaller vessel shall be moved to the anchorage to allow the larger vessel to berth.

h) The Pilot maneuvering a vessel to berth shall be advised by the Authority as to the position or berth which the vessel will occupy and the vessel shall comply with the directions or instructions therefor of the Authority and/or the pilot.

i) When a vessel scheduled to berth encounters some mechanical troubles thereby restraining said vessel to dock, an allowance of one (1) hour shall be given for repairs. If after the lapse of this grace period, said vessel is still inoperative, the priority to berth shall be passed on to the vessel having the next priority to berth.

j) Vessels with berthing priority but are scheduled to depart the following day shall be allowed to berth to allow passengers to disembark. Provided, however, that said vessel shall pull-out from berth to give way to passenger vessel scheduled to depart on the same day.

k) Any vessel intending to berth solely for the purpose of loading fresh water, bunkering or victualling, before such vessel will be able to depart for another port, shall be given priority over other vessels, provided that such stay shall not exceed the time fixed by the Authority.

l) Government-owned vessels on official business, vessels of foreign government not engaged in foreign trade, vessels under stress, and vessels carrying perishable articles of goods shall be given berthing priority over other vessels.

m) Whenever practicable, passenger liner or tourist vessel shall, subject to the discretion of the Port Manager/OIC, be given also priority on a limited number of hour stay at berth over purely cargo vessel.

n) Berthing priority of any vessel shall not be waived in favor of another vessel

o) Vessels waiting for cargoes shall be moved to anchorage to allow the next vessel to berth. However, said vessel shall be allowed to berth again, provided that cargoes for loading are ready, unless another vessel is allowed to take the berth temporarily by the Authority.

p) Domestic vessels may be allowed by the Authority to dock at berths designated for foreign vessels if there are no other vessels waiting to dock at such berths.

q) Shut-down time caused by heavy rains and other major calamities or accidents which will restrain work on a vessel shall be excluded from the time limitation prescribed herein. However, breakdown of lifting gears and also loading of fresh water, bunkering and victualling which should be done simultaneously with cargo handling operations shall not be considered as reason for the time extension

Sec. 30. Prohibitions on Berthings. -

a) Double-banking of vessels shall not be allowed except with prior permit from the Authority; provided, that in case of damage resulting therefrom, the Authority shall not be responsible.

b) No vessel shall be allowed to undertake any repair while at berth unless with prior permit from the Authority.

c) Tugboats shall not leave their barges/lighters while at berth; otherwise, the Authority shall cause their removal at the owner's expense, without prejudice to the penalty prescribed in these Regulations.

d) No movement/shifting of vessels at berth shall be allowed without prior knowledge of, and permission from, the Authority.

e) No Master of any vessel shall leave his vessel lying at berth or anchorage without stationing on duty the next ranking officer with proper authority and adequate men to move the vessel when so ordered by the Authority. Failure to do so shall empower the Authority to remove the vessel at vessel's expense, without prejudice to the penalty prescribed in these Regulations.

Sec. 31. Authority's Discretion. — Nothing prescribed in the above regulations on berthings shall preclude the discretionary power of the Authority to direct the movement of any vessel if the Authority finds it necessary under the circumstances to do so in the best interest of the public. Any expense incurred in complying with the direction or order of the Authority shall be borne by the vessel concerned.

Sec. 32. Time Limitation at Berth — Based on standard output of the arrastre, a time limitation at berth of cargo vessels shall be determined by the volume of cargo to be handled in the controlling hatch or 48 hours whichever is earlier.

Sec. 33. Berthing of Vessel.

a) A vessel shall be berthed by its Master and crew with the advice or direction of the Pilot on board and shall be attended by dock labor, if available, at the wharf or pier in taking ashore, making fast or casting off wire hawsers or ropes or other similar assistance if due notice is given to the Authority

b) The Authority shall not be responsible for any loss or damage caused by or attributable to any act or omission of the Master or employees of any vessel while moving the same.

c) Neither shall the Authority be held liable for the unsecure or improper mooring or berthing of any vessel nor for any damage or loss occasioned thereby.

Sec. 34. Vessel Under Master's Charge. — Every vessel shall, while moored alongside a pier or wharf within a port or Port District, be under the charge of, and her safety at the sole risk or responsibility of, the Master or owner, and the Authority shall not be responsible for the safety of the vessel.

Sec. 35. Attendance to Moorings.

a) Every vessel lying alongside a wharf or pier shall at all times have sufficient personnel or crew on board to attend to her moorings and to cause them to slacken or heave in as may be necessary.

b) No rope shall be made fast ashore except to the dolphins, buoys, mooring posts, belts or bollards provided for the purpose.

Sec. 36 Rat Guards. — Every vessel lying alongside a wharf or pier within a port or Port District shall be provided with rat guards on her mooring lines or other adequate means to prevent the passage of rats between the vessel and the pier or wharf.

Sec. 37. Fenders/Cushions. — Every vessel lying alongside a pier or wharf shall provide and use rubber/thread cushion or other shock-absorbing materials on its side which will absorb the impact of the vessel against the pier or wharf, quayside, and the owner or operator of the pier or wharf shall provide the same with suitable and adequate fenders. Any fender provided by the Authority shall not be lifted or removed from the quay wall.

Sec. 38. Gangways/Ladder.

a) There shall be provided between a vessel lying alongside a wharf or pier, one or more proper gangways which shall be securely fastened to the vessel and adequately lighted up at night.

b) Where a vessel is lying alongside a pier or wharf, no person shall embark on or disembark from said vessel other than over the gangway or accommodation ladder required to be put up.

Sec. 39. No Gear to be Placed on Wharf.

a) No boat, spar, anchor, cable, or other article of ship's gear, dunnage, loose box from or belonging to any vessel, shall be placed or shall remain on a pier or wharf without the permission of the Authority.

b) No dirt, ash or rubbish of any description may be landed on any wharf or pier except in the receptacles provided for the purpose.

Sec. 40. Exhaust Steam, Etc.

a) Exhaust steam, water, and other discharges from a vessel lying at or alongside a pier or wharf shall be laid down the side of the ship to below the level of the wharf or pier by a hose or other appliance.

b) No refuse, filth, or excreta shall be discharged from a discharge pipe water closet, or latrine upon any portion of a wharf or pier except in the receptacles provided for this purpose.

c) All water and steam pipes of a vessel at a pier or wharf shall be properly screened by the Authority.

d) The cost incurred by the Authority in cleansing or doing anything as a result of a contravention of this regulation shall be refundable by the Master or owner of the vessel, in addition to the penalty for the offense.

Sec. 41. Removal of Obstruction, Etc. — The Master of any vessel with its boat swung outwards or with anchors or other projections from the vessel's side or deck which may interfere with the vessel or another vessel loading, discharging, or berthing (including berthing alongside the first vessel), shall remove such projection or other obstruction when so required by the Authority.

Sec. 42. Use of Engines. — No vessel shall try her main engines or turn her propellers when lying alongside a pier or wharf unless permission to do so is first obtained from the Authority.

**ARTICLE V – LOADING, UNLOADING, STORING
AND TRANSPORTING OF GOODS**

Sec. 43. No Responsibility for Delays. — The Authority shall not be responsible for the detention or delay of any vessel nor for the delay in discharging or loading of its cargo due to any cause whatsoever for which the Authority is not responsible or beyond its control.

Sec. 44. Vessel to be Ready for Work.

a) After mooring or berthing alongside a pier or wharf, every vessel shall have all her working hatches ready to commence working cargo.

b) Adequate lights shall be provided in parts of a vessel where work is going on alongside any pier or wharf belonging to, or operated by the Authority, in order to prevent injury or accident to life, limb or property which may result from such work

Sec. 45. Stevedorage, Etc.

a) The Authority shall not be responsible as stevedores regardless of the source of labor supply for any stevedoring operations which shall be carried on under the supervision of an officer of the vessel concerned who shall bear the responsibility for the rigging, unrigging, trimming, and safe working of the cargo gear of said vessel, and for consequences arising therefrom.

b) Neither shall the Authority be responsible for the winchman or craneman that is supplied by the Authority upon request while working on board the vessel for they shall be deemed to be an employee of the Master of the vessel.

Sec. 46. Liability/Indemnity for Cranes. – When cranes belonging to the Authority are hired, the hirer or operator shall be responsible for any damage which may arise from the use or operation thereof due to his fault or negligence. On the other hand, the Authority shall be held responsible for the damage arising from the breakdown of the hired equipment if their maintenance/repair remains to be the responsibility of the Authority per agreement.

Sec. 47. Hire of Cargo Gear, Etc.

– a) Cargo gear hired from the Authority shall be deemed to be hired on condition that the hirer shall be responsible for damage to such equipment which is attributable to his fault or negligence.

b) The gear so borrowed shall be deemed to be in good working condition, and the responsibility of the Authority shall be limited to damage to cargo directly caused by the breakdown thereof.

Sec. 48. List of Inward Cargo.

a) The Master or agent of every incoming vessel, domestic or foreign, shall sign and furnish the Office of the Authority at the port or Port District concerned, at least twenty-four (24) hours when practicable before the arrival of the vessel, one copy of Inward Cargo Manifest (ICM) in the English language containing all particulars as to:

(i) the gross weight, measurement, marks, numbers, and contents of each package or consignment, including the origin of the cargo.

