

**[ ADMINISTRATIVE ORDER NO. 01-98, March 10, 1998 ]**

**GUIDELINES IN THE DISPOSITION OF OVERSTAYING AND/OR ABANDONED CARGOES WITHIN THE PORT PREMISES**

To maximize utilization of port facilities, smooth flow of cargo movement, and to enable this Authority to collect port charges due from overstaying and/or abandoned cargoes and pursuant to Sections 7, 12, and 21 of R.A 7621, Charter of the Cebu Port Authority, the following guidelines are hereby promulgated for compliance by all concerned.

**I**

**Preliminary Provisions**

*SECTION 1. Scope* — This Order shall apply to overstaying and/or abandoned cargo within the premises owned and/or controlled by the Authority.

*SECTION 2. Definition of Terms* — For purposes of this Order the following terms shall be understood to mean as follows:

- a. Overstaying Cargoes — refer to articles or cargoes which have remained at the port premises after the free storage period until the same has been deemed abandoned.
- b. Abandoned Cargoes — refer to overstaying cargoes which have remained in the port premises after forty-five (45) days from discharge of all consignments from the carrying vessel, or acceptance by the cargo-handling operator in the case of outbound cargoes, and the owners or consignees have been notified but failed to claim the same or the owner has expressly abandoned the cargoes.

**II**

**Disposition Procedures**

*SECTION 3. Notice and Publication* —

- a. Notices to Known Owners — Known owners/consignees of overstaying cargoes shall be properly notified in writing by the General Manager or his authorized representative within the 45-day period after discharge or acceptance of the cargoes. Overstaying cargoes not withdrawn at the expiration of the prescribed 45-day period and after a third notice shall have been served, shall be inventoried and sold at public auction by the General Manager or his authorized representative in accordance with Section 8 of this Order.
- b. Notices to Unknown owners — Notices to unknown owners/consignees of

overstaying cargoes shall be effected by the General Manager or his authorized representative, as follows:

1. For articles/cargoes with an estimated value of P 25,000.00 and below, notice shall be posted on the 10th day after discharge or acceptance involving such cargoes/articles, for fifteen (15) consecutive days within the 45-day period in a conspicuous premises of the Authority where the unclaimed cargoes are located.
2. For articles/cargoes with estimated value exceeding P 25,000.00 — the notice must be published, simultaneous with the posting as prescribed in the immediately preceding paragraph, for three (3) consecutive issues in a local newspaper or by other means.

*SECTION 4. Option to Reclaim* — Upon presentation to the General Manager or his authorized representative of proof of ownership, the owner, shipper or consignee shall have the option to reclaim his abandoned cargo, a week before the actual auction takes place.

Any of the following authenticated documents shall be considered as proof of ownership:

1. Bill of Lading
2. Invoices
3. Official Receipt(s)
4. Or any other documents of probative value

The General Manager or his authorized representative shall notify the Auction Committee of the intention of the owner, shipper or consignee to reclaim his cargo. Prior to the approval of the release of the cargo, the General Manager or his authorized representative shall see to it that the following charges and expenses have been fully paid by the claimant in accordance with the usual accounting and auditing procedures:

1. Taxes (if any)
2. Charges on cargo (Wharfage and Storage)
3. Arrastre/Stevedoring charges
4. Necessary and incidental expenses, like advertisement, transfer expenses, etc.

*SECTION 5. Mode of Sale* — Overstaying and/or abandoned cargoes are subject to disposal by auction or by private sale in accordance with Section 8 of this Order.

*SECTION 6. Auction Committee* — The auction sale shall be conducted by an Auction Committee created as follows:

- a. Composition — The Auction Committee shall be composed of four (4) regular members: the General Manager or his authorized representative who shall act as Chairman, the Port Services Division Manager, the Resource and Management Division Manager, the Legal Affairs Division Manager, and the Terminal Supervisor, where the abandoned/overstaying cargo is located. A representative from the Commission on Audit (COA) shall be invited to witness every auction proceeding.