

**ARTA**

**ANTI-RED TAPE AUTHORITY  
OFFICE OF THE PRESIDENT**

3 March 2023

**ATTY. JAY DANIEL R. SANTIAGO**

[REDACTED]

**ATTENTION: ATTY. MARK JON S. PALOMAR  
MANAGER COMMERCIAL SERVICES DEPARTMENT**

[REDACTED]

**SUBJECT: AGREEMENT AND COMMENTS ON THE PROPOSED**

[REDACTED]

**IMPACT STATEMENT (RIS) OF THE PHILIPPINE PORTS**

**AUTHORITY (PPA) ADMINISTRATIVE ORDER (AO) NO. 04-  
2021 OR THE POLICY AND THE REGISTRATION AND  
MONITORING OF CONTAINERS**

[REDACTED]

the said IQG will include a periodic review on the implementation of the Trusted Operator

Program-Container Re list and Monitorin S stem TOP-CRMS Lastly we understand

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SECRETARY ERNEST . PEREZ  
Director General





**Section 1- POLICY PROBLEM AND NEED FOR GOVERNMENT ACTION**  
**AGENCY STATEMENT**

**Descripti  
on of the**

Describe the present situation and what is likely to occur without government action.

An Illustration of the Present Situation is hereby attached as Appendix "A"

"A"

Container Deposits

Under DOTr Department Order (DO) No. 2020-008, dated June 24, 2020,

the Department of Transportation (DOT) established the Shipping Container Deposit Program (SCDP) to ensure that the United States has a sufficient number of containers to meet the needs of the shipping industry. The SCDP is a voluntary program that allows shippers to deposit containers with the DOT. The DOT will then use these containers to meet the needs of the shipping industry. The SCDP is a critical component of the DOT's efforts to ensure the availability of containers for the shipping industry.

Protection Office (SPO) to protect domestic and international shipper



bearing empty containers line the streets around the container yard while

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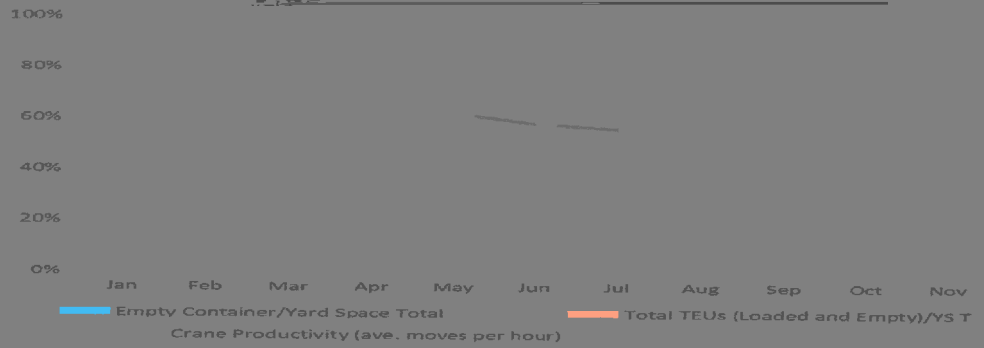
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Return of Empty Containers

Under Customs Administrative Order No. 22-2240

[REDACTED]

[REDACTED]

[REDACTED]

reported within ninety (90) days from the date of discharge of the

[REDACTED]

[REDACTED]

[REDACTED]

package. This, coupled with low storage charges at the port terminal yards,  
attributed to January well-timed in the terminals

[REDACTED]

[REDACTED]



020-008 dated June 24, 2020, received a total of 113 complaints filed b

### No. of Complaints/Inquiry Received

12%

International Shipping Lines  
Domestic Shipping Lines  
Forwarding / Trucking Company / Bunkering Service Provider  
Terminal Operator

### Number of Complaints Received

Submission of wrong Gross Weight

Change in Port of Discharge

Imposition of Destination Charges

### Details of the Complaints:

- Range of Unreturned Container Deposit - Php10,000 to Php2,208,000
- Range of Demurrage / Detention Charges – Php51,000 to Php897,000.00
- Range of Container Yard Charges / Empty Container – Php700.00 to Php10,000.00
- Release refunds with an average period of 4 months (date release/detention)

## Em Container Return

urrently, port users are instructed to return the empty containers to an identified container yard. However, despite said instructions, the containe

Empty Container Return

Port efficiency is an important determinant of shipping costs. Mexico's  
W

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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PPA seeks to provide cost-saving mechanisms for shippers/importers

Details: PPA seeks to provide cost-saving mechanisms for shippers/importers

**Objective of Government Action** POLICY OPTIONS  
The PPA's statement meets the SMART criterion. PPA seeks to provide cost-saving mechanisms for shippers/importers

A [REDACTED]

(importers and foreign carriers) in lieu of the container deposit and aims to decrease port terminals and port

<https://clap.ph/>

access roads from empty container returns and reduce

in the Philippines", it provides a somewhat flexible deposit arrangement, depending on the volume of containers delivered every month.