(ii) the names of consignees per Bill of Lading or the names of the persons actually paying the freight, and their respective addresses.

b) The Authority may refuse to allocate a berth to a vessel unless one copy of the Inward Cargo Manifest is deposited or furnished or a written statement is submitted that the vessel does not intend to work cargo or that the Manifest cannot be lodged before the arrival of the vessel because of the short sea voyage of the vessel, in which case the Manifest shall be submitted upon arrival of the vessel.

c) A certified statement of any amendment or alteration, if authorized by applicable law and regulations, made in the ICM by reason of the remeasurement or recounting or re-description of the breakbulk goods included therein or otherwise, shall also be furnished to the Authority immediately after completion of discharge of the cargo or goods.

d) Any amendment or alteration to the original Inward Foreign Manifest of containerized liner shall be submitted within twenty-four (24) hours after the departure of the vessel, if such amendment cannot be submitted prior thereto.

Sec. 49. Heavy Lifts. – The discharge of any package, heavy lift or containerized cargo from the vessel to the pier or wharf shall be subject to the discretion of the Authority by taking into account the physical strength, availability of space at the pier or wharf and other factors, e.g. nature of the cargo, etc

Sec. 50. List of Outgoing Cargo. – The Master or agent of every outgoing vessel, domestic or foreign, shall prepare in the English language, sign and submit within twelve to twenty-four (12-24) hours before the departure of the vessels, an accurate copy of the Outward Cargo Manifest (OCM) of all goods on said vessel containing all particulars as to

a) Gross weight, measurement, marks, numbers, and contents of each package or consignment, including the final destination thereof.

b) The names of the shippers and their addresses per Bill of Lading

Sec. 51. Vessels to be Worked with Dispatch.

a) Every vessel shall discharge or load her cargo with reasonable dispatch and, where she occupies a berth which is required shortly by another vessel, the former vessel shall be worked continuously including night and overtime hours as may be required by the Authority.

b) If a vessel fails or is unable to effect such dispatch or work such night and overtime hours as required by the Authority, said vessel may be ordered by the Authority to vacate the berth she occupies and the Master shall forthwith comply with the order

c) A vessel which is required to vacate a berth pursuant to the Authority's order in paragraph (b) above will be reberthed at a place solely at the discretion of the Authority

d) All expenses incurred by the vessel in complying with any Authority's order under this section shall be borne by said vessel

Sec. 52. Production of Documents — The Master or agent of any vessel shall produce to the Authority any book or document which may be required in connection with the landing or shipping of her cargo and/or embarkation or disembarkation of her passenger or crew.

Sec. 53. Discharge of Cargo by Marks. — Master of any vessel shall, as far as practicable, cause the discharge of cargo by marks and the Authority may, in case of unmarked cargo and as it may deem fit, require the same to be marked at vessel's expense for easy identification and sorting of the cargo

Sec. 54. Receipts for Cargo Received. — Any receipt issued by the Authority for any cargo received or entrusted to its custody shall indicate as far as practicable, the actual contents and weight thereof on the basis of the covering documents furnished by the shipper, consignee or owner of the cargo.

Sec. 55. Ship Responsible for Sorting. — The Authority shall not be responsible for wrong delivery of cargo in its custody consisting of goods which are not sufficiently described and legibly marked and which caused difficulty in correctly identifying the same for delivery to consignee.

Sec. 56. General Responsibility for Cargo.

a) Where goods or packages are delivered directly unto, and duly receipted by, the Authority, it shall not be responsible for any loss, damage or deterioration thereof due to the inherent or latent defect of the cargo, or due to sea, water/chemical action, acts of God, climate, or any circumstances over which the Authority has no control; provided, however, that the Authority may require insurance for said cargo or packages

b) Where the cause (s) of the loss, damage or non-delivery of the cargo is attributable to the fault or negligence of the Authority, its liability shall be limited to the extent of the value thereof declared in the Bill of Lading, ship's receipt or other related documents which in no case shall be more than

- i) Five Hundred (P500 00) Pesos for each package of domestic cargo, and
- ii) Five Hundred US\$500 dollar or its equivalent in Philippine Currency for each package of import or export cargo:

unless the value thereof is otherwise specified, manifested or communicated in writing to the Authority, supported by B/L and certified packing list, before the discharge from/or loading of the cargo unto the vessel, provided, however, that, in the determination of the actual liability of the Authority, the conditions, statements, exceptions endorsed upon said documents shall be taken into consideration.

c) The Authority, the conditions, statements, exceptions endorsed upon said documents shall be taken into consideration.

c) The Authority shall receive directly fragile or brittle cargo only on the condition that it shall not be responsible for any breakage thereof.

d) The claim for loss, damage or destruction of cargo duly receipted by and directly entrusted unto the custody of the Authority shall be filed, together with pertinent supporting documents, within fifteen (15) days from the date of discovery by the owner or consignee of the goods, of its loss, damage or destruction.

Sec. 57. Storage in Open Areas. — Where cargo are entrusted unto the custody of the Authority duly receipted, the Authority may store said cargo in the open area if it finds that by its bulk, nature or contents, it is not suitable for storage in the transit shed or warehouse, and in that instance, the Authority shall not be responsible for any damage or deterioration caused to the cargo stored in the open area, which is not attributable to the Authority, provided, however, that the Authority may require the insurance thereof.

Sec. 58. Responsibility in Case of Fire, Etc. – The Authority shall not be responsible:

- a) For any loss of, or damage to, goods while in its direct custody, caused by fire, water or other agent used in extinguishing fire or by vermin
- b) For any loss of, or damage to iron work, or goods in an unprotected or uncovered state while in its direct custody, which is not due to Authority fault or negligence
- c) For any deficiencies of merchandise produced by natural or unavoidable causes

Sec. 59. Liability for Storage Space. – After notification to the owners, consignees, shippers of goods or agents of the vessel that accommodation for such goods is not available either in the transit shed, warehouse or open space, the Authority shall not be bound to find storage therefor nor liable for any loss or damage to such goods that the Authority directly received and the Authority shall have the option to remove said cargo, after payment of lawful revenues and charges, at the expense of the owner, in order to decongest the pier or wharf.

Sec. 60. Valuable Cargo. – The Authority shall not, except as provided in these Regulations, be liable in case of loss or damage to any package of valuable cargo, unless the same has previously been so declared, including its correct value and charges to be determined by the Authority for its safekeeping or custody are paid ad valorem (based on value); provided, however, that the liability of the Authority in that instance shall not exceed that fixed under Section 56 of these Regulations and subject to the limitations therein specified.

For purposes of this Section, the term "valuable cargo" means any package containing bullion, specie, precious stones, jewelry and other similar or allied articles.

Sec. 61. Passenger Baggage. The Authority shall not be responsible for the loss of personal effects or passenger's baggage stored in the Authority's transit sheds or warehouses, unless a receipt is issued therefore by the Authority, and for cause which is attributable to its fault or negligence, and in such case, the liability of the Authority shall not exceed Two Hundred (P200) Pesos per package unless the value of said personal effects or baggages are duly declared and paid for ad valorem (based on value) to be determined by the Authority

Sec. 62. Objectionable Cargo The Authority may prohibit the landing or refuse to accept any cargo which in its opinion may imperil the safety of persons or property in port or damage any part of the premises of the port, or adversely affect the safety of any cargo in the custody of the Authority

Sec. 63. Removable of Offensive Cargo.

a) The Authority may, after giving at least twelve (12) hours notice to owner or consignee of goods which are of offensive nature landed in the premises and without permission of the Authority, order its removal and/or its destruction if it deems urgently necessary in the public interest, without incurring any liability therefore, and without prejudice to any liability incurred by such owner or consignee. If the owner can not be found, mere publication in the bulletin board for one (1) day is enough.

b) The expense incurred for the removal, destruction of, or other necessary action on goods treated in paragraph (a) above shall be borne by the consignee or owner of the cargo.

c) The term "offensive cargo" as used in this Section shall include, among others, any cargo, whether solid or liquid, which is obnoxious, corrosive, inflammable or poses danger to life or property.

Sec. 64. Shipline and Direct Deliveries. — The Master or agent of a vessel shall submit to the Authority lists of all inward and outward deliveries shipside (overside) and all direct deliveries shipments to and from the wharf or pier in such details and at such times as the Authority may require.

Sec. 65 Payment of Bills. — Master, owners and agents of vessels or owner or consignees of goods shall be responsible for the prompt payment of all bills submitted by the Authority and upon failure to do so as demanded by the Authority, the vessel or her sister vessel may be refused services by the Authority, without prejudice to the power of the Authority to detain such vessels or cargo for nonpayment of the bills per Sections 22 and 23 (d) of P.D. 857.

Sec. 66 Stevedore and Arrastre Contracts.

a) No business corporation or firm shall perform work as a Stevedore or Arrastre Contractor within the premises of the Authority unless in possession of a permit/license duly issued by, or provided with Management Contract with, the Authority or with existing permit previously issued by or with Management Contract or Agreement entered into before with the Bureau of Customs.

b) The Authority may, instead of providing its own labor, authorize by contract, permit or arrangement, a contractor to provide stevedoring and/or arrastre services, and the liabilities, obligations and responsibilities of such contractor or grantee shall be stipulated in said contract, permit or arrangement.

