



# PortNews

A PUBLICATION OF THE PHILIPPINE PORTS AUTHORITY

## Philippines **urges** **APA** to exploit MSR, **expand** trading base

The Philippines is urging the member nations of the Asean Ports Association (APA) to align their policies and port infrastructure improvements to take advantage of China's Maritime Silk Road (MSR).



*Transport Secretary Arthur P. Tugade was the Guest of Honor and Speaker during the 42nd meeting of the Asean Ports Association hosted by the Philippine Ports Authority on 14-18 November 2016 held at Solaire Hotel and Casino.*

Speaking before the delegates of the 42nd APA Main Meeting hosted by the Philippine Ports Authority (PPA), Transport Secretary Arthur P. Tugade said the MSR offers immense growth opportunities as it allows APA members to expand its trading base aside from the traditional markets like the USA, Japan, China, Australia and India.

The Maritime Silk Road, meanwhile, is principally a sea route from the South China Sea and South East Asia, through the Indian Ocean and Middle East area into the eastern Mediterranean. It also extends in other directions. Its main feature is port infrastructure projects, some linking

with the parts of the land-based projects.

"I am convinced that opportunities are there for making strategic port infrastructure investment, which can connect major Philippine gateways and other APA ports to huge markets along the Maritime Silk Road Corridor," Tugade explained.

"The Philippine Government had already expressed its intention to tap the China Maritime Silk Road Initiative (CMSRI) during the visit of President Duterte to China and Japan recently," Tugade said.

"The Philippines, in particular, is looking forward to tap the huge China tourism market from a stronger relationship with China now. However, it needs to catch up with its

*turn to page 7*



#### EDITORIAL BOARD

#### CORPORATE COMMUNICATIONS STAFF

## PPA, PAI, APEC-Antwerp/Flanders sign pact on Port Training Program

The Philippine Ports Authority (PPA) signs an Understanding with the Port of Antwerp International (PAI) and APEC-Antwerp/Flanders (APEC) on capacity building and Philippine port development.



*According to PPA GM Santiago, the MOU is in line with the thrust of the current administration in streamlining government processes to trim down the cost of doing business in the Philippines through faster delivery of government services. PAI director Waterschoot, meanwhile, said the MOU is one of the steps to familiarize the Belgians with the plans and programs of the PPA and determine possible collaboration as well as present the competitive advantages of the Belgian technologies and services and hope that it will discover potentials for cooperation.*

The Memorandum of Understanding (MOU) was an offshoot of the recently concluded seminar on Logistics, Supply Chain Management and Ports Master Planning conducted by PPA in coordination with the representatives of the PAI and APEC.

PPA General Manager Jay Daniel R. Santiago and APEC-Antwerp/Flanders and PAI managing director Kristof Waterschoot signed the MOU.

The MOU includes the establishment of a technical cooperation between the two parties on capacity building to enhance the skills, abilities, and knowledge in the management and operation of the port thereby creating an environment of well-trained, knowledgeable and able port professionals for PPA while strengthening the traditional friendship between the parties and its ports.

Both parties also agreed to prepare a plan of cooperation through the principles of mutual benefits and reciprocity in relation to the conduct of an analysis on the possibilities of the planned cooperation, which

includes port development, promotion, customer service and developing mutually beneficial relations to maritime business and international trade, in all related aspects; exchanging and cooperating in the development, modernization and management of ports; improvement of the legal and regulatory framework; increase the profitability of transport and logistics related operations and the introduction of new management structures; mutual attraction of investments in the development of port infrastructure and industrial and logistic port zones; improvement of energy efficiency of port facilities and the introduction of renewable energy sources; and the conduct of research and consultancy projects for port, maritime and logistics services in the Philippines jointly between parties.

The pact will last for at least a year and can be extended or renewed based on mutual agreement between the parties while the costs and expenses incurred in connection with the execution and implementation of the MOU will be borne by each party. ■

## PPA net profit jumps 16% to P7.16 B, eclipses target by 70% as of November

State-owned Corporation Philippine Ports Authority (PPA) posted a 17% hike in net profit in the 11-month period of 2016 anchored on the strong financial performance of the agency during the last five months.