It seeks to process container deposit refunds within 3 working days upon the approval of Shipping Line / Shipping Agent / NVOCC but require registration.

Upon the registration is approved, CLA Subscriber can choose to utilize

LA Deposit will require deposit amount for every 20' container

to the published tariff from the Shipping Lines

LA covers container Detention and Damage charges only.

Under the CLA the current billing process does not change, CLA Principal will continue to issue invoice directly to CLA Subscriber for any charge incurred.

The CLA fees applied are:

- PHP 100.00 per TELL for CLA Cash; and

PHP 500.00 per container within a 10-kilometer radius from port of discharge and PHP 700.00 per container beyond 10 kilometers.

[REDACTED]

[REDACTED]

arming Station at the Port of Discharge for Import; and the respective Exporters warehouses after stuffing of container for Export. It is noted that

[REDACTED]

can be done in two to three minutes.

The arming and disarming of the ECF is performed by the BOPL. It is noted that

[REDACTED]

The TOP-CRMS, in a nutshell, seeks to do away with the payment of container deposits by port users and to efficiently manage the return of

empty containers.

All foreign containers entering the Philippines through a port under the jurisdiction of the authority must be registered in the TOP-CRMS and will be insured in lieu of a container deposit.

Upon leaving the port, the container will be tracked to where it will be unloaded. When it is once again picked up, the now empty container will also be tracked until it is delivered to a PPA container yard. Only

by the decision of the shipping lines that the empty container will be reexported

will the container be brought to the port terminal.

Container Deposits

The container deposits are imposed by the foreign shipping lines to cover





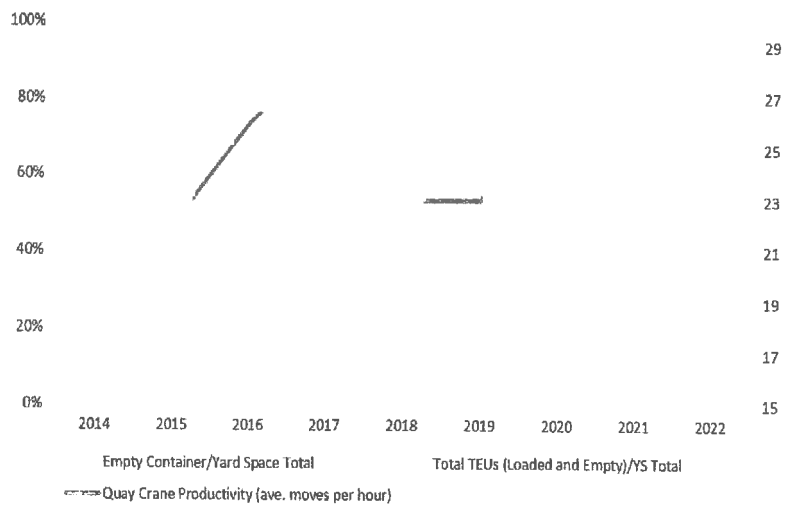
- Three days' Storage - PHP 1,500.00

Imposition of other surcharges will likewise continue, such as:

[REDACTED]

- Container Imbalance - PHP 25,000.00
- Shipping Line Detention Fee (per day paid by trucking) - PHP

MICT - Yard Utilization vs Productivity (2014-2022)



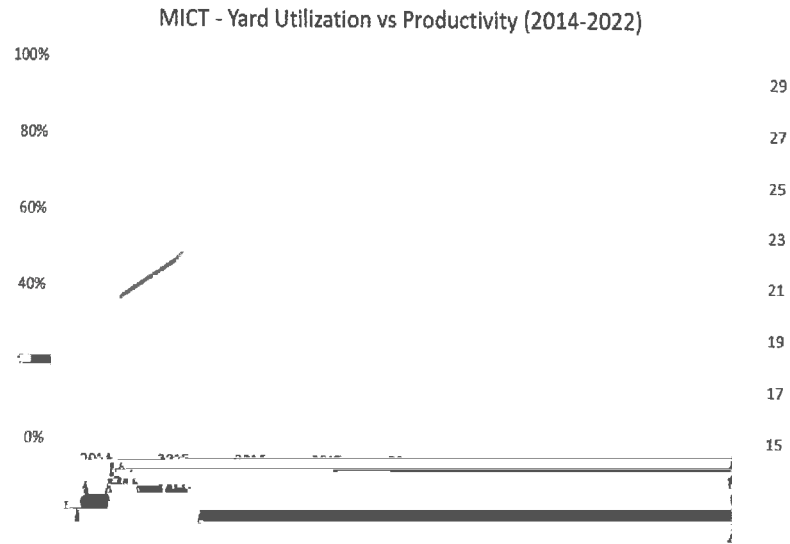
Q. tip ? Shipping lines to remove the practice of container deposits

