

[REPUBLIC ACT NO. 4567, June 19, 1965]

**AN ACT CREATING THE SAN FERNANDO PORT AUTHORITY,
DEFINING ITS POWERS AND FUNCTIONS, 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.*—The Congress hereby finds, determines, and declares that it is necessary and objective to public interest and the promotion of the general welfare to administer, manage, develop, improve, integrate, coordinate and otherwise mobilize terminal facilities in certain areas thru a self-autonomous public-benefit corporation organized and empowered to produce an efficient, safe, economical and coordinated system of movement of goods and persons thru the port.

SEC. 2. *Creation of Port Authority.*—There is hereby created a public-benefit corporation to be known as the San Fernando Port Authority, hereinafter referred to as the Authority, which shall be organized by the President of the Philippines within six months after the approval of this Act and governed under the provisions of the same. The Authority shall be under the supervision of the President of the Philippines.

SEC. 3. *Definitions of Terms.*—For the purposes of this Act and of the by-laws promulgated thereunder, certain terms shall, unless the context indicates otherwise, mean, or be understood to be, as follows:

- a. "Terminal facility" shall include the seaport and its accessories of wharves, piers, slips, docks, dry docks, bulkheads, basins, warehouses, cold storage, and loading-unloading equipment; bus terminals and accessories; rail terminals and accessories; and air terminals and accessories.
- b. "Transportation facility" includes rails and rail cars, highways, wheeled vehicles, bridges, tunnels, tramways, subways, passenger or cargo boats, ferry boats, lighters, tags, barges, scows, harbor craft of any kind, aircraft, runways, ramps, taxi-ways, and any other kind of facility now in use or hereafter designated for use of the transportation or carriage of persons or goods.
- c. "Port District" means territorial jurisdiction of the Authority.
- d. "Pier head line" means the limiting line beyond which piers may not be extended.
- e. "Bulkhead line" means the limiting line beyond which no bulkheads or solid fill may be extended.
- f. "Harbor line" means the limiting line beyond which no piers, wharves, bulkheads or other works shall be extended or any deposits made.
- g. "Navigable waters" means all navigable portions of the seas, estuaries and inland waterways.

- h. "Wharf" means a continuous structure built parallel to or along the margin of the sea or alongside river banks, canal or other waterways where vessels may lie alongside to receive and discharge cargo or passengers, or lie at rest.
- i. "Pier" includes any stage, stair, landing place, landing stage, jetty, floating barge or pontoon and any bridge or other works connected therewith.
- j. "Dock" includes locks cuts, entrances, graving docks, inclined plances, slipways, quays, and other works and things appertaining to any dock.
- k. "Dry dock" means a dock from which the water can be temporarily excluded in order to repair hulls and keels of ships.
- l. "Bulkhead" means structure serving to divide land and water areas.
- m. "Basin" means a naturally or artificially enclosed or nearly enclosed body of water in free communication with the sea.
- n. "Warehouse" means building for storage or shed for cargo.
- o. "Lighter" means a large flat-bottom boat or barge used in unloading or loading vessels not lying alongside piers or wharves.
- p. "Anchorage" means a place with sufficient depth of water where vessels anchor or may ride at anchor within the harbor.
- q. "Goods" includes wares and merchandise of every description.
- r. "Rates" includes any toll, fee, dues, rent, rates or charge.
- s. "Vehicle" includes any carriage travelling on its own wheels or runners and used or intended to be used for the conveyance or carrying of persons, animals or goods.
- t. "Vessel" includes any ship or boat or any other description of vessel used in navigation.

SEC. 4. *Territorial Jurisdiction*.—The Authority shall have jurisdiction to the extent provided in this Act over a Port District composed of the area bounded by the following:

On the north, from a point 3 miles offshore due east on latitude 16° 30' .30" to a point on the west side of the road right-of-way opposite Km. Post 274 of Highway Route 3; thence, due southwest and south along the west side of the right-of-way of Route 3 to the boundary of the Poblacion of San Fernando; thence, along the west and southwest boundary of the poblacion of San Fernando to its junction with the west side of the right-of-way of the San Fernando-Madayegdeg-San Vicente Road to the point opposite Km. Post 267; thence, due west to a point 3 miles offshore; thence to a point 3 miles off-shore west of Poro Point Peninsula; and thence to the point of beginning.

In organizing the Authority as provided in Section one of this Act, the President of the Philippines may designate an initial territory smaller than that defined and bounded in this section, and in such case the expansion of such initial territory later on may be made by resolution of the Commission, approved by the President, but in no case shall such expansion extend beyond the boundaries provided in this section. All lands of the public domain within the territorial limits of the Authority, whether existing at the approval of this Act or to be reclaimed, shall be ceded to the Authority.

SEC. 5. *The San Fernando Port Commission*.—The duty of carrying out the provisions of this Act, of exercising the corporate powers of the Authority, and of directing its business affairs shall be vested in a port commission to be called the "San Fernando Port Commission", hereinafter referred to as the "Commission",

which shall be composed and organized as provided in Section eight of this Act.