The accumulated amount was also significantly higher compared to the target for the entire 11-month period this year.

The PPA was able to achieve such financial stability despite the continuing slide in the foreign exchange rate and other external factors affecting the strength of the Philippine peso.

Latest data from PPA showed that net profit before tax reached P7.164 billion or P1.027 billion higher than the P6.137 billion posted in the same period last year due to the increases in Ro-Ro fees, Berthing Fees and vessel lay-up fees.

Compared to the target, the 11-month profit is higher by 70% or P2.936 billion as against the programmed margin of P4.227 billion.

"In the last 5 months, we almost tripled our revenues compared to our collection in the first semester of the year and with one more month before we end 2016, I believe PPA will be able

to post a record year," PPA General Manager Jay Daniel R. Santiago stressed.

"The agency will continue to work harder in the coming year to improve its revenues that will eventually translate to better and efficient ports and services for the public in the short- and long-terms," Santiago added.

Total revenues for the agency, meanwhile, totaled P12.901 billion for the period in review or 8.03% higher than the P11.942 billion raked in during the January to November 2015 period. As against the target, the total is higher by 10.13% compared to the programmed revenue of P11.714 billion.

Fund Management Income (FMI), however, declined by almost 7% to P74.84 million from last year's P80.35 million due to the slump in interest rates for special and/or high-yield savings deposits resulting from the volatile market behavior in view of the global economic and political

uncertainties.

Total expenses fell 1.25% to P5.812 billion from the P5.886 billion disbursed during the same period last year. The decrease was propelled primarily by the reduction in Operating expenses due to the gradual disbursement in the implementation of Repair and Maintenance projects complemented by the decrease in Other Administrative Costs and Depreciation Targets. However, this was counterweighed by the increase in Non-operating Expenses because of interest charges on matured foreign loans.

PPA continues to pour a large portion of its resources in port infrastructure facilities nationwide and as of end-November, the agency completed 55 projects, 64 are still ongoing, 1 suspended and 51 others are about to start. PPA has allotted approximately P6.068 billion for these said projects. ■



#### AMBASSADORS OF MUSIC

*The members of the PPA Chorale once again serenaded airport travelers, especially the returning Overseas Filipino Workers and "Balikbakyans", at the Ninoy Aquino International Airport Terminal 3 with Christmas carols and popular English and Filipino music. The choir has been entertaining travelers including well-wishers during the Christmas Season since 2013 at the various Manila airport terminals through the invitation of the Manila International Airport Authority. The singing group also performed during the PPA Board's luncheon meeting to the appreciation of DOT Secretary Arthur P. Tugade and PPA GM Jay Daniel R. Santiago. Afterwards, the choir dished up, unannounced, entertainment numbers at the PPA Head Office ground floor. Most applauded songs were the group's own rendition of "TatlongBibe" and "Anak" by Freddie Aguilar. Mr. Edwin Marollano, the composer of the award-winning song "Mahal Ko o Mahal Ako", is the resident trainer/conductor of the PPA's singing ambassadors. ■*



# PPA **revives** push to ratify IMO Maritime Traffic **Convention**

The Philippines, through the Philippine Ports Authority (PPA), is reigniting plans to adopt the Facilitation of the International Maritime Traffic Convention of 1965 or popularly known as the FAL Convention.

The PPA led the crafting of the ratification papers in 1996 with the Philippine Coast Guard, Maritime Industry Authority, the Department of Foreign Affairs, among others, for the convention but has not been ratified in Congress the past two decades.

PPA General Manager Jay Daniel R. Santiago announced the renewed plan for ratification during the 3-day International Maritime Organization (IMO) Seminar on the Facilitation of the International Maritime Traffic co-hosted by the PPA recently.

"This IMO undertaking is highly significant for all of us in the maritime sector since its successful completion will pave the way to re-igniting the long overdue process of the Philippine ratification of the IMO FAL Convention by Congress," Santiago stressed to stakeholders during the seminar.

"It will also help the Philippines in its commitment to fruitfully respond to the new Asean Transport Strategic Plan or Kuala Lumpur Transport Strategic Plan 2016 – 2025, following the success of the Brunei Action Plan 2011 – 2015," Santiago said.