Sec. 67. Permit/Pass to Person/Vehicle. — No person shall be allowed to enter the premises of the Authority unless he is on legitimate business or purpose and with previous permit/pass issued by the Authority, provided, however, that persons who are working in private offices of shipping firms or government offices located inside the premises of the Authority need not be provided with PPA pass for their entrance thereto if they are possessed with identification cards duly issued by their respective offices.

Neither shall any vehicle of any person, except PPA employees, shall be allowed to enter the pier/wharf or premises of the Authority without any pass therefore

Sec. 68. Release of Goods. —

a) Domestic cargo shall be released by the Authority from its transit sheds or warehouses only upon production of the corresponding Bills of Lading or Delivery Orders duly endorsed by the agents of the carrying vessel, and after payment of lawful charges collectible therefrom.

b) Import and export cargoes shall be released/transferred or loaded on board the vessel only after payment of lawful revenues collectible by the Bureau of Customs and upon presentation of required release/transfer/loading orders or documents and also after payment of charges or fees collectible by the Authority.

c) The Authority shall release or cause the release of cargo by marks and shall not sort or cause its sorting by numbers and submarks except upon the request and at the expense of the vessel or cargo owner or consignee

Sec. 69. Delays and Detention of Cargo. — The Authority shall not be responsible for the delay or detention of the shipment (which the Authority directly received), its discharge or delivery due to congestion of cargo in the pier/wharf or of vessels at the berths or for any other cause or circumstance beyond the control of the Authority.

Sec. 70. Receiving Outside Cargo. — Breakbulk cargo shall not be brought in or land on any pier or wharf before the vessel is ready to receive them, nor shall the cargo be placed on any storage area or roadway, without the permission of the Authority

Sec. 71 Working Hours. — The port working hours, delivery hours for cargo, office hours and the like, of the Authority in each port or Port District shall be fixed by the Authority from time to time.

Sec. 72. Damaged Packages. — To safeguard the contents of damaged bags or packages and to facilitate their storage in the transit sheds or warehouses, the Authority may at any time repair such bags or packages of goods irrespective of survey, and the cost of said repairs shall be a charge and constitute a lien upon the goods.

Sec. 73. Damaged Cargo. —

a) The Authority, if it directly renders service, shall put aside for survey damaged or bad order cargo but shall not be responsible for failing to note any damage which can not be easily detected by its external appearance upon discharge or damaged cargo discharged at night.

b) Damaged, defective, or bad order cargo shall be surveyed by a representative of the ship or its agent and a representative of the Authority.

Sec. 74. Firearms and Explosives. — All cases containing firearms, ammunitions, or explosives shall be clearly marked for identification, and at least twenty-four (24) hours before arrival of the carrying vessel, a written notice shall be given to the Authority at the port of discharge. The notice shall contain full particulars of the cargo and shall be accompanied by the required permit or authority for its importations and discharge from proper authorities.

Sec. 75. Discharge During Rain. — The Authority, when it renders direct service, shall not accept any responsibility for damage to cargo discharged during inclement weather.

Sec. 76. Contamination of Other Cargo. —

a) If a cargo deteriorates as to contaminate other cargo, the Authority reserves the right to require the complete removal thereof from the transit shed or warehouse within the premises of the Authority within twenty-four (24) hours after notice is given to the cargo owner or consignee, or agent of either, and after payment of lawful revenues and other charges due thereon.

b) If the notice given in paragraph (a) above is not complied with, the Authority shall have the option to remove the cargo from the warehouse or transit shed to the open storage, sell by public auction, destroy or otherwise dispose of such goods in such manner it may deem proper if domestic cargo, and in coordination with the Bureau of Customs if import or export cargo, and the Authority shall not be liable to pay any compensation for any goods so dealt with.

Sec. 77. Animals. —

a) No animals shall be landed or brought into the port or premises of the Authority, except for direct delivery or shipment, and the owner shall be entirely responsible for the animals and their actions.

b) If any stray animal is found within the Authority's premises, the same may be dealt with at the discretion of the Authority.

Sec. 78 Receipts for Cargo Shipped. —

a) No cargo shall be shipped unless a clean receipt and/or Bill of Lading can be granted by the ship or its agent.

b) Receipts for all cargo shipped by the Authority or its authorized representative shall be delivered to the Authority or its representative before the vessel leaves her berth.

Sec. 79. Broken Goods. —

a) Goods, which are broken or damaged shall be removed from the Authority's premises at least within fourteen (14) days from the date of landing and after due notice to their owners or consignees and if the same is not removed, it may be disposed of by the Authority solely if domestic cargo, and in coordination with the Bureau of Customs if import or export cargo, and the Authority shall not be liable for any claim therefor.

b) The owner of the broken cargo shall be liable to pay the Authority for the expenses incurred in disposing such broken cargo.

Sec. 80. Right to Remove Goods. — The Authority shall, if the convenient use or condition of the port premises so requires, remove any goods which have been landed thereon to any storage area or therefrom to the open storage at its discretion, and the charges for such removal shall be paid by the owner of goods to the Authority.

Sec. 81. Cargo for Other Ports. — The Authority reserves the right to prohibit the landing of cargo in a port which is destined for any other place except when the conditions of the said port so warrants

Sec. 82. Recovery of Goods Ex Vessels. — When a vessel is alongside a pier or wharf, any material including cargo, storage, or equipment that has fallen from the vessel or the vessel's sling shipside or overside, shall be recovered by the Master of the vessel or arrangement for their recovery shall be made to the satisfaction of the Authority before the vessel is permitted to depart. The cost of such recovery, damage to pier, wharf or other works, cargo or thing shall be the liability of the Master, owner or agent of the vessel whether the act is due to negligence or not

Sec. 83. No Smoking, Etc. Within premises. —

No person shall:

a) smoke, carry, or ignite any naked flame on any part of the pier/wharf or premises under the jurisdiction of the Authority especially near a combustible cargo or cargo area where the Authority has posted notices to that effect, except in such place and under such conditions as may be expressly permitted by the Authority.

b) fish or bathe from or at any pier, wharf, or quay, or premises of the Authority

c) stay in case on any part of the premises of the Authority, except in such place as may be set aside for the purpose by the Authority.

d) without proper authority, tamper with any machinery, water appliances, electric fitting, or equipment of whatever kind in or on the premises of the Authority

e) knowingly permit any dog or any other animal belonging to him/her to roam without any legitimate purpose on the premises of the Authority and without its permission

Sec. 84. Licenses. — No person shall carry on any trade or business or be a vendor of goods or refreshment whatsoever in any harbor craft in a port or Port District or in any vessel alongside a pier or wharf, or on the premises of the Authority unless such person is in possession of a license or permit for the purpose issued by the Authority, provided that a still valid permit previously issued therefor by the Bureau of Customs shall suffice.

Sec. 85. Road Vehicles. —

a) All vehicles shall be driven with due care within the Authority's premises and shall observe such speed limits and regulations as may from time to time be imposed by the Authority.

b) Drivers of vehicles within the Authority's premises shall keep a constant look out for all types of mobile cargo handling and mechanical equipment and shall take all necessary precautions to avoid collisions or accidents.

c) No vehicle shall be taken or driven along, or upon any pier or wharf or port or inside any shed or warehouse without the permission of the Authority.

d) All persons shall comply with all orders given by an officer or security guard of, or acting for, the Authority, or by any police officer, for the purpose of regulating traffic within the premises of the Authority.

e) No vehicle shall park on or obstruct any passage or gangway leading to or from any pier, wharf, dock, shed, warehouse, or any railway line within the premises of the Authority.

f) No vehicle, truck, tractor engine, or craft shall be left unattended while in the Authority's premises.

g) Without permission of the Authority, no vehicle, within its premises, shall be fueled or refueled at any place other than at an authorized fueling point.

h) When an officer or security guard of, or acting for, the Authority deems it necessary to move a vehicle from any place in the Authority's premises to prevent obstruction or danger, it shall be lawful for him to direct the driver to move said vehicle to such other place indicated and if the driver fails to comply with the direction or is not around, said officer or guard may move such vehicle, and the expense therefor, if any shall be borne by the owner or operator of such vehicle, without prejudice to the penalty provided in these Regulations.

ARTICLE VI – DANGEROUS CARGO

Sec. 86. Definition. – For purposes of these Regulations, "Dangerous Goods" shall mean any of the goods listed in the "Classification of Dangerous Goods" by the Intergovernmental Maritime Consultative Organization (IMCO) or the appropriate agency of the Philippine Government and/or the United Kingdom Carriage of Dangerous Goods in Ships (The Blue Book).

Sec. 87. General Restriction. – No person shall cause to be imported or exported and no vessel shall cause to be loaded or discharged or transported any dangerous goods within the limits of any port or Port District, except in accordance with the permission or direction of the Authority in addition to whatever regulations or requirements imposed by other appropriate agencies of the government.

Sec. 88. Declaration of Dangerous Goods. –

a) No dangerous goods shall be brought into any port or Port District unless such goods are declared and adequately described in the Notice required under Sections 4 and 5, Article 11 hereof, and are certified in said notice by the Master or agent of the vessel that said goods are properly marked, packed, and labelled in accordance with the IMCO Classification of Dangerous Goods or Classification by the proper agencies of the government and/or the Blue Book

b) Such certificate or declaration shall indicate the correct technical name and identity of the goods and the class to which it belongs under the appropriate classification.

c) For the purpose of this section, the phrase "limited quantity," when used in relation to a dangerous chemical, shall have the same meaning as that ascribed to it in the IMCO Classification or the Blue Book.

