



Republic of the Philippines  
**DEPARTMENT OF TRANSPORTATION**

**DEPARTMENT ORDER NO. 2020 - 008**

**Subject: ESTABLISHMENT AND CREATION OF THE SHIPPERS' PROTECTION OFFICE FOR THE PROTECTION AND ASSISTANCE TO SHIPPERS, BOTH INTERNATIONAL AND DOMESTIC, AGAINST UNREASONABLE FEES AND CHARGES IMPOSED BY INTERNATIONAL AND DOMESTIC SHIPPING LINES**

**Date: 24 JUNE 2020**

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**WHEREAS**, Republic Act No. 9295 and its Implementing Rules and Regulations (IRR) provide that very domestic ship operator shall have the right to fix its own passenger or cargo rates, or both, following the certain guidelines, but the Maritime Industry Authority (MARINA) shall intervene under any of the identified circumstances against the shipowner relative to rates charged and/or services rendered; and/or rates charged that are excessive or unreasonable; and that MARINA shall monitor all shipping operations and exercise regulatory intervention where it is established after due process that public interest needs to be protected and safeguarded;

**WHEREAS**, the issue on the surcharges of international shipping lines heightened during the COVID-19 pandemic, specifically, the charges on demurrage and detention;

**WHEREAS**, Republic Act (RA) No. 11469 states that "in view of the declaration of State of National Emergency throughout the Philippines, the President, pursuant to Article VI, Section 23 (2) of the Constitution, is empowered to adopt the temporary emergency measures to respond to crisis brought by the pandemic such as, but not limited to, enforcing measures to protect people from pernicious practices affecting the supply, distribution and movement of essential goods whether imported or locally produced or manufactured";

**WHEREAS**, RA No. 11469 authorizes the President to regulate and limit the operation of all sectors of transportation through land, sea or air, whether private or public;

**WHEREAS**, Proclamation No. 922, series of 2020, enjoins all government agencies and local government units to render full assistance and cooperation and mobilize the necessary resources to undertake critical, urgent and

appropriate response and measures in a timely manner to curtail and eliminate the COVID-19 threat;

**WHEREAS**, in accordance with the above laws and issuances, the Department of Transportation (DOTr) aims to establish a mechanism to consolidate all concerns of maritime stakeholders and to coordinate the same with the government agencies with proper jurisdiction for appropriate action;

**WHEREAS**, Executive Order No. 292 mandates the DOTr to be the primary policy, planning, programming, coordinating, implementing and administrative entity of the executive branch of the Government on the promotion, development and regulation of a dependable and coordinated network of transportation, as well as in the fast, safe, efficient and reliable transportation services;

**WHEREAS**, the DOTr is empowered to call upon any agency, corporation or organization, whether public or private, whose development programs include transportation as integral parts thereof, to participate and assist in the preparation and implementation of a comprehensive and integrated programs for transportation;

**WHEREAS**, under Presidential Decree (PD) No. 857, the Philippine Ports Authority (PPA) is mandated to supervise, control and regulate facilities and services that are necessary in the ports that are under its jurisdiction;

**WHEREAS**, PD No. 857 also authorizes the PPA to prescribe rules and regulations, procedures and guidelines governing the operation of all other ports, including private ports in the country;

**WHEREAS**, under EO No. 513, series of 1978, the PPA is authorized to perform such acts as may be deemed proper or necessary to carry out and implement the provisions of PD No. 857, including the adoption of necessary measures to remedy congestion in any government port;

**WHEREAS**, EO No. 513 grants the PPA police authority within the ports administered by it as may be necessary to carry out its powers and functions and attain its purposes and objectives;

**WHEREAS**, pursuant to Inter-Agency Task Force (IATF) Resolution No. 46, series of 2020, the establishment of a Complaints Office under the PPA, which will be tasked to accept and address all complaints against international shipping lines was approved;

**NOW, THEREFORE, I, ARTHUR P. TUGADE**, Secretary of the DOTr, by

virtue of the powers vested in me by law, hereby orders the creation and establishment of the **Shippers' Protection Office (SPO)** for the protection and assistance to shippers, both international and domestic, against unreasonable fees and charges imposed by international and domestic shipping lines.

