



MARITIME INDUSTRY AUTHORITY

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MARINA ORDERS DOMESTIC SHIPPING OPERATORS TO ROLL BACK PASSENGER AND CARGO RATES

Following the continuous drop in the prices of oil worldwide, which to date translates to about 60% decrease from June 2014 levels, DOTC Secretary Joseph Emilio Aguinaldo Abaya directed heads of agencies of MARINA, CAB & LTFRB to implement strict monitoring of rates being charged by public service operators in their respective jurisdictions.

In compliance with said directive, MARINA Administrator Dr. Maximo Q Mejia, Jr. issued Advisory No. 2014-30 on 29 December 2014 enjoining all domestic shipping companies operating passenger and / or cargo ships in the liner service to reasonably adjust their passenger and cargo rates in response to the series of roll backs in the prices of petroleum products in the local and global markets.

It is recalled that passenger and cargo rates in the domestic liner shipping operations had been deregulated since 2004 by virtue of Republic Act No. 9295, but MARINA has the reserved / plenary power to intervene in the rates being implemented by the shipping in order to protect and safeguard the interests of the riding public by ensuring that the rates being charged remain just and equitable.

Based on the preliminary reports from the MARINA Regional Offices, the following downward adjustments of rates have been implemented:

1. Davao Operators:

Route	Existing Rate	Adjusted Rate
1.1 Motorbancas, Sta. Ana Wharf, Davao City to Kaputian, IGACOS and vice versa	P60.00 per passenger	P55.00 per passenger
1.2. Motorbancas, Sasa, Davao City to Villarica, Babak. IGACOS and vice versa	P13.00 per passenger	P12.00 per passenger
1.3. RORO, Km. 11 Sasa, Davao City to Kinawitnon Wharf, IGACOS and vice versa	P270.00 for light vehicles (80% of clientele)	P250.00 for light vehicles

2. Batanes operators:

a. Passenger Rate Adjustment from P450.00 per passenger to P425.00 per passenger
b. Cargo Rate Adjustment from P3.75 / kilo to P3.00 / kilo

3. Cotabato operators reduced fares from P350 per passenger to P300 per passenger.

4. Cagayan Valley Operators: (Passenger fare for Motorbancas)

Route	Existing Rate	Adjusted Rate
4.1. Brgy. Bisagu to Aparri Town Proper, Cagayan and vice versa	P15.00	P13.00
4.2. Brgy. Sanja to Aparri Town Proper, Cagayan and vice versa	P25.00	P20.00
4.3. San Antonio to Malanao to Fabrica to Lal-lo, Cagayan and vice versa	P15.00	P14.00
4.4. Gattaran to Santo Niño, Cagayan	P18.00	P16.00
4.5. Centro Gattaran to Callao, Lasam, Cagayan and vice versa	P17.00	P15.00
	P8.00 per 30kls. of cargoes	P5.00 per 30kls. of cargoes

5. Some RORO Operators in the route: Batangas to Romblon have already lowered their passenger fares by 20%.

6. Tacloban operators request that they be exempted from the rollback due to the following:

- a. Maintenance / repairs and labor costs increased in the aftermath of Yolanda.
- b. With their new investments, they have yet to recover after typhoons Yolanda, Ruby and Seniang.
- c. As to cargo rates, they accommodated requests to lower rates on construction materials used for rebuilding / repair of houses of typhoon victims (ex. cement from P10.00 or P12.00 per sack to P5.00 per sack)

7. Philippine Liner Shipping Associations (PLSA) with ships originating from Manila to Visayas and Mindanao is considering a 16% rollback in bunker surcharge for cargo rates and MARINA has called a meeting with PLSA tomorrow (21 January 2015) to ensure immediate implementation of their planned roll back.

8. Visayan Association of Ferryboat and Coastwise Shipping Operators (VAFCSO) operating RORO ships agreed to implement the rollback after

reviewing / revisiting their current rates. Rate reduction will be on a per company basis, as companies differ in operation and costs.

Administrator Mejia has directed all other regional operators to submit their adjusted rates pursuant to Sec. 8 of the Revised IRR of RA 9295.

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The Maritime Industry Authority is an attached agency of the Department of Transportation and Communications tasked to accelerate the integrated development of the maritime industry in the country. It has been implementing reforms and programs to transform the country's domestic shipping industry to global competitiveness and the MARINA into a premiere maritime administration in Southeast Asia. For more information, visit marina.gov.ph.

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