Sec. 89. Defective Packaging. –

a) No defective package or container with dangerous goods inside shall be landed or brought on to any pier or wharf, except upon permission of the Authority if it deems proper and under such conditions as it sees fit to impose.

b) In case of emergency or in order to insure the safety of the port or shipping therein, the Authority may destroy or otherwise dispose of any dangerous goods after due notice to the owners or consignees thereof and their failure to remove the same within the time specified, and the Authority shall not be liable for payment of compensation therefor.

Sec. 90. Warning Signals to be Hoisted. –

a) Every vessel carrying on board dangerous goods other than petroleum shall exhibit, where it can clearly be seen by day, a red flag not less than 0.6 square meter, and by night a red light visible all around the horizon; provided that, such red flag and/or red light shall continuously be exhibited as long as any dangerous goods remains on board.

b) Every vessel carrying on board dangerous petroleum shall exhibit, where it can be clearly seen by day, a red flag not less than 0.6 square meter with a white circular center of 10 cms. in diameter, and by night, a red light visible all around the horizon, and shall continue to exhibit said flag and/or light as long as any low flash petroleum remains on board.

c) The provisions of this Section shall not apply to:

- (i) Dangerous goods contained on board any vessel to be used solely for the purpose of ship's stores of the vessel.
- (ii) Small quantities of dangerous goods taken for sample purposes by an inspector of explosives.

Sec. 91. Restriction on Working Hours.

a) No explosives or dangerous goods shall be loaded or discharged between the hours of 1800 and 0600 without the permission of the Authority

b) No vessel or harbor craft with explosives or dangerous goods on board shall remain alongside any other vessel or craft, pier or wharf, or other physical landing place between the hours of 1800 and 0600 without the permission of the Authority.

Sec. 92. Smoking, Etc. Prohibited. – No person shall smoke and no fire or naked light, other than navigation or signal lights prescribed by the Collision Regulations or by these Regulations, shall be allowed on board any vessel or harbor craft which has or is about to receive on board any explosives or dangerous goods

ARTICLE VII – CONTAINERIZED CARGO

Sec 93 General Guidelines/Regulations on Containers – The following guidelines/regulations shall be applicable to ports handling containerized cargo, to wit.

a) Containerized cargo shall be unloaded from the vessel and placed only on the space at the pier or wharf designated for the purpose and shall be subject to the same rules as are applicable to general cargo regarding the releases, withdrawal, transfer and collection of storage charges thereon.

b) Containers loaded with export cargo coming from the exporter's warehouse or outside CFS, must be brought to the Customs Zone/Port Area and entrusted to the Arrastre Contractor twenty-four (24) hours before loading to carrying vessels, in order to prevent congestion in the pier or wharf.

c) Same procedure shall apply to empty containers coming from outside the Customs Zone/Port Area.

d) Break-bulk export cargo for stuffing inside the Customs Zone/Port Area must be brought to the CFS forty-eight (48) hours before the arrival of the vessel to which such cargo will be loaded so that the stuffing can be finished twenty-four (24) hours before loading to carrying vessels.

e) No empty containers treated in Section 99(c) and (d), hereof, shall be stored at the pier/wharf or its immediate premises without the prior permission of the Authority and any such containers stored therein after three (3) working days from the time they are emptied of cargo shall be subject to storage charges. This is intended to provide more space at the pier/wharf or its premises.

f) Empty containers shall be allowed to be loaded only when the following conditions are complied with, thus

(i) A "Permit to Load" empty containers is issued by the BOC with a copy thereof furnished the Authority and the Authority's clearance therefore is first secured.

(ii) Said permit bears the stamp of the Arrastre Contractor concerned

(iii) Said permit is duly processed by the Authority's representative at the pier/wharf from which the containers come from, particularly on the payment of storage charges due thereon, if any.

(iv) The container has been verified to be empty by the BOC (Customs) and the PPA immediately before loading.

Sec. 94. Container's Regulations for the Port of Manila. – the following regulations shall govern the handling and movement of containerized cargo in the Port of Manila, particularly South Harbor, and may be made applicable to other ports handling containerized cargo in so far as they are adaptable and practicable thereat taking into consideration the situations obtaining in said ports, to wit.

a) At least 24 hours prior to the arrival of vessel, ship's agent shall submit to the Authority two (2) copies of container manifest. In addition, a list of container to be loaded or unloaded shall also be submitted to the Authority for proper planning and control of equipment dispatch.

b) Cargoes inside a container shall be treated like any other break-bulk shipments subject to the provisions of the Tariff and Customs Code and applicable regulations. Moreover, all covering documents and permits regarding movements of cargoes contained therein, shall among others, bear the identifying marks and/or numbers of the containers and the names and registry numbers of the carrying vessels.

c) Containers loaded with hazardous or dangerous cargo shall have stickers posted in a conspicuous place on the faces of the containers showing, among other things, the nature of the cargo storage and handling instructions. If the same are not available, the master of the vessel or shipping agent concerned shall be required to post one before discharging is allowed.

d) Every container discharged from a vessel shall be covered by individual Container Tally Sheet (CTS) prepared and signed by the ship's checkers and countersigned by Arrastre checkers, thus, making the CTS a conclusive evidence of receipt of the containers by the Arrastre Contractor

The CTS for discharging shall be prepared by the shipping company or agent in triplicate, the original to be retained by the shipping company/agent, the duplicate and triplicate to be forwarded to the Arrastre Contractor and Authority (PPA), respectively.

The CTS for loading shall be prepared by the Arrastre Contractor in triplicate, the original to be retained by the Arrastre Contractor, the duplicate and triplicate to the shipping company/agent and Authority (PPA), respectively

In both instances, the Arrastre Contractor and the shipping company/agent shall prepare their own CTS following the format prescribed by the Authority

e) Loaded Container damaged or classified as Bad Order (BOC) shall be immediately opened and contents inventoried, surveyed and examined within twenty-four (24) hours upon request of shipping company or within seventy-two (72) hours after the last discharge in the presence of both the representatives of the master or agent of vessel and the Arrastre Contractor.

In cases of B/O containers loaded with dangerous or hazardous cargo, same shall be immediately transferred to the Dangerous Cargo Corral so designated and shall be opened only upon authority of the PPA and the Bureau of Customs. Upon completion of transfer of such B/O containers to the Dangerous Cargo Corral, the Arrastre Contractor shall immediately inform the Authority for such action as may be deemed appropriate

(i) Representatives of the Arrastre Contractor and the shipping company shall each prepare a Survey Report, and one countersigned the report of the other and each one of them furnishing the Authority each with a copy of their report

(ii) Bad Order Containers (BOC) shall not be transferred outside the Customs Zone/Port Zone until first stripped of contents or unless so authorized by the Collector of Customs concerned

f) Containers shall be discharged from or loaded unto carrying vessels, only through the pier (dockside), otherwise written authority from the Collector of Customs and the Authority shall be secured.

g) Containers previously documented by the Collector of Customs from outports may be loaded shipside to carrying vessels subject to Customs rules and regulations relative to security of cargoes contained therein.

Sec 95. Container Terminal Inside the Port Zone/Customs Zone (South Harbor). —

a) The Container Terminal inside the Port Zone shall be managed and operated in accordance with the Management Contract entered into by and between the Arrastre Contractor and the Bureau of Customs/PPA.

b) The Arrastre Contractor shall provide adequate facilities, handling equipment and personnel to be able to operate the container terminal in accordance with the pertinent provisions of the Management Contract.

c) In coordination with the shipping companies and the Arrastre Contractor, the Authority shall establish a system of accounting of containers and tracking their movements inside the Port/Customs Zone of South Harbor, Manila

(i) For the purpose of zonification, the Southside Pier 3, the Northside of Pier 13, and Pier 15 shall be classified Marshalling Yard (MY) where containers unloaded from the ships are temporarily stowed for immediate transfer to the CY or withdrawal from the pier. For loading to the carrying vessels, containers shall be arranged at the Marshalling Yard according to the sequence of loading and stowage plan of the carrying vessels. The open yard at Pier 3 and at Boston Street and Pier 13 Berth I where containers are now being stacked shall be classified as Container Yards. These are the areas where containers intended for devanning and for stuffing of cargoes are stowed.

(ii) The open area opposite Pier 13 berth I shall be considered as a Roll-on/Roll-off Terminal with corresponding CY and CFS located therein.

(iii) The stacking, stowage and shifting of containers at the Container Terminal shall be the responsibility of the Arrastre Contractor who operates the Control Tower. All movements of containers within the yard shall be immediately relayed to the Authority by the Control Tower for recording and tracking purposes.

(iv) No container shall be opened for the purpose of stripping or stuffing of cargoes at the pier or any place except at the CY Pier 3, CY Boston and Roll-on/Roll-off Terminal unless authorized by the Authority. However, if there are existing reefer container facilities stripping or stuffing may be allowed. Containers from the discharging ships may be transferred directly to the CY-CFS Pier 3 or CY Boston Street or any CY within the Customs Zone. The shipping agent shall notify the Authority before effecting such transfer.