[REDACTED]

hippers and consignees will be relieved from allocating funds for container deposits; hence stakeholders will have available funds for other business

[REDACTED]

This is only expected to go up and would adversely affect yard productivity.



tion 3: The newly deployed Container Ledger Account (CLA)

is intended to speed up container deposit refund with

working days upon the approval of Shipping Line / Shipping Agent

It requires a voluntary participation by the CLA Principal and C  
subscriber. Being voluntary, CLA cannot ensure that the issue abo  
elay in the refund of container deposit. Moreover, CLA also does no  
ddress the issue of deductions from the container deposit of amount  
ssociated to alleged damages to containers.

Furthermore, considering that the refund of the container deposit i

MICT - Yard Utilization vs Productivity (2014-2022)

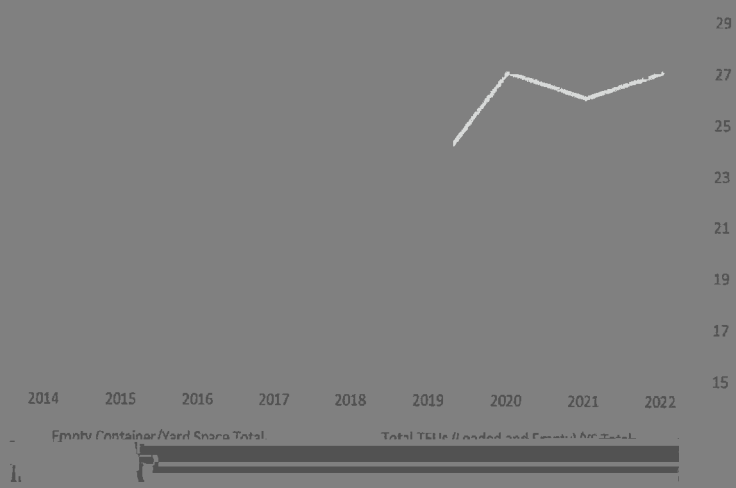


Option 4: BOC's e-TRACC System

The e-TRACC System, launched through the issuance of Cust  
Memorandum Order 04 2020, enables the real-time monitoring of inland

[REDACTED]

MICT - Yard Utilization vs Productivity (2014-2022)



Option 5: TOP CRMS Using the TOP CRMS Brokers/Carriers as

Year	Empty Container Yard Space Total	Total TEU Loaded and Exported
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		

Summarized below is the CBA for Options 1 to 5:

Proposed System Description	Summary	Cost	For 10-Year Period		Net Present Value
			Benefit	Net Benefit (Cost)	

Table with multiple rows of data, mostly obscured by heavy black redaction bars. Some faint text is visible in the lower right quadrant of the table area.

his option's **net cost** for a 10-year period is computed a P470,019,624,356, considering the present practice of container deposit payment, cost of processing refund for container deposit, pre-advise fees,

Table with multiple rows of data, mostly obscured by heavy black redaction bars.

documentation fee, detention charges (for delayed return of empties), container handling and storage cost and cost of trucking.







**Section 6- RECOMMENDED OPTION**

**AGENCY STATEMENT**

**The option being recommended to** *State clearly why the chosen option is being recommended. Indicate how the recommended provides the*

[Redacted content]

Below is a sample comparison of commodity in a 40 footer container:



### cb-commodity

	Current status with P30,000	Under TOP-CRMS with only P980	Net
Bigas:	Php 1,057		0
Needles:	Php 1,057		608

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igned with the directive of President Ferdinand R. Marcos to redu

## Section 7- IMPLEMENTATION & ENFORCEMENT

### AGENCY STATEMENT

As part of the proposed IOG, a comprehensive standard procedural operations reference guide will be issued by PPA. Further, there shall be trainings conducted for recipients of devices to be utilized for the TOP

Rubric

Description of implementation

Section 8 – MONITORING & EVALUATION

AGENCY STATEMENT

Description of \_\_\_\_\_ describe a strategy for monitoring \_\_\_\_\_

[Redacted content]



- Identification of Policy Options
- Assessment of Impacts of Policy Options
- Implementation & Enforcement
- Monitoring & Evaluation

Final ARTA Assessment  
FINAL ARTA Assessment

RATING	GOOD PRACTICES