The FAL Convention was adopted by the International Conference on Facilitation of Maritime Travel and Transport on 9 April 1965. It entered into force on 5 March 1967. Currently, the number of Contracting Governments to the Convention is 117 wherein the combined merchant fleets

of which amounts to approximately 93.18% of the world's fleet by tonnage. There are 54 Member States of the IMO, including the Philippines, which have not yet acceded to the Convention.

The purpose of the Convention is to facilitate maritime transport by reducing paper work, simplifying formalities, documentary requirements and procedures associated with the arrival, stay and departure of ships engaged in international voyages.

The Kuala Lumpur Transport Strategic Plan (KLTSPP), meanwhile, aims to support the realization of the vision of the ASEAN Economic Community (AEC) 2025, which calls for a deeply integrated region that will contribute towards a highly cohesive ASEAN economy. The KLTSPP was developed by the members of the Task Force on the Development of Successor ASEAN Strategic Transport Plan through consultation and with the inputs from the ASEAN Secretariat and all working groups, and sub-working groups within the ambit of the Senior Transport Official Meeting. The KLTSPP has been built upon the achievements of the Brunei Action plan 2011 – 2015.

"PPA, as lead agency of the Port Facilitation Committee, will continually endeavor to keep its doors open in discussing varied issues and concerns in our common pursuit to further improve services in our operations for the benefit of our transacting public and clients," Santiago added. ■



**QMS, ISO Launching.** The Philippine Ports Authority (PPA) recently held a symbolic launching of its QMS ISO 9001:2015 project, which is a significant milestone in PPA's long journey towards the adoption of QMS and ISO certification. Photo shows PPA Assistant General Manager for Operations and QMS champion Hector E. Miole (middle) with Officer-In-Charge for Engineering Reynand C. Parafina (left) and Administrative Department chief Antonio C. Ignacio, Jr. during the unveiling of the QMS ISO Quality Policy. ■

## Simple celebration stamps PPA Christmas 2016

The Philippine Ports Authority (PPA) employees were treated to a simple yet very memorable Christmas Party 2016 starting with a Thanksgiving mass for another successful year for the agency.

General Manager Jay Daniel R. Santiago delivered a short and meaningful message by thanking all employees for the warm welcome and support they have given him and his team when they took over the helm of the agency in July of this year.

Santiago also acknowledged the hard work, dedication and efforts of all the employees, which contributed to the success of the agency the past year. He also underscored the meaning of "Family" being one of the current administration's advocacies that PPA has started to embrace.

The PPA Chorale opened the program by serenading the crowd with More Today than Yesterday and a classic Filipino Christmas song, Ang Pasko ay Sumapit. This was followed by the much-awaited, highly-anticipated and nerve-wracking song and dance performances from four competing teams of the PPA, namely, OGM, OAGMO, OAGME and the OAGMFA bidding to be champs in the "Banda Rito, Banda Roon" contest to the delight of the pre-dominantly partisan crowd who rooted for their respective teams. The groups performed hits popularized by Abba, Hagibis, VST & Co., Jackson 5, One Direction, Spice Girls, Eraserheads and Guns n' Roses with their respective props and costumes making their impersonation and performance more remarkable.

Also gracing the event were retired Port District Manager for Northern Mindanao, Bien Basco; PPA pioneer and former MARINA Administrator Vicente Suazo, Jr.; and award-winning songwriter/composer and the coach of PPA Chorale, Mr. Edwin Marollano.

The Office of the AGMO, led by no less than AGM for Operations Hector Miole and Port Operations and Services Department head Roberto Aquino became instant crowd darlings after performing a medley of songs by Hagibis and Guns n' Roses, that earned them the bragging right as champs in the hotly-contested competition. (By Anna Theresa M. Biscocho) ■





# PPA Zamboanga Del Norte unveils new gate to mark 8th Anniversary

The Port Management Office of Zamboanga del Norte, Dapitan City highlighted its 8th Anniversary Celebration by unveiling its newly-constructed gate complex with a solemn blessing on 30 September 2016.

The gate complex is for vehicle entrance and exit and is equipped with an automated boom barrier as a safety and security measure.