SEC. 6. Functions.—The functions and activities of the Commission shall be the following:

- a. Generally, to manage, administer, operate, maintain, improve and modernize, coordinate and otherwise govern the activities in San Fernando Port and in the related terminal facilities located or established, constructed, or organized under the provisions of this Act within the Port District;
- b. To investigate, prepare, adopt, implement and execute a comprehensive and orderly plan for the over-all development of the Port District and to up-date such plan as may be warranted from time to time;
- c. To raise revenue for the Authority thru fees, tolls, charges, rentals, and the like charged for the use of any property, equipment or facility owned or controlled by it; thirty per cent of the income of the Authority shall be allocated to the Special Port Works Funds;
- d. To produce and administer, together with such government revenues as may by law accrue to the Authority, capital outlays by means of loans from any local or foreign financial institutions to finance its projects;
- e. To determine by survey and establish by engineering design the exact location, system and character of any and all terminal facilities which it may own, construct, establish, effectuate, operate or control;
- f. To construct and maintain terminal facilities including accessory buildings and installations within the Port District;
- g. Subject to the paramount jurisdiction of the Republic of the Philippines, to establish and enforce regulations and specifications for the (1) full conservation and protection of navigable waters within and contiguous to the port; (2) proper designation and use of anchorages, harbor lines, pierhead lines and bulkhead lines; and (3) effective control over construction, excavation, or fill in the waters within, adjoining or proximately leading to the Port;
- h. To prescribe and enforce rules and regulations on the use of wharves, piers and anchorages by ships and on the movements of ships in the waters of the Port;
- i. To determine the organization of the Authority and create such functional units therein as it may deem necessary in the proper and efficient carrying out of the functions and purposes of the Authority, including the consideration and benefits of the officials and employees.

SEC. 7. Powers.—The Authority shall have the power and responsibility:

- a. To have perpetual succession under its corporate name until otherwise provided by law;
- b. To prescribe its by-laws and institute such amendments thereto as may be found necessary to promote or enhance the business of the Authority;
- c. To adopt and use a seal;
- d. To sue and be sued in any court;
- e. To enter into contracts;
- f. To acquire, own, hire, use, operate and dispose of personal property and to acquire, own, use, lease, operate and dispose of real property and interests thereon and to make improvements on such real property including the reclamation of submerged lands within the Port District ;

- g. To purchase, hold, alienate, mortgage, pledge, or otherwise dispose of the shares of the capital stock of, or any bond security, or other evidences of indebtedness created by, any other corporation or co-partnership of this or any other country, and while the owner of said stock, to exercise all the rights of ownership, including the right to vote thereon;
- h. To exercise the right of eminent domain;
- i. To exercise all other powers not contrary to law, which may be necessary or incidental to the effectuation of its authorized purposes or to the exercise of any of the foregoing powers, except the power to levy taxes or assessments, and generally to exercise in connection with property within its control, any and all powers which may be exercised by a natural or juridical person over its property and affairs;
- j. To charge fees for issuing permits in amounts sufficient to cover administrative costs involved;
- k. To make expenditures in foreign countries, to pay commissions and hire or contract with experts and consultants both foreign and local;
- l. To make expenditures for the promotion of the business affairs of the Authority; and
- m. Generally, to exercise all the powers of a corporation under the Corporation Law insofar as they are not inconsistent with the provisions of this Act.

SEC. 8. *Governing Body*.—The powers and functions of the Authority shall be vested in and exercised by a Port Commission composed of a Chairman, a Vice-Chairman who shall be the Port Manager, five other directors appointed by the President of the Republic of the Philippines with the consent of the Commission on Appointments, and the Collector of Customs of the Port of San Fernando, who shall be an *ex-officio* member. The five directors shall each represent the mining industry, manufacturing industry, trading industry, labor, and agriculture in the region.

SEC. 9. *Powers and Duties of the Port Commission*.—The Commission shall have the following powers:

- a. To prescribe, amend, modify or repeal by-laws, rules and regulations governing the manner in which the general business of the Authority may be exercised, subject to the approval of the President of the Philippines;
- b. To define the duties and fix the compensation of the Port Manager, Assistant Port Manager and other officers of the Authority, subject to the approval of the President of the Philippines;
- c. To approve the annual budget of the Authority and/or such supplemental budgets thereof as may be submitted by the Port Manager from time to time; and
- d. To perform such other duties related to the welfare of the Port District.

SEC. 10. *Port Manager*.—The management of the business of the Authority shall be under the direction and control of a Port Manager who shall be appointed by the President with the consent of the Commission on Appointments upon the recommendation of the Secretary of Public Works and Communications from career engineers in the government service.

SEC. 11. *Incidental Vacancy*.—In case of concurrent vacancy in the positions of Chairman and of Port Manager or in the absence or incapacity of both, the most senior member of the Commission in point of length of service as member thereof shall act as Chairman.