(v) No container shall be allowed passage thru Lauro de la Cruz (Old Gate I) even for the purpose of shifting nor shall be allowed passage thru the gate of Pier 13 unless covered by valid transfer or delivery permit or authority from the PPA and the Bureau of Customs, if necessary.

(vi) All containers inside the Port/Customs Zone shall be properly carded on appropriate forms where all pertinent information shall be reflected from the time a container is received until the same is shipped out from the Port of Manila.

(vii) The container Yard and the Marshalling Yard, in coordination with the Authority shall be properly zonified by the Arrastre Contractor, whereby areas, slots, or bays, shall be specifically designated by appropriate markings, lines, numbers and/or letters.

d) Container Terminal is a Restricted Area and admission thereto is limited to the following.

(i) Personnel of the Arrastre Contractor assigned and actually involved in the container terminal operations and security of cargoes

(ii) Assigned PPA or Customs personnel

(iii) Shipping companies personnel on active duty and actually involved in container operations

Sec. 96. Delivery, Transfer and Shifting of Containers

a) Delivery of containers may be authorized after payment of duties, taxes, storage charges if any, arrastre fees and other port charges. Delivery shall be covered by a regular delivery permit issued by the Bureau of Customs and gate pass issued by the Authority and/or Arrastre Contractor

b) Containers may be transferred under the following conditions

(i) For transfer to Customs Bonded Warehouse pursuant to Bureau of Customs rules and regulations pertinent thereto.

(ii) For transfer to consignee's premises or bodegas as may be authorized under existing rules and regulations

(iii) For transfer to outside the CY-CFS as extensions of the piers pursuant to the Bureau of Customs existing rules and regulations provided for in the authority granted to the specific CY-CFS

(iv) To prepare for loading to the carrying vessel or to prepare for withdrawal from the Port/Customs Zone.

(v) To prepare for examinations inside the pier/wharf for contents and for all other customs purposes as may be directed by the Customs authorities in coordination with the Authority.

Sec. 97. Entry of Containers from Outside Sources. – Containers entering the Port/Customs Zone coming from the outside sources shall be accompanied by a Waybill in addition to the usual regular documents. This waybill shall be in a standard format to be prescribed by the Authority for the use of shippers, brokers, shipping companies and warehouse operators. This must be accomplished in five (5) copies with the original to the Arrastre Gate Inspector, the duplicate to the Terminal Operation Officers, the triplicate to the BOC (Bureau of Customs), the quadruplicate to the Arrastre Security, and the quintuplicate to be retained by broker, trucker or carrier.

Sec. 98. Stuffing and Stripping of Containers.

a) Containers classified FCL shall not be stripped while LCL should be stripped of cargoes at the Container Terminal, South Harbor. However, FCL may be stripped if conditions obtaining may warrant stripping as may be authorized by the PPA and the Bureau of Customs.

b) Container loaded with personal effects wholly or mixed with other cargoes shall be first stripped and personal effects thereof be underguarded by the Bureau of Customs up to the Baggage Inspection Room (Pier 7) for custody, examination, payment of duties and taxes, and subsequent delivery to the consignee.

c) Containers should be stuffed or stripped at CFS Pier 3, CY Boston and at Marshalling Yards at pier areas where CFS are provided and/or other areas that may be authorized by the PPA and Customs.

d) All stuffing of export cargoes in containers in the Port/Customs Zone shall be witnessed by the PPA and the Bureau of Customs.

e) No stuffing of export cargo in containers shall be made unless the duly processed Export Entries of the cargo shall have been presented to the Terminal Operation Officer who shall transmit same to the Bureau of Customs stuffing Inspector.

f) The stuffing Inspector shall certify as to the cargoes stuffed in the containers and shall render report to the Authority and the Bureau of Customs by accomplishing Stuffing Report Form prescribed therefore which shall show, among others, the cargoes stuffed, seal number, the export entry numbers, place where cargoes were stuffed, name of shippers and consignees, name and registry No. of carrying vessels.

Sec. 99 Storage of Containers. – Considering that containers are generally an extension of the ship's equipment and gears, their stay in Port shall be limited to a reasonable period of time in order that the container facilities may be used to the maximum.

a) Containerized cargo shall be entitled to a free storage period of six (6) working days same as break bulk cargo.

b) Containers after being emptied shall be entitled to six (6) calendar days free storage period.

c) Containers landed empty shall be entitled to three (3) calendar days free storage period counted from the date of last discharge. Similarly, empty container coming from outside the customs zone shall be charged storage fees after three (3) calendar days counted from the date the same was received at the port.

d) Loaded containers coming from outside the Customs Zone shall be entitled to three (3) calendar days free storage period counted from the date it is officially received at the pier container terminal.

Sec. 100. Fees and Charges on Containers.

a) Terminal fees and other charges shall be governed by the existing schedule of rates embodied in the Management Contract.

b) Fees and other charges pertaining to the use of container equipment shall be fixed between the Arrastre Contractor and the owner of the equipment subject to the confirmation by the Authority.

c) All containers whether loaded or empty, handled at the Container Terminal shall not be considered "heavy lifts". However, any single package of shipment weighing more than two (2) tons loaded shall be charged in accordance with the rate for "heavy lifts" as defined in Section 3102 of the Tariff and Customs Code, as amended.

d) Storage charges for empty containers and containerized cargo shall be charged in accordance with the existing rates or as may be promulgated from time to time.

Sec. 101. Containers' Forms. — For the purpose of the regulations on containers the following forms: Individual Container Index Card; Container Stuffing and Stripping Report and Container Daily Summary Report shall be prescribed by the Authority

Sec. 102. Port Manager's Authority. — The Port Manager or his equivalent may from time to time issue rules and regulations and/or procedures consistent with the provisions of these regulations on containers to effectively implement the same, subject to the approval of the General Manager of the Authority

Sec. 103. Application on Containers. — These regulations on containers shall apply to all containers, lash barges, chassis, trailers, container facilities and equipment used, containerized cargo being handled in the Container Terminal

ARTICLE VIII - CONSTRUCTION/OPERATION OF PRIVATE PORTS/WAREHOUSES/TERMINALS

Sec. 104. Policy Guidelines on Private Ports — The following guidelines or regulations shall be observed or followed in the granting of Authority or permit to construct, develop and operate private ports or similar facility, to wit:

a) It shall be the general policy of the Authority to optimize and encourage the use of existing government port facilities

b) Participation of the private sector shall be encouraged only if the private port facility to be put up caters to a specific commodity of imports or exports by legitimate investor, which requires specialized cargo handling equipment or technique not otherwise provided or which will not likely be provided during the life span of the private port by the government for its port in the vicinity, provided, however, that such development is consistent with the over-all national development plan of the government

c) Direct competition by the government and the private enterprise in putting up port facilities shall be discouraged, and to this end, port users shall be encouraged to utilize existing port facilities in the area provided by the government.

d) Proposal from the private sector/enterprise to develop, construct and operate a private port shall be based on public interest, particularly its contribution to the socio-economic development of the neighboring areas affected in relation to the whole country and the financial viability of the project.

e) Such private port or facility when allowed to be constructed and operated shall cater only to the need of its operator/shipping company and shall not be used as a common users' port for commercial purposes whenever government pier/wharf and its facilities are available, provided, however, that said operator shall make available such port facility for emergency or contingency purposes upon proper representation by the Authority

f) Applicant shall submit detailed feasibility studies of the proposals for the construction of the port structure building including all plans and specifications to the Authority for its evaluation and consideration.

g) The permit to construct, develop and operate private port/facility shall be limited to fifteen (15) years, renewable for ten (10) years at the option of the Authority, under such terms and conditions as may be agreed upon by the parties, provided, however, that after the expiration of the original period of 15 years, the private port facility or structure thus built shall become the property of the Authority, free from any liens and encumbrances and without any obligation on the part of the Authority to make reimbursement of the value thereof to the lessee.

h) The private port owner or operator shall pay to the Authority such charges which are collectible under the Tariff and Customs Code, as amended by P.D. 34, and those provided under P.D. 857.

i) The owner/operator of private port shall be responsible for any damage due to his fault and negligence caused to person or property in the course of the construction, development, maintenance and operations thereof and shall comply with all applicable PPA rules and regulations now in force or to be promulgated hereafter and other pertinent rules and regulations promulgated by other agency of the government and other applicable laws

j) The applicant shall pay to the Authority as service and/or permit pay an amount equivalent to one-tenth (1/10) of one (1) percent of the estimated total construction cost of the pier/wharf/facility/structure to be put up.

k) The construction, development and operation of private port or facility shall be subject to inspection by the Authority at any time it may deem proper, including the examination of the books of accounts of the owner or operator thereof who shall allow the Authority or duly authorized representative to do the same, and the owner or operator of the private pier/wharf/facility shall submit such data/documents or informations which the Authority may require from time to time for statistical or other purposes.

