



Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS
1099 Manila

Reyes
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MEMORANDUM

TO : THE PORT/DISTRICT COLLECTORS
Port of Manila
Port of Batangas
Port of Subic
Manila International Container Port
All Others Concerned

FROM : REY LEONARDO B. GUERRERO
Commissioner

SUBJECT : TRANSFER OF EMPTY CONTAINERS TO PORT OF
BATANGAS AND TO SUBIC BAY FREEPORT AS
EXTENSION PORTS OF POM AND MICP

DATE : 12 February 2019



Executive Order No. 172, series of 2014, declared the Port of Batangas (POB) and the Subic Bay Freeport (SBFP) as extensions of the Port of Manila (MICT/South Harbor), during port congestion and other emergency cases.

In order to help address the port congestion in the Ports of Manila, all empty containers shall be transferred to the ATI Terminal in Batangas and ICTSI Terminal in Subic.

The District/Port Collectors of POB and SBFP shall exercise authority over the containers to be transferred, while the POM and MICP District/Port Collectors are directed to immediately transmit all pertinent documents relative to the subject containers for immediate processing and disposal.

The 12 November 2015 Memorandum of former Commissioner Alberto D. Lina relative to the Jurisdiction of Shipments Transferred Pursuant to E.O. 172, s. 2014 (*copy attached*) is hereby reiterated and made an integral part hereof.

For strict compliance.

2015-11-014

R. Reyes
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Republic of the Philippines
Department of Finance
Bureau of Customs
1099 Manila

12 November 2015

MEMORANDUM

TO : **District Collectors**
Port of Manila
Port of Batangas
Port of Subic
Manila International Container Port
All Others Concerned

FROM : **ALBERTO D. LINA**
Commissioner

SUBJECT : **Jurisdiction Of Shipments Transferred Pursuant To E.O. 172**

This is with reference to cargo containers transferred to the Port of Batangas (POB) and Subic Bay Freeport (SBFP) from Port of Manila (POM) and Manila International Container Port (MICP) to address port congestion experienced in 2014, pursuant to Executive Order 172, declaring POB and SBFP as extensions of POM and MICP.

Memoranda of Agreement (MOA) were entered into by POM and MICP with Asian Terminals Inc. (ATI) and International Container Terminal Services, Inc. (ICTSI), respectively, to facilitate transfer of cargo containers. Worthy to note is the provision on both MOA which reads:

"Notwithstanding, the transfer of said containers to the **ATI terminal in Batangas/ICTSI Terminal in Subic**, Section 1206 of the Tariff and Customs Code of the Philippines shall be deemed applicable with respect to the jurisdiction of the District Collector of **POM/MICP** over said importations entered through his collection district. In view of the same, he shall continue to exercise authority and hold possession of all imported articles upon which duties, taxes, and other charges have not been paid or secured to be paid, disposing of the same according to law."

In the said MOA, the jurisdiction of the cargo containers transferred to POB and SBFP were retained with the District Collectors of POM and MICP. However, for purposes of convenience and to further optimize the utilization of our ports, there is a need for the immediate disposition of subject cargo containers in accordance with law.

Pursuant to the powers of the Commissioner under Section 602 (f) and Section 2602 of the TCCP, it is hereby ordered that jurisdiction of subject cargo containers be transferred to the District Collectors of POB and SBFP and cause all procedures as he may deem necessary as provided by Section 1206 of the TCCP.

Corollary thereto, the District Collectors POM and MICP is hereby directed to transmit all pertinent documents relative to the subject cargoes for the immediate processing and disposal of the same.

For compliance.