Aside from the gate's blessing, an anniversary Holy Mass was presided by a local parish priest followed by a get-together lunch. The celebration likewise exhibited its originality by recognizing PPA personnel who rendered at least 15 years of honest, loyal and heart-given service to PPA. The PMO's dynamic and able Port Manager, Engr. Salvador L. Delina, a long service awardee himself, granted the Long Service Awards.

The event also unraveled hidden talents of PPA personnel who performed a latest dance craze to the delight of the guests. For the first time in the



PMO's anniversary celebration, "Awitanghala sa Pantalan" was held to cultivate original and unique talents of the personnel and joined by the port community. Among the

participants of the one-day affair were representatives from PCBSI, WTMI, PNP Maritime, PCG, FastCat, 2GO and PMO's Barangay San Vicente. (By Dr. Bonifacio L. Loquias, Jr.) ■

## PDD leads send-off of Vietnamese vessels caught inside Ph waters

President Rodrigo R. Duterte, with selected members of his Cabinet and the Ambassador of Vietnam to the Philippines, attended the ceremonial send-off for the 17 Vietnamese nationals onboard their fishing vessels in Sual, Pangasinan on 2 November 2016.



The three fishing vessels were intercepted and apprehended by the Philippine Navy floating on Philippine waters at Dile Point, Sta. Catalina, Ilocos Sur.

However, the vessels and crew members were later on cleared by authorities after investigation showed that strong winds and waves towed the vessels inside Philippine territorial waters.

PMO Northern Luzon provided support/assistance to the Presidential Management Staff during the symbolic send-off ceremony, which was held at the Sual Municipal Fishing Wharf.

Port Manager Marieta G. Odica and PMO NLZ senior staff also attended the occasion. (By Remy Ancheta-Trinidad) ■



# CONGRATULATIONS

## PPA TENPIN BOWLING TEAM

2nd RUNNER-UP (MEN'S DIVISION)  
2nd RUNNER-UP (WOMEN'S DIVISION)  
HERMIE R. BATUYONG

5th Placer (WOMEN'S DIVISION)

### 2016 GCAA TENPIN BOWLING TOURNAMENT

Men's Division	Women's Division
1. Mhen Nantin - Team Captain	1. Elsa Cruz - Team Captain
2. Dante Tejada	2. Hermie Batuyong
3. Abet Montenegro	3. Jack Manalon
4. Jimmy Hernandez	4. Jean Pagapong
5. Orly Tan	5. Barrie Carillo
6. Ed Buag	6. Fern Reyes
7. Eden Bulacan	7. Bien Lawas
8. Greg Dela Cruz	8. Tintin Bautro

## Philippines urges...

from Page 1

neighbors, which enjoy huge cruise tourist arrivals as they continuously prep up their ports for cruise tourism," Tugade added.

Aside from the MSR, Tugade also stressed the significance of the Maritime Cooperation with Japan anchored on safety and security to the Philippines and the entire APA community considering the group's strategic program on port safety, health, and environmental management and their initiative in promoting green and sustainable ports through best practices as well as the Asean Maritime Ro-Ro route particularly the Bitung-Davao-GenSan link.

Meanwhile, PPA General Manager Jay Daniel R. Santiago, in his welcome remarks said the agency is looking forward to establishing closer ties with the members of APA and furthering active engagement in collaborative efforts along APA priority concerns as foundations for future policy formulation and program planning.

"APA will always take a dynamic and active role in our collective pursuit to attain efficiency and productivity in our ports while gearing up for more challenges that will strengthen the Association's clout in the Asean community by way of more focused and groundbreaking port and maritime initiatives and projects," Santiago explained.

"We, in PPA, remain confident that the future of the APA will always remain bright intertwined with the unified efforts of its member nations," Santiago added.

On the other hand, APA Secretary General Sandhy Wijaya, identified two challenges facing the Asean port industry next year. These include the stronger bargaining power of shipping alliance due to the impact of the shipping alliance reorganization from four shipping alliances into

three shipping alliances in 2017 and the increasing number of green vessel which led the ports to provide the green services and conduct the innovations to push the port industry towards a green and environmentally friendly era.

"The strong bargaining power of shipping alliances forces the ports to restructure its cost and redesign its business process in order to increase efficiency to provide the lowest possible tariff," Wijaya explained.