l) The owner or operator of a private pier/wharf/facility shall maintain the same in good and tenable conditions and shall be responsible for the efficient operations thereof, including the provision of adequate labor and equipment, in accordance with standard requirements which the Authority prescribes or sets forth from time to time

m) If it deems proper and necessary, the Authority may formally request owner or operator of private port/pier/facility to assist the Authority, subject to such conditions it may impose, in the collection of dues, rates or charges collectible by the Authority and said owner or operator shall extend such assistance

n) No applicant shall be granted a permit or awarded a lease contract for the construction, development and operation of a private port/wharf/facility if he/it has outstanding tax obligations with the government, unless a tax clearance therefor is secured from the Bureau of Internal Revenue and submitted to the Authority

o) The operator or owner of private pier/wharf/facility shall pay to the Authority a reasonable rental and/or share of the total gross earnings derived from the operations thereof, whether or not received by the operator or owner of such facility, during the term of the permit or lease contract, as determined by the Authority on the basis of the financial viability of the operations

"Gross earnings" as used in this paragraph means all earnings derived from the operations of the private port/wharf/facility, whether received or not, as may be authorized by the Authority including cargo-handling activities, other than those imposed and collected by or remitted directly to the Authority in pursuance of P D 857

Sec. 105, Choice of Contractor. — Consistent with the exercise of the right of ownership, owner or operator of private pier/wharf/facility who handles his cargo exclusively is entitled to choose any licensed arrastre/stevedoring contractor in the area to service his cargoes in which case a contract for the purpose shall be executed between them and submitted to the Authority or the owner or operator of said pier or port facility may be allowed by the Authority to handle his cargo by providing the necessary equipment and labor and subject to all applicable laws, rules and regulations on the matter, provided, however, that this provision is without prejudice to a full integration of arrastre and/or stevedoring services which has already been effected and operational at a particular port including private port facilities and provided, further, that such services are satisfactory to the owners/operators of such private ports

Sec. 106 Discretion of the Authority. — Any vessel may be required by the Authority to berth at any government pier/wharf instead at a private pier/wharf to unload and/or load its cargo at said government pier/wharf, without prejudice to existing contract, when to do so will be for the interest of the owners/consignees of the cargo and the Authority, especially where such cargo does not belong to the owner or operator of the private pier/wharf. In such case, the Master, owner or agent of the vessel shall comply with, the order or direction of the Authority

Sec. 107 Lease Application for Private Warehouse/Terminal. Applications for lease of foreshore or land areas subject to the jurisdiction and disposition of the Authority, shall, among others, be subject to the following guidelines, rules or regulations, to wit:

a) Private warehouse shall not be located inside the pier or wharf or its immediate premises but at the back up area or place in the port in order to insure the efficient and smooth flow of cargo handling operations in the port

b) Passenger terminal or office of shipping company or operator may be located within the immediate premises of the pier or wharf if it is properly planned and its establishment thereat shall not interfere with cargo handling activity or the ingress or egress of cargo handling vehicles

c) The applications shall be accompanied with plans and specifications, vicinity maps and tax clearance from the Bureau of Internal Revenue that the applicant has no outstanding tax obligation with the government, and said application papers shall be submitted to the PPA Port Management Unit of the Port where the land applied is located or under its jurisdiction

d) The term of the lease shall be limited to fifteen (15) years, renewable for ten (10) years at the option of the Authority and subject to such terms and conditions it may deem proper to impose, provided, however, that after the expiration of the original period of 15 years, the warehouse/terminal/office or structure built in the leased area shall become the property of the Authority, free from any liens and encumbrances, and without any obligation on the part of the Authority to make reimbursement of the value thereof to the lessee.

Sec. 108. Rates, Dues, and Charges. —

a) The owner and operator of a private pier/wharf or port facility shall, when requested by the Authority, assist the Authority, subject to conditions that it may impose, in the collection of all dues, rates and charges collectible by the Authority

b) The rates and charges for port operations or services in the private pier or wharf shall be subject to the approval of the Authority.

Sec. 109. Rate of Rental. — The rate of rental for lease of an area shall be determined by the Authority taking into consideration, among others, such factor as the value of the property involved and those in the vicinity, inflation, rate of upgraded rental in neighboring areas, cost of maintenance and development by PPA, reasonable return of its investment and such other relevant economic factors

ARTICLE IX — MUNICIPAL PILRS/WHARVES

Sec. 110. PPA Jurisdiction Over Municipal Ports. — In line with the provisions of Sections 30 and 40 of P.D. 857, the Authority shall have the power of supervision, regulation and jurisdiction over the administration, development and operations of municipal ports for the purpose of implementing an integrated program of port planning, maintenance, development and operation of all ports throughout the country

Sec. 111. Choice of Contractor. — The municipality or city that owns pier or wharf may operate the same directly or award its operations and administration to a private contractor who shall secure a permit from the Authority to operate arrastre and/or stevedoring services thereat, subject to the payment of government share to the Authority which shall determine the same, and to such other conditions which the Authority may deem proper to impose, provided, however, that this provision is without prejudice to a full integration of arrastre and/or stevedoring services which has already been effected and operational at a particular port including municipal ports or wharves, and provided, further, that such services are satisfactory to the owners/operators of such municipal ports

Sec. 112. Collection of Charges. — Pursuant to the provisions of Section 39 and 40 of P.D. 857 in relation to the pertinent provisions of the Tariff and Customs Code, as amended by P.D. 34, and Section 5(e) of P.D. 231 (Local Tax Code), the Authority shall collect from the owner/agent of vessels and/or owners or consignees of cargoes discharged or loaded at any municipal wharf/pier such collectible port charges, without prejudice to the right of the local government owner of such pier/wharf to collect wharfage due as authorized under said Section 5 of P.D. 231.

**ARTICLE X — GENERAL GUIDELINES ON INTEGRATION
OF ARRASTRE/STEVEDORING SERVICES**

Sec. 113. Integration — It is the policy of the Authority that only one cargo handling operator-contractor shall eventually be allowed to engage in arrastre/stevedoring services in the same government pier, wharf or port in order to further ensure effective supervision, control and management of such services and administration of the premises, enhance efficiency and economy in cargo handling operations and amply protect the interest of labor

Towards this end, the Authority shall exert utmost effort in integrating initially either the arrastre and/or stevedoring services on domestic or foreign cargo in a pier, wharf or port as the Authority may deem immediately feasible until full integration, vertical/horizontal of such services in a port is achieved including the integration of other

related or allied port services.

Sec. 114. One Management. — The merger or integration above contemplated shall be effected in such a way that the merged organization shall be under one management or administration, whereby it shall have only one operational setup and only one books of accounts where all the financial transactions of the merged organization, such as billings, collections, disbursements, etc. shall be recorded. No subcontracting of the services and such other process with similar or allied effect shall be allowed to defeat the concept of one management for the entire organizations.

The merged organization shall be solely responsible for rendering all cargo handling or allied services in the particular pier/wharf or port involved and shall likewise be solely liable for all obligations inherent to, and arising from the enjoyment of, the privilege accorded to a sole operator-contractor.

Sec. 115. Participation. — There shall be allowed to participate in the integration only those operators/contractors provided with valid permits previously issued by the Commissioner of Customs or the Philippine Ports Authority or those with pending request for renewal of permits with the PPA to engage in arrastre/stevedoring or allied port services in the same pier, wharf or port, who shall meet or comply with the following requirements:

a) Must have at least one (1) year operating experience as a stevedoring or arrastre contractor immediately prior to integration

b) Shall produce documentary evidence that they have been and are currently and actively engaged in the stevedoring or arrastre business e.g. copies of agreements with shipping companies are required.

c) Should have in their employ staff with managerial and technical capabilities i.e., they must be actively and directly engaged in arrastre and stevedoring operations and not merely subcontracting the work.

d) Shall show proof of compliance of his social and legal responsibilities, i.e., all taxes including SSS and Medicare contributions and corresponding government share must be regularly and properly paid up to the date of integration of the service, or secured to be paid in such manner as the Authority may deem proper to protect its interest

Sec. 116. New Organization's Liability. — The integrated cargo-handling organization shall be absolutely free from any liability or obligation of the merging operators who shall continue to be individually liable for their respective liabilities or obligations, if any

Sec. 117. Capital, Equipment and Labor. — The integrated organization shall have sufficient capital and adequate cargo handling equipment, gears and tools, including manpower, commensurate with the operational needs of the service and its expansion. Such equipment shall be preferably owned by the organization and not merely rented. Its labor force shall be free of misfits, police characters and persons considered notoriously undesirables who shall be weeded out of the service subject to applicable labor laws, decrees and regulations on the matter

Sec. 118. Absorption of Labor. — Subject to the provisions of the immediate preceding section, and consistent with the actual operational requirement of the new management, all labor force together with its necessary personnel complement, of the merging operators shall be absorbed by the merged or integrated organization to constitute its labor force.

Sec. 119. Form of Integration. — To achieve an effective integration of cargo handling services, it shall be necessary for the merging or integrating operators to form or create an entirely new corporation in accordance with the corporation law, existing in this jurisdiction. Its capital stock shall be subscribed and paid on time or secured to be paid in money or its equivalent in the proportions mutually agreed upon by the operators concerned.

For this purpose, only natural persons shall be considered qualified to be incorporators in the new corporations to be organized inasmuch as in the absence of an express statutory authority, a corporation by itself cannot become an incorporator by subscribing shares in the new corporation, and this cannot be done indirectly through persons acting as the company's agent or tools

Sec. 120. Freedom of Agreement -- The merging operators shall have the freedom to mutually agree among themselves their respective proportions to the equity interest in the common fund and working capital of the newly integrated corporation.

