

[REPUBLIC ACT NO. 10668, July 21, 2015]

AN ACT ALLOWING FOREIGN VESSELS TO TRANSPORT AND CO-LOAD FOREIGN CARGOES FOR DOMESTIC TRANSSHIPMENT AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Declaration of Policy.* – It is the policy of the State:

- (a) To assist importers and exporters in enhancing their competitiveness in light of intensifying international trade; and
- (b) To lower the cost of shipping export cargoes from Philippine ports to international ports and import cargoes from international ports for the benefit of the consumers.

SEC. 2. *Definition of Terms.* – As used in this Act:

- (a) *Co-loading* refers to agreements between two (2) or more international or domestic sea carriers whereby a sea carrier bound for a specified destination agrees to load, transport, and unload the container van or cargo of another carrier bound for the same destination;
- (b) *Container van* refers to a standardized reusable steel box used for the safe, efficient and secure storage and movement of materials and products within an intermodal freight transport system where the cargo carried in the container van can be moved from one (1) mode of transport to another without having to unload or reload the contents of such container van;
- (c) *Domestic cargo* refers to goods, articles, commodities or merchandise which are intended to be shipped from one (1) Philippine port to another Philippine port, even if, in the carriage of such cargo, there may be an intervening foreign port;
- (d) *Export cargo* refers to goods, articles, commodities or merchandise carried in foreign vessels and duly declared before the Bureau of Customs at the port of origin as cargoes for shipment to a port outside the jurisdiction of the Philippines;
- (e) *Foreign cargo* refers to import or export cargo carried by a foreign vessel;
- (f) *Foreign container van* refers to a container van, whether empty or loaded with foreign cargo, which belongs to a foreign vessel;
- (g) *Foreign port* refers to any seaport outside the jurisdiction of the Philippines;
- (h) *Foreign ship operator* refers to a citizen, partnership, or corporation, whether foreign or local, owning or chartering a foreign vessel;

(i) *Foreign vessel* refers to a ship registered or documented in a flag registry other than that of the Philippines;

(j) *Import cargo* refers to goods, articles, commodities or merchandise of foreign origin carried in a foreign vessel which are intended to be cleared before the Bureau of Customs for delivery to the port of final destination within the jurisdiction of the Philippines;

(k) *Philippine port* refers to any port within the Philippines authorized by a government contract to handle domestic import or export cargo;

(l) *Port Authorities* refer to entities engaged in the development and operation of seaports including, but not limited to, Philippine Ports Authority, Cebu Port Authority, PHIVIDEC Industrial Authority, Cagayan Special Economic Zone Authority, Aurora Special Economic Zone Authority, Bases Conversion and Development Authority, Authority of the Free Port Area of Bataan and Subic Bay Metropolitan Authority; and

(m) *Transshipment* refers to the transfer of cargo from one (1) vessel or conveyance to another vessel for further transit to complete the voyage and carry the cargo to its final destination.

SEC. 3. *Scope.* – This Act shall apply exclusively to foreign vessels carrying foreign container vans or foreign cargoes.

SEC. 4. *Carriage of a Foreign Cargo by a Foreign Vessel.* – A foreign vessel:

(a) Arriving from a foreign port, shall be allowed to carry a foreign cargo to its Philippine port of final destination, after being cleared at its port of entry;

(b) Arriving from a foreign port, shall be allowed to carry a foreign cargo by another foreign vessel calling at the same port of entry to the Philippine port of final destination of such foreign cargo;

(c) Departing from a Philippine port of origin through another Philippine port to its foreign port of final destination, shall be allowed to carry a foreign cargo intended for export; and

(d) Departing from a Philippine port of origin, shall be allowed to carry a foreign cargo by another foreign vessel through a domestic transshipment port and transferred at such domestic transshipment port to its foreign port of final destination.

For purposes of this Act, an empty foreign container van going to or coming from any Philippine port, or going to or coming from a foreign port, and being transhipped between two (2) Philippine ports shall be allowed.

SEC. 5. *Authority of the Commissioner of Customs.* – The Commissioner of Customs, upon such reasonable conditions as may be imposed, may do the following acts:

(a) Authorize the conveyance of foreign cargo brought from abroad by a foreign vessel;

(b) Allow a foreign vessel to take cargo intended for export at any Philippine port and convey the same upon such foreign vessel to a foreign port; and