"Asean Ports have to find the way to cope with the challenges by more investment in port infrastructure, Information Technology and people quality. These challenges will create winners and losers in the terminal business," Wijaya said.

"Taking this opportunity, I would like to encourage all APA members to strengthen our cooperation in order to cope with the challenges," Wijaya ended.

The 9-member countries of APA include Brunei Darussalam, Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

APA was formed in 1974, as an alliance of port authorities in the ASEAN to serve as the proper forum for the achievement of the following broad objectives: exchange of information, harmonization of trade practices, and promotion/facilitation of trade among ASEAN ports.

The Association is presently composed of regular and associate members collectively recognized as members by the Association. Regular members are those national port authorities and/or the country ports with the government retaining majority interest. Corporatized or privatized ports comprise associate members. These Members determine programs of work and priorities, annual budgets and other affairs of the Association; elect the Chairperson and the Vice-Chairperson; and, attend special meetings to discuss matters on proposals, recommendations or reports of the Working Committee or Technical Committees. ■



# PH still leads Asian countries in closing gender gap; 7th in world

**The Philippines has maintained its position as the lead Asian country in closing the gender gap, according to the 2016 Global Gender Gap Index (GGI) report released by the World Economic Forum recently.**

The country has been in the top position for eleven consecutive years. In 2016, it landed at 7th place worldwide, tying with Slovenia at 0.786 points.

According to the report, the Philippines has fully closed the gender gap in health and survival, as well as in educational attainment indicators.

This year, however, the country had a slight decrease in economic participation and opportunity indicators, dropping 0.19 points from 2015's 0.799 points to this year's 0.780 points.

"Since 2006, the country has fully closed its gender gap on the Health and Survival subindex. It has also managed to fully re-close its Educational Attainment gender gap after a re-opening for the first time last year," the WEF report said.

The country's slight decrease in economic participation and opportunity score was attributed to "fewer female legislators, senior officials and Managers."

The source of the report on the ratio of female legislators and senior officials covered only until June 1, 2016, which included the transition period following the May elections.

In Europe, Iceland and Finland retained their first and second spot, respectively. The remaining top countries are Norway (3rd), Sweden (4th), Rwanda (5th), Ireland (6th), Philippines (7th), Slovenia (8th), New Zealand (9th) and Nicaragua (10th).

The Global Gender Gap Report's Index assesses countries in terms of dividing resources and opportunities among male and female population, regardless of the general levels of these resources.

The report measures the size of the gender inequality gap in four areas: Economic Participation and Opportunity, Educational Attainment, Political Empowerment, and Health and Survival.

Following the results, Philippine Commission on Women (PCW) Executive Director Emmeline L. Verzosa called on both the government and private sectors to appoint more women in top-ranking positions.

Verzosa also emphasized the need to increase women representation, especially in achieving the 50-50 balance in the number of men and women in third level positions in the government, as mandated by the Magna Carta of Women.

"We are keen on finally having a quota for political parties using the forty-sixty (40-60) formula, wherein neither sex comprises less than 40 percent or more than 60 percent of the number of candidates in the party slate. We appeal to our lawmakers to support said recommendations so that women who are almost half of the Philippine population will be equally represented in elective positions," she said.

Verzosa also encouraged private corporations and enterprises to observe diversity in the workplace. (news. abs-cbn.com) ■

## PPA, Wima-Phil hold Christmas Bazaar

**The Philippine Ports Authority (PPA), in cooperation with the Women in Maritime-Philippines (Wimaphil), held a Christmas Bazaar from 12 – 16 December 2016 at PPA Head Office grounds.**



Spearheaded by woman personnel of the PPA, the Bazaar attracted more than 15 traders of various items ranging from food items, kitchen utensils, clothes as well as beauty products to the delight not only of PPA personnel but also workers of nearby establishments due to the relatively cheap prices.

PPA General Manager Jay Daniel Santiago led the ceremonial ribbon-cutting ceremonies and assisted by Wimaphil National Chapter president Merle San Pedro. In his speech, Santiago said he expects that women continue to push forward and make their mark in the highly competitive maritime industry. (By Sel R. Perfecto) ■