ALBERTO D. LINA
Commissioner





MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 172

DECLARING THE PORT OF BATANGAS AND SUBIC BAY FREEPORT AS EXTENSIONS OF THE PORT OF MANILA (MICT/SOUTH HARBOR) DURING PORT CONGESTION AND OTHER EMERGENCY CASES

WHEREAS, it is a declared objective of the State to ensure the smooth flow of waterborne commerce passing through the country's ports, whether public or private, in the conduct of international and domestic trade;

WHEREAS, port congestion is one of the major factors hindering the free flow of goods and services passing through the ports, with its domino effects immediately cascading and impacting on the demand-supply chain and eventually to the country's economic growth and performance;

WHEREAS, the Port of Manila is considered as the Philippines' most important port not only in terms of revenues it generates but also because of its being the premier international gateway to the country;

WHEREAS, the past six (6) months have witnessed how port congestion at the Port of Manila, specifically, the Manila International Container Terminal (MICT) and the South Harbor, have tremendously disrupted industries and businesses not only in Metro Manila but across the country, and how it has highlighted the important and crucial role that the government has to play in mitigating its impact and finding immediate solutions;

WHEREAS, the drastic restriction in the movement of trucks transporting cargoes in and out of the Port of Manila because of the shortened operating window of trucks due to truck ban imposed by certain Local Government Units resulted in the abnormal movement, accumulation and piling up of cargoes and eventually severe port congestion;

WHEREAS, there is a need to adopt measures to immediately and effectively address the existing port congestion in the Port of Manila in order to avert further damaging effects to the country's economy, and also to put in place a mechanism that will immediately address future similar situations; and

WHEREAS, the Port of Batangas and the Subic Bay Freeport are not only ports of closest proximity to the Port of Manila but have the required capacity to handle export and import cargoes in terms of equipment, manpower and berth.

NOW THEREFORE, I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

Section 1. EXTENSION OF THE PORT OF MANILA. It is hereby declared that whenever there is congestion in the Port of Manila, or in case of emergency situations affecting public interest such as, but not limited to, strikes or lock-outs and natural calamities,

THE PRESIDENT OF THE PHILIPPINES



resulting to serious disruptions in port operations, designated ports in the Port of Batangas and the Subic Bay Freeport shall be considered as extensions of the Port of Manila.

The designation of the specific port shall be made by the Philippine Ports Authority (PPA) in the case of the Port of Batangas and the Subic Bay Metropolitan Authority (SBMA) in the case of the Subic Bay Freeport.

Section 2. DECLARATION OF PORT CONGESTION. The Secretary of the Department of Transportation and Communications (DOTC) shall declare the existence of port congestion or emergency cases upon the recommendation of the Board of Directors of the PPA. The conditions for such declaration shall be based on the guidelines to be prescribed and approved by the PPA Board of Directors.

Section 3. EFFECTS OF DECLARATION OF PORT CONGESTION OR EMERGENCY CASES. The declaration by the DOTC Secretary of the existence of port congestion or emergency cases affecting public interest shall have the following effects:

- a. The designated ports in the Port of Batangas and the Subic Bay Freeport shall be deemed as extensions of the Port of Manila.
- b. Foreign vessels with Port of Manila as the port of destination or origin may be directed to berth either at the Port of Batangas or Subic Bay Freeport. For said purpose, the berthing in said ports shall be considered as berthing at the Port of Manila.
- c. All rules and regulations being enforced at the Port of Batangas or Subic Bay Freeport as promulgated by the PPA and SBMA, respectively, including berthing and other port fees, among others, shall apply to foreign vessels directed to berth thereat.

Section 4. VALIDITY OF THE DECLARATION. The extension of the Port of Manila shall exist for the duration of the existence of port congestion or emergency cases and shall be lifted once the situation in the Port of Manila has already normalized, as determined by the DOTC Secretary.

Section 5. SEPARABILITY CLAUSE. If any part or provision of this Order is held invalid or unconstitutional, the other parts or provisions not affected thereby shall remain valid and effective.

Section 6. REPEALING CLAUSE. All orders, proclamations, rules, regulations, or parts thereof, which are inconsistent with this Order, are hereby repealed, amended or modified accordingly.

Section 7. This Executive Order shall take effect immediately upon publication in a newspaper of general circulation.

DONE, this 13th day of September, in the year of our Lord, Two Thousand and Fourteen.

By the President:

[Signature]
PAQUITO N. OCHOA, JR.
Executive Secretary

[Signature]
[Signature]
