

**[PPA MEMORANDUM CIRCULAR NO. 03-95,
January 05, 1995]**

**IMPLEMENTING GUIDELINES ON THE PROPER ASSESSMENT AND
COLLECTION OF THE 1994 PPA PORT TARIFF RATES**

Preamble

Pursuant to Sections 2(f) and 20 of PD 857, as amended and Memorandum Circular No. 121 issued by the Office of the President on November 2, 1990, and in order to ensure the proper assessment and collection of the new port charges under PPA Memorandum Circular No. 07-94, the following regulations are hereby prescribed:

ARTICLE I

Scope

This Circular shall cover vessels/cargoes that call/are discharged at government/private ports or anchorage areas within the jurisdiction of the Philippine Ports Authority pursuant to P.D. 857 as amended.

ARTICLE II

Definition of Terms

1. *Authority* — refers to the Philippine Ports Authority.
2. *Authorized Shipyard./Repair Operator* — refers to a shipyard operator owner or ship repair facility which has been given recognition/accreditation/permit and has registered with the Philippine Ports Authority/Maritime Industry Authority.
3. *Container* — means any structure so designed to hold and keep articles, materials and products together inside a hold in the form of boxes, tanks, or the like, for singular or unit handling and transport, generally having any internal volume or capacity of not less than one (1) cubic meter. It is further defined according to their uses as dry cargo, refrigerated, liquid bulk, platform, open top, solid bulk, ventilated, etc.
4. *Containerized Cargoes* — mean cargoes packed in containers for easy handling or transportation of same as a unit.
5. *Decommissioned Vessels* — Vessels which are not engaged in commercial trade, as certified to by the Maritime Industry Authority (MARINA) or the Philippine Coast Guard (PCG).
6. *Dockage (at Berth)* — is the amount assessed against a vessel engaged in

international or foreign trade, including those engaged in barter trade, for mooring or berthing at a pier, wharf, bulkhead — wharf, river or channel marginal wharf at any national port in the Philippines; or for mooring or making fast to a vessel so berthed.

7. *Dockage (at Anchorage)* — is the amount assessed against a vessel engaged in international or foreign trade, including those engaged in barter trade, that do not berth but drop anchor at either a government or privately-owned port whether operated exclusively or commercially.

8. *Domestic Cargoes* — are cargoes brought to a pier, wharf or bulkhead to and from a port within the Philippine waters.

9. *Export Cargoes* — are cargoes brought to a pier, wharf or bulkhead intended for shipment to a foreign port.

10. *Foreign Transshipment Cargo* — refers to any article arriving at the port from a foreign port or place and destined for reshipment to another foreign port.

11. *Free Storage Period* — means the period allowed for any article, baggage and/or container to be stored in any port premises, cargo sheds and warehouses of the Authority without the payment of storage fee.

12. *Full Container Load (FCL)* — means a container loaded with cargoes belonging to a single consignee and/or covered by only one Bill of Lading.

13. *General Breakbulk Cargo* — means those that are listed in a number of bills of lading, each consisting of different commodities. These include but are not limited to bagged, cargoes, crates, cylinders, cases, baskets, bales, rolls, drums and such other like or similar types of packing; including vehicles, live animals, crated on uncrated fowls such as chickens, ducks and the like and other loose cargoes.

14. *GRT* — refers to the gross registered tonnage of the vessel.

15. *Import Cargoes* — are cargoes coming from a foreign country brought to a pier, wharf or bulkhead by vessel coming from a foreign port.

16. *Lay-up Fee* — is the amount levied against vessels engaged in domestic trade which are temporarily authorized to lay-up and anchor at designated lay-up areas.

17. *Lid-up Vessels* — Vessels which have been decommissioned or otherwise unemployed and idle while waiting for better business prospects for their operations or when so authorized by the Authority.

18. *Lay-up Areas* — The areas designated by PPA for vessels that are laid-up. These are identified by the corresponding coordinates (latitudes and longitudes) in the Nautical Chart produced by the National Mapping and Resource Information Authority (formerly the Bureau of Coast and Geodetic Survey).

19. *LCL Container (Less Container Load)* — Refers to containerized cargoes owned by or belonging to more than one shipper/consignee and/or covered by more than one bill of lading.

20. *Minimum Charge* — It is the least amount of payment due from port users based on prescribed rates.

21. *Port Charges* — refers to port dues, dockage at berth, dockage at anchorage, usage and lay-up fees, wharfage, storage fees assessed on the vessel/cargo.

22. *Port Dues* — is the amount assessed against a vessel engaged in foreign trade based on its total GRT or part thereof, including those engaged in barter trade for each entrance into and departure from a port of entry in the Philippines.

23. *Private Port* — For purposes of the 1994 Port Tariff Rates application, a private port is a port duly registered with the PPA and which is owned and operated exclusively or commercially by a private person or entity catering to its own cargo or cargoes owned by third parties.

24. *Revenue Tonnage* — means 1,000 kgs. or 1.1326 cubic meters (40 cu. ft.) whichever yields the greater amount of revenue.

25. *Shut-out Cargoes* — are cargoes brought to the port premises, cargo sheds and warehouses of the government, wharf or bulkhead for export or domestic shipment which are not loaded on the intended carrying vessel provided that such carrying vessel has actually docked.

