

**[PPA MEMORANDUM ORDER NO. 06-96,
September 13, 1996]**

**GUIDELINES ON THE MANAGEMENT AND OPERATION OF THE
FLOATING BULK TERMINAL FACILITIES AT SOUTH HARBOR,
MANILA**

I

Authorities

- 1.1 Presidential Decree No. 857, as amended
- 1.2 PPA Board Resolution No. 1282, passed on April 07, 1992
- 1.3 PPA Board Resolution Nos. 1597 and 1598 passed on July 30, 1996

II

Scope/Limitation

2.1 This Order shall govern the management and operation of the floating grains terminal at South Harbor, Manila to be undertaken by the Manila Floating Silo Corporation (MAFSICOR), the duly licensed contractor of the Authority (herein referred to as CONTRACTOR).

MAFSICOR shall operate the floating bulk terminal facilities and their specialized equipment, related gear and appliances at South Harbor for purposes of receiving from bulk carriers all types of bulk cargoes, convey cargoes to the hold of the terminal or to the bagging plant, to store the cargoes in the holds, to reclaim the cargoes from the bottom of the holds, and to deliver bulk and/or bagged cargoes to barges at the anchorage. Adjunct to said services, other activities shall include shipside checking and weighing of cargoes and cleaning and maintenance of the terminal.

III

Purposes

- 3.1 To provide the necessary guidelines for the operation and management of the MAFSICOR floating grains terminal, pursuant to its main contract, dated September 8, 1992 and supplemental contract dated August 8, 1996.
- 3.2 To serve as guide to bulk shippers, consignees or importers and PPA personnel in their working relations and transactions with the CONTRACTOR regarding bulk

shipments intended for discharging at or bound for South Harbor, Manila.

IV

Objectives

- 4.1 Ensure the expeditious and economical delivery and shipment of grains.
- 4.2 Enhance turn-around time of bulk-carrying vessels.
- 4.3 Assist in ensuring adequate supply of staple products destined for Manila.

V

Specific Guidelines

5.1 *Non-Compulsory Clause* — The use or availment of the floating bulk terminal facilities of the CONTRACTOR shall not be compulsory.

5.2 *Supervision* — The Port Management Office of South Harbor, shall have direct supervision of the management and operation of the floating bulk terminal and as such shall have monitoring and reporting responsibility to PPA Head Office, thru its District Office. Accordingly, PMO South Harbor shall monitor strict compliance of the terms and conditions of the MAFSICOR contract, giving particular attention to the financial interest of the AUTHORITY, including higher operational efficiency and lower handling costs as a consequence of the use of such facilities.

5.3 *Anchorage/Area Allocation* — The floating bulk terminal facility of the CONTRACTOR shall be assigned at anchorage berths Nos. 01 and 02 Inside Break Water (IBW) of the South Harbor or other suitable anchorage/berth facilities as may be determined by the AUTHORITY in consultation with the CONTRACTOR.

5.4 *Documentation Reports* — The following documents/reports shall be submitted to the Office of the Port Manager, PMO South Harbor by the parties hereunder specified:

5.4.1. *Floating Terminal Facility* —

5.4.1.1 Certificate of Philippine Registry

5.4.1.2 Appropriate license from government agency/ies concerned

5.4.1.3 Cargo Manifest (if facility is loaded at the start of the initial operations) LexLib

5.4.1.4 PPA Official Receipt on Floating Terminal fee/government share

5.4.1.5 Report on gross revenue/month (supported by bill of charges on operations for all cargoes handled)

5.4.2 Carrying Vessel (serviced by the floating terminal)