Sec. 121. Adoption of Points Systems. -- In case the merging operators cannot satisfactorily agree on the proportion to equity interest of each in the said common fund/working capital, the points system and/or formula herewith enclosed as Annexes "A" and "B" shall be adopted and used for the purpose of determining their respective equity participation in the new corporation.

The data needed as bases for the computation under the points system shall be certified to under oath by the merging operators and shall be subject to verification by the Authority.

Sec. 122. Proof of Merger/Integration. -- If integration of cargo handling operations are agreed upon by the merging operators, proof of such integration or merger shall be submitted, e.g. Articles of Incorporation of the new Integrated Corporation, certificate of registration with the Security and Exchange Commission and the certificate of the treasurer as to the amount of capital actually subscribed and paid by its incorporator, and Books of Accounts duly registered with the Bureau of Internal Revenue and such other documents evidencing that integration has been effected, as may be required for the information of the Authority.

Sec. 123. PPA Intercession. -- If the merging operators cannot agree on certain aspects of their merger problem, the matter shall be referred to the Port Manager of the Port concerned for resolution who shall decide on the problem immediately after referral.

If the matter cannot be resolved by the Port Manager or any or all of the merging operators may not be satisfied with the resolution of the Port Manager, an appeal to the PPA Main Office may be made by the parties concerned within five (5) days after receipt of the resolution of the Port Manager and the Main Office decision on the matter shall be final.

Sec. 124. Waiver and Prohibition. -- Failure of any or all of the operators to merge or integrate within the period granted them to do so or failure to abide by the ruling of the Port Manager or the Authority shall be considered as a waiver of the privilege to continue their cargo handling operations in the port concerned and the Authority shall forthwith cancel their permits. Henceforth, it shall be unlawful for them or any one of them to still carry on their business.

Sec. 125. PPA Option/Power of Port Manager. -- For failure of the merging operators to integrate, the Authority shall have the option either to take over the cargo handling operations in the port concerned, have the privilege to handle such operations bidded to qualified bidders or take such other course of action which the Authority may deem proper or conducive to the attainment of the objectives and policy enunciated in P.D. 857.

The Port Manager/OIC is authorized to issue supplementary guidelines to effectively carry out the foregoing guidelines on integration of cargo handling services in their respective area of jurisdiction, subject to the approval of the General Manager of the Authority.

ARTICLE XI -- PROTEST ON COLLECTION OF PORT CHARGES

Sec. 126. Protest and Payment upon Protest. -- When a ruling or decision of the Port Manager/OIC is made whereby liability for port charges is determined, the party adversely affected may protest such action by presenting to the Port Manager concerned at the time when payment of the amount claimed to be due the government is made, or within fifteen (15) days thereafter, a written protest setting forth his objection to the action or ruling in question, together with the reasons therefor.

No protest shall be considered unless payment of the amount due has first been made.

Sec. 127. Protest Exclusive Remedy. — In all cases subject to protest involving port charges, the interested party who desires to have the action of the PPA Port Manager/OIC reviewed, shall make a protest, otherwise, the action of the Port Manager shall be final and conclusive against such party, except as to matters correctible for manifest error.

Sec. 128. Form and Scope of Protest. — Every protest shall point out the particular decision or ruling of the Port Manager to which exception is taken or objection made, and shall indicate with reasonable precision the particular ground or grounds upon which the protesting party bases his claim for relief.

The scope of a protest shall be limited to the subject matter of a single adjustment or other independent transaction; but any number of issue may be raised in a protest with reference to the particular item or items constituting the subject matter of the protest.

“Single adjustment,” as hereinabove used, refers to the entire content of one liquidation.

Sec. 129. Decision or Action by Port Manager. — When a protest is properly presented in a case where protest is required, the Port Manager concerned shall decide the protest within thirty (30) days from receipt of the protest.

Sec. 130. Review by General Manager. — Any person or firm aggrieved by the decision or action of the Port Manager in a matter presented upon protest may, within fifteen (15) days after notification in writing by the Port Manager of his action or decision, give written notice to the Port Manager and copy furnished to the General Manager of the Authority of his/its (person or firm) desire to have the matter reviewed by the General Manager. Thereupon, the Port Manager shall forthwith transmit all the records of the protest to the General Manager, who shall approve, modify or reverse the action or decision of the Port Manager and take such step or make such order as may be necessary to give effect to his decision.

Sec. 131. Supervisory Authority of General Manager and PPA Board. — If in any case involving assessment of port charges, the Port Manager/OIC renders a decision adverse to the government, such decision shall automatically be elevated to, and reviewed by, the General Manager of the Authority; and if the Port Manager's decision would be affirmed by the General Manager, such decision shall be subject to further affirmation by the PPA Board before it shall become effective: Provided, however, that if within thirty (30) days from receipt of the record of the case by the General Manager, no decision is rendered, the decision under review shall become final and executory. Provided, further, that any party aggrieved by the decision of the General Manager as affirmed by the PPA Board may appeal said decision to the Office of the President within thirty (30) days from receipt of a copy thereof.

Sec. 132. Protest/Appeal Fees/Charges. — To each protest against payment of port charges and appeal from the denial of such protest, there shall be paid each the amount of ten (P10.00) pesos as protest or appeal fee, two (P2.00) pesos as legal research fee and sixty (P0.60) centavos documentary and science stamp tax.

Sec. 133. Power of General Manager. — The General Manager may issue such order as may be necessary to implement the administrative details on the matter of protest.

ARTICLE XII — PILOTAGE

Sec. 134. Pilotage District. — The Authority may, from time to time with notice to shipping, define and declare any area in any port or Port District as a Pilotage District. In the absence of such declaration, the Pilotage District previously defined and declared by the Bureau of Customs in Customs Administrative Orders shall be in the meantime adopted and followed.

Sec. 135. Compulsory Pilotage. —

a) If it appears necessary to the Authority, it may require any vessel or class of vessels while navigating in any Pilotage District to be under pilotage, and the Master of such vessels shall comply with the requirement.

b) While being moved within any area which is or forms part of a Pilotage District, a vessel shall be deemed to be navigating in a Pilotage District.

Sec. 136. Authorization for Pilots. —

a) The authority shall authorize such number of pilots to operate or maneuver vessels to berths or anchorage in a Pilotage District as the Authority deems necessary for the purpose of providing an efficient pilotage service.

b) No person shall be authorized as a harbor pilot of any vessel in any Pilotage District unless he has passed the required examinations therefor given by proper agency of the government, and has been issued a license by the PCG and a permit by the Authority; provided, however, that a permit previously issued by proper authorities, if still valid, shall be honored.

Sec. 137. Revocation of Pilot's Permit. — Permit issued by the Authority to harbor pilot to operate or maneuver vessel at a particular Pilotage District shall be subject to revocation for cause in connection therewith.

Sec. 138. Pilotage Fees and Rates. — All pilotage fees and rates chargeable for pilotage services in a Pilotage District shall be subject to the approval of the Authority, provided, however, that the rates or fees previously fixed and established by the Bureau of Customs in Customs Administrative Orders, shall continue to be followed until revised with the Authority's approval, (and provided further, that the issuance of such permit or license to a pilot shall not preclude the Authority to share if it deems proper, from the gross income of the Pilots Association in a particular Pilotage District).

Sec. 139. Discipline of Pilots. — The Authority shall regulate, supervise and ensure the maintenance of good conduct and discipline, of all pilots of a Pilotage District and may require the Chief Pilot thereof to submit a report to the Authority on any pilot where there is reason to believe that public interest or the efficiency of pilotage service is involved

Sec. 140. Pilotage Investigation Committee. —

a) If it deems necessary, the Authority may create or appoint an Investigation Committee to conduct in Authority's behalf an inquiry on the conduct or discipline of any pilot in a Pilotage District.

b) The chairman and members of the Investigation Committee shall be designated by the General Manager of the PPA

c) The Investigating Committee shall submit a report of its findings and recommendations to the Authority for confirmation or appropriate action

d) All expenses incurred in connection with an inquiry shall be borne by the Pilots' Association of the Pilotage District to which the pilot concerned belongs

ARTICLE XIII — GENERAL PROVISIONS

Sec. 141. Territorial Coverage. — These Regulations shall be applicable to all ports or Port Districts or any other places or premises which are now under or subject to the jurisdiction of the Authority or where it has already taken over the port operations, functions and/or management/administration thereon from the Bureau of Customs or other government agency concerned, pursuant to P D 857 and applicable arrangements.

Sec. 142. Authority of Port Manager/OIC to issue Additional Regulations. — Subject to the approval of the General Manager of the Authority, the Port Manager/OIC of any PPA Port Management Unit may promulgate such supplementary regulations adaptable or responsive to the peculiar conditions obtaining in the port, Port District or areas under his jurisdiction, or which are necessary to effectively carry out the provisions of this Order, provided that said regulations or rules are not contrary to, or inconsistent with these Regulations.

Sec. 143. Delivery of Notices/Documents. — Any notice or document relating to the arrival of any vessel or to the details for working its cargo or to the delivery of goods to the premises of the Authority, including any application for a license, pass, permit or permission to be issued by the Authority under these Regulations shall be given or delivered to or made with the Port Manager/OIC, or his authorized representative of the Port concerned.

