[PPA MEMORANDUM CIRCULAR NO. 52-99, November 11, 1999]

CLARIFICATION OF SECTION 2 RE STATEMENT OF POLICIES OF PPA ADMIN. ORDER NO. 03-90

For information and guidance, Section 2 re Statement of Policies of PPA Administrative Order No. 03-90, in relation Para. 4 re Entry Strategy of PPA Board Resolution No. 912 "Policy on the Cargo Handling Contract System" are hereby clarified:

1. Coverage and Applicability - PPA Board Res. No. 912, re "Cargo Handling Contract System" approved and adopted in December 1987 was applied to all existing cargo handling contracts and permits to operate cargo handling services upon the effectivity of PPA Admin. Order No. 3-90 entitled "Implementing Guidelines on the Cargo Handling System" dated 14 May 1990.

2. On Cargo Handling Contracts

2.1 Cargo Handling services in ports whose contractors had existing and/or expired cargo handling contracts at the time of implementation of Board Res. No. 912 by virtue of PPA Admin. Order No. 3-90 and whose performances were found satisfactory were granted another renewal of their contracts.

2.2 After the expiry of such renewal contracts, cargo handling services in such ports became subject to public bidding as required in said Order

3. On Permits to Operate Cargo Handling Services

3.1 Cargo handling services in ports with one (1) year permits to operate after the effectivity of PPA Admin Order No. 3-90 were evaluated/audited and, whose performances were found satisfactory, were awarded contracts without renewal.

3.2 Similarly, cargo handling services in these ports where the last contracts expired, after the effectivity of said Order, became subject to public bidding.

3.3 Cargo handling services in low volume ports with one (1) year permits to operate were awarded and will continue to be awarded thru the selection process of comparative evaluation, as provided in the same Order.

For guidance and compliance.

Adopted: 11 Nov. 1999