

MALACAÑANG
Manila

PRESIDENTIAL DECREE NO. 1466

**A DECREE AMENDING PRESIDENTIAL DECREE NO. 894, AS
AMENDED**

WHEREAS, it has been declared a national policy to accord high priority to the development of the country's maritime and air transport industries;

WHEREAS, Presidential Decree No. 806 was promulgated in recognition of the important role that overseas shipping plays in the economic development of the country;

WHEREAS, Presidential Decree No. 894, as amended by Presidential Decree No. 917 and 962, was promulgated to conserve the country's foreign exchange, promote the growth and development of the Philippines overseas air and water transport industries, and to enhance national self-reliance in the transport of passengers and cargoes;

WHEREAS, it is necessary to align the provisions of Presidential Decree No. 894, as amended, with the equal cargo-sharing concept contained in Presidential Decree No. 806; and

WHEREAS, there is need for a more effective mechanism to implement the provisions of these Decrees.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution, do hereby decree the following as part of the laws of the land;

SECTION 1. The term "Philippine flag air carriers" as used herein, shall mean aircraft's which are duly registered in the Philippines and operated by the Philippine citizens or by a corporation or other entity owned or controlled by citizens of the Philippines.

The term "Philippine Flag Vessels as used in this Decree shall refer to vessels which are duly registered in the Philippines and are owned or controlled, or chartered by Philippine citizens or by a corporation or other entity or controlled by citizens of the Philippines.

SECTION 2. Whenever any office, agency, or instrumentality of the government, including all government-owned or controlled corporations, shall procure, contract