ARTICLE XIV — FINAL PROVISIONS

Sec. 144. Repealing Clause. — To the extent consistent with the Rules and regulations prescribed by any other government agencies relative to the subject treated in this Order, these Regulations shall be in addition or supplemental thereto, provided, however, that these regulations shall supersede those rules and regulations previously issued by the Bureau of Customs relating to e.g. anchoring, berthing and movement of vessels, handling, storing, custody, movement and delivery of cargo within the ports or Port Districts or any other places or premises within the jurisdiction of the Authority insofar as said Customs regulations are inconsistent with these Regulations.

All PPA Rules, Regulations, Memoranda and/or Administrative Orders or Circulars, guidelines and policies or parts thereof which are contrary to, or inconsistent with, these Regulations are hereby repealed, modified or amended accordingly.

Sec. 145. Separability Clause. — If for any reason any section or part of these Regulations is declared unconstitutional or invalid by competent judicial authority, the declared or invalid section or part thereof shall not affect the other sections or parts to which such declaration of nullity does not apply or relate.

Sec. 146. Penalty Clause. — Violation of any of the provisions of these Regulations shall subject the person involved to the penalties prescribed under Section 43 of P.D. 857 (Revised Charter of the Philippine Ports Authority) promulgated on December 23, 1975, to wit:

a) Any person who violates any of the provisions of P.D. 857 or any rules and regulations issued or promulgated by the Authority pursuant thereto, shall be punished by imprisonment for not less than one (1) day but not more than six (6) years, and pay a fine of not less than two hundred (P200.00) pesos but not more than one hundred thousand (P100,000.00) pesos.

If the offender is a government official or employee he shall, in addition to imprisonment and fine, be perpetually disqualified to hold any public office

If the offender is a juridical person, the penalty of imprisonment and fine shall be imposed upon its Manager, Director, representative or employee thereof responsible for the violation.

If the offender is an alien, he shall be deported immediately without further proceedings, after serving his sentence and paying the fine.

b) Any license, franchise, authority or permit to exercise any right or privilege, which may have been issued by the Authority in accordance with this Decree (857) or the rules and regulations issued or promulgated pursuant to this Decree, shall be deemed withdrawn or revoked upon conviction of the holder thereof.

Sec 147. Effectivity Clause. — These Regulations shall become effective fifteen (15) days after their publication in the Official Gazette or in any newspaper of general circulation.

(SIGNED)
EUSTAQUIO S. BACLIG, JR.
General Manager

Encls.: Annexes "A" & "B"

**APPROVED PER PPA BOARD RESOLUTION
NO. 111 dated September 7, 1977**

**POINTS SYSTEM TO BE USED IN DETERMINING
EQUITY PARTICIPATION AND CONVERSION TABLE THEREFORE**

I. OPERATIONAL FACTORS	Points
A. Experience in Business	
3 years or less experience	50
More than 3 years but less than 6 years experience	100
More than 6 years experience	150
B. Average Number of Vessels Handled Over Last 12 Months	
Up to 25 vessels per month	25
From 26 to 50 vessels per month	50
From 51 to 75 vessels per month	75
From 76 to 100 vessels per month	100
C. Average Daily Number of Employees During Last 6 Months	
50 or less persons	10
From 51-100 persons	20
From 101-150 persons	30
From 151-200 persons	40
From 201-250 persons	50
From 251-300 persons	60
Over 300 persons	60 plus 5 points for every increment of 100 persons over 300, but not to exceed 100 points total for this factor.
D. Average Tonnage of Cargo Handled (per month) Over Last 12 Months	
Less than 10,000 tons	20
From 10,000 — 20,000 tons	40
From 20,001 — 30,000 tons	60
From 30,001 — 40,000 tons	80
From 40,001 — 50,000 tons	100
Over 50,000 tons	100 plus 5 points for every increment of 10,000 tons over 50,000 tons, but not to exceed 150 points total for this factor.

I I. FINANCIAL FACTORS

A. Sound Value of Fixed Assets and Working Capital

Up to P50,000	50
P50,001 to P100,000	100
P100,001 to P150,000	150
P150,001 to P200,000	200
Over P200,000	200 plus 10 points for every increment of P 1 0 0 , 0 0 0 over P200,000, but not to exceed 400 points total for this factor

B. Profitability (Return on Investment), Average For the Last 3 Years

Negative Return on Investment (Loss)	0
Below 5% per annum	5
5% and over but less than 10% per annum	10
10% and over but less than 15% per annum	15
10% and over but not less than 15% per annum	15
Over 15%	15 plus 5 points for every increment of 1% over 15%, but not to exceed 50 points total for this factor

The points attained by each participant in the formation of the new corporation are then totalled. The points attained by each participant are then converted into Equity Units per the conversion Table. All the Equity Units obtained are then added up to form the total equity participation, with each participant receiving a share that is in the same proportion which his Equity Units bear to the total Equity Units.

The next step is to determine the Paid Up Capital to be contributed by the participants in accordance with the ratio determined under the preceding paragraph. The minimum amount of Paid Up Capital shall be not less than the amount determined according to the formula given in Annex "B". The contribution may be in Cash and Working Capital or Sound Value of Equipment as valued by a licensed appraiser approved by the PPA. If the Sound Value of the equipment falls short of the amount to be contributed, the shortfall shall be made up in Cash, however, if the sound value of the equipment exceeds the amount to be contributed, the "excess" will be settled in cash or by other arrangement (e.g., loan to company).

If the participant is unable to put up the cash or value of equipment in accordance with the share ratio allotted to him, he may offer any part thereof to another party who is already entitled to participate in the new corporation under this scheme of integration. If the participant, however, cannot meet his obligations under this scheme or is unwilling to accept the decision of the PPA, then he shall be deemed as having relinquished his interest and his eligibility shall lapse forthwith.

If no reliable records or data are available for determining the equity participation, then the PPA shall make an estimate on the basis of its own informed judgment. The PPA's decision shall be final.

**INTEGRATION OF STEVEDORS'ARRASTRE SERVICES
CONVERSION TABLE – POINTS TO EQUITY UNITS**

Total Points Obtained under Criteria for Integration	Equity Units to be Allotted
1 – 100 points	25 Units
101 – 200	50
201 – 300	75
301 – 400	100
401 – 500	125
501 – 600	150
601 – 700	175
701 – 800	200
801 – 900	225
901 – 1,000*	250

* – Maximum points attainable under criteria for integration

FORMULA FOR DETERMINING PAID UP CAPITAL

The paid up capital of the corporation which is considered adequate to operate efficiently the integrated arrastre services shall be in an amount equal to or more than the total sum of items (a) and (b) below:

- (a) Value of transportation and cargo handling equipment (net of outstanding loans/mortgages on the same) required to efficiently carry out contracted work. For this purpose, transportation and cargo equipment means barges, lighters, cranes, forklifts, trucks, tractors/trailers, tarpaulins, pallets, and cargo gear. The equipment may be new or reconditioned, but must be in good operating condition at the time of acquisition by or transfer to the corporation. The valuation of the equipment shall be carried out by a licensed appraiser approved by the PPA. If no equipment or cargo gear is acquired or actually owned by the corporation, then an amount in cash equal to such value shall be provided. The adequacy of the equipment shall be determined by PPA on the basis of one forklift for every 54,000 tons of cargo loaded/discharged (based on 3600) operating hours per annum x 15 cycles x 1 ton per pallet average).
- (b) Working capital equal to at least four months' estimated value of services to be provided under the contracts entered into or transferred from the previous operators. For this purpose, working capital means the net amount remaining after deducting the items of current liabilities from the items of current assets as follows

Current Assets

- (i) Cash on Hand and in Banks
- (ii) Accounts Receivable (after deducting bad/doubtful accounts, and provided that the accounts to be transferred are acceptable to all parties).
- (iii) Inventory (after deducting unusable items)
- (iv) Prepayments (only those required or can be assumed by the new corporation).

Current Liabilities (provided that current liabilities will be considered only to the extent of Cash on Hand and in Banks)

- (i) Accounts Payable
- (ii) Loans or amounts due for payment within one year.

Note: All other items shall be excluded

Sample Calculation of Equity Participation

	Operator				
	A	B	C	D	E
A. Base Data					
1. Experience in business (years)	5	4	10	4	2
2. Average no. of vessels serviced per month	80	40	60	50	15
3. Average daily no. of employees	200	100	300	150	50
4. Average tonnage of cargo handled (thousand tons) per month	45	20	35	25	5
5. Sound value of fixed assets and working capital (P thousand)	1,000	500	300	200	50
6. Return Investment (% average)	10	7	17	8	5
B. Allocation of Points					
1. Experience in Business	100	50	150	100	50
2. Average no. of vessels serviced	100	50	75	50	25
3. Average daily no. of employees	40	20	60	30	10
4. Average tonnage of cargo handled	100	40	80	60	20
5. Sound value of fixed assets and working capital	360	260	220	200	50
6. Return on investment	15	10	25	10	10
Total Points	<u>715</u>	<u>430</u>	<u>610</u>	<u>450</u>	<u>165</u>
Converted into equity units based on Conversion Table	<u>200</u>	<u>125</u>	<u>175</u>	<u>125</u>	<u>50</u>
Share in equity stock	<u>29.63%</u>	<u>18.52%</u>	<u>25.92%</u>	<u>18.52%</u>	<u>7.41%</u>