26. *Storage Charge* — is the amount assessed on articles, baggage and containers for storage in the port premises, cargo shed and warehouses of the government.

27. *Third Party Cargoes* — refer to cargoes not owned by the private pier/wharf owner/operator.

28. *Transit Cargo for Export* — refers to any article arriving at any domestic port from another domestic port or place and destined for reshipment to a foreign port.

29. *Usage Fee* — the amount assessed against a vessel engaged in domestic trade for berthing, for making fast to a vessel so berthed or for mooring at an anchorage area.

30. *Vessel in Distress* — a vessel which has suffered engine trouble, marine accident, or has met a typhoon or other natural calamities or disasters during its voyage that forced her to call at the port for repair, medical help or shelter.

31. *Vessels for Drydocking* — refer to vessels or watercrafts intending to undergo drydocking/repair as required by the Classification Society or other government agencies.

32. *Vessels for Scrapping* — refer to vessels or watercrafts which are no longer seaworthy to undertake voyage and are eligible only for breaking up.

33. *Wharfage* — is a charge on all cargoes, whether containerized or not, coming in/going out or transshipped through a port on the basis of the total metric or revenue tonnage whichever is applicable.

ARTICLE III

Specific Guidelines

SECTION A. *Port Dues* —

1. Subject to the Charge — The following are subject to the payment of Port Dues:

1.1 Vessels entering the port for the purpose of loading/discharging cargo or embarking/disembarking passengers; and

1.2 Vessels entering the port for the purpose of bunkering or taking provisions, repairs or changing members of the crew. Provided that vessels that call on several ports within the same harbor shall be charged only for one call and paid at the first port of call.

SECTION B. *Dockage* — Dockage at Berth shall be levied on the following:

1.1 Cargo vessels engaged in international or foreign trade which berth for the purpose of discharging and/or loading cargo; and

1.2 Non-cargo vessels engaged in international or foreign trade which berth only for the purpose of loading and/or taking passengers or for taking fresh water supply or receiving bunker fuel or changing members of the crew.

1.3 Provided, however, that vessels engaged in international or foreign trade that do not berth but drop anchor at either a government or registered privately owned port, whether operated exclusively or commercially shall be charged the dockage at anchorage or one-half ($\frac{1}{2}$) of the corresponding dockage at berth at a government port, subject to the maximum of 50,000 GRT.

2. *Liability of Payment of Dockage* — Dockage whether at berth or at anchorage shall be paid by either the owner, agent, operator or master of the vessel.

3. *Other Conditions* —

3.1 A vessel engaged in international or foreign trade which is diverted from a government to a private port by the Port Manager concerned because of congestion or other causes, shall be liable only to 50% of the payment of dockage at government berth.

3.2 The imposition of port charges on vessels with status changed from foreign to coastwise or vice-versa, shall be governed by the following guidelines:

3.2.1 For a vessel engaged in international and foreign trade, granted for the first time (original/new applicant) permanent authorization to engage in coastwise trade, the Certificate of Philippine Registry (CPR) and Certificate of Ownership, which will be the basis for the issuance of the Certificate of Inspection by the Maritime Industry Authority (MARINA), shall be required.

For old applicants, the Certificate of Inspection, plus, the Certificate of

Public Convenience (as an additional requirement) issued by MARINA shall be required.

The conversion of said vessel from foreign to domestic shall be reckoned from the date of issuance of the Certificate of Inspection for purposes of determining the applicable port charges such as port dues, dockage at berth or anchorage, or usage fees.

3.2.2 For a bareboat charter, the Temporary Certificate of Philippine Registry (TCPR), the Certificate of Inspection for the vessel's temporary conversion from foreign to domestic status, and a copy of the Special Permit (for the vessel to engage in domestic trade) issued by MARINA shall be submitted.

The conversion shall be reckoned from the date of issuance of the Certificate of Inspection by MARINA to said vessel.

3.2.3 For a vessel engaged in international or foreign trade granted temporary authorization to operate coastwise, the special permit issued by the Maritime Industry Authority (MARINA) shall be required.

The temporary conversion of said vessel shall be reckoned from the date of effectivity of the special permit issued by MARINA for purposes of determining the applicable port charges.

3.2.4 For a domestic vessel temporarily authorized to engage in foreign trade, the same special permit issued by MARINA shall be required.

Its conversion from coastwise to foreign status shall immediately commence from the time said domestic vessel loads export cargoes at any local port.

Provided, however, that if said domestic vessel does not load any cargo for export in any of its local ports of call, conversion of said vessel shall start from its last domestic port of call before it departs for a foreign port.

4. Assessment of port dues and dockage (at berth or anchorage)

4.1 A fraction of a day shall be counted as one (1) whole day in the assessment of dockage fees, whether at berth or anchorage. However, where a vessel stays at the anchorage and subsequently berths, or berths and subsequently shifts to the anchorage area within the same day but not beyond 12:00 midnight, this shall be counted only as one (1) day and the vessel shall be required to pay dockage at berth.

4.2 Time spent by a vessel at anchorage, while waiting for a dockside berth at either government or private port, shall not be subject to the payment of dockage or usage fee at anchorage provided that no loading or unloading operations are undertaken while at anchorage. Provided that the waiting at anchorage is by reason of strikes, natural calamities or pier congestion.