### Section 1 COVERAGE

This Department Order shall apply to all complaints and issues related to the rates, charges, practices and operations of international and domestic shipping lines in the country.

### Section 2 PURPOSE

The creation and establishment of the SPO shall be part of the temporary emergency measures undertaken by the Government, during the declaration of State of National Calamity, to protect people from the impact and effects of exorbitant and unreasonable shipping fees resulting in increased prices for domestic consumers. It shall also serve as a repository of all documents, concerns and matters to be addressed with respect to the regulation of international and domestic shipping lines pending resolution of jurisdictional issues between government agencies and the passage of proposed legislations on the foregoing matter. All data and information collected by the SPO may be utilized in the implementation of any law, policy, rules and regulations by the Government in view of rationalizing shipping fees and charges, and to improve logistics services in the Philippines.

### Section 3 SHIPPERS' PROTECTION OFFICE

For this purpose, the SPO is hereby constituted and shall be composed of and manned by at least two (2) representatives each from **DOTr Maritime, DOTr Legal, Philippine Ports Authority (PPA), Philippine Coast Guard (PCG) and Maritime Industry Authority (MARINA)**, to be assigned by the respective heads of agencies/offices.

The SPO shall be headed by the **General Manager of PPA**, or his authorized representative, as Chairperson, and the **Administrator of MARINA**, or his authorized representative, as Vice Chairperson, and shall conduct its operations at the PPA Head Office in Manila.

### Section 4 FUNCTIONS AND RESPONSIBILITIES

- A. The General Manager of PPA, as head of the SPO, is hereby mandated and/or empowered to:
1. Oversee, monitor and evaluate the operations and management of the SPO;
  2. Formulate and issue guidelines, rules and regulations relevant to the activities and performance of the SPO;
  3. Approve and sign all reports, submissions and other relevant documents and materials concerning the operations of the SPO;
  4. Submit regular reports on a monthly basis to the Secretary and recommend measures for improvement, as may be necessary; and
  5. Perform other related functions as may be directed or as the need arises.
- B. The SPO and its members shall perform the following duties and functions:
1. Assist the public with matters concerning the operations of, as well as the fees and charges collected by, international and domestic shipping lines;
  2. Collect and consolidate all relevant data and information regarding the operation and the fees and charges collected by international and domestic shipping lines;
  3. Require domestic and international shipping lines to submit comments or position on complaints/issues raised against them, and to appear before the SPO, as may be necessary;
  4. Coordinate with appropriate government agencies having jurisdiction and authority regulate and/or resolve matters communicated with the SPO;
  5. Submit reports, information, document and other relevant materials for the approval and consideration of the Chairperson of the SPO; and
  6. Perform other related functions as may be directed or as the need arises.

## Section 5 SECRETARIAT

To provide administrative support to the SPO, PPA is hereby directed to assign at least (3) employees who shall constitute the SPO Secretariat, specifically having the functions of organizing activities and meetings of the SPO, and assisting the SPO to coordinate with concerned government offices and stakeholders in all aspects of implementation of this Department Order.

## Section 6

## FUNDING

The DOTr, PPA, PCG and MARINA are hereby authorized to charge against their current budgetary appropriations and allocations such amounts as may be necessary including, but not limited to, support resources for the effective implementation of this Order, subject to usual government accounting and auditing rules and regulations. In addition, the above-mentioned officials and personnel shall be entitled to reimburse authorized incidental expenses, including, but not limited to, travel and service vehicle costs that may be incurred in relation to the discharge of their functions. These shall be charged against the appropriate funds of their respective agencies, subject to usual accounting and auditing rules and regulations.

### Section 7 SEPARABILITY CLAUSE

If any part or provision of this Order is held unconstitutional or invalid, other parts or provisions which are not affected shall continue to remain in full force and effect.

### Section 8 REPEALING CLAUSE

All other Department Orders, Circulars, Special Orders, Office Orders and/or other issuances inconsistent herewith are hereby superseded and/or modified accordingly.

### Section 9 EFFECTIVITY

This Order shall take effect immediately.

  
**ARTHUR P. TUGADE**  
Secretary *my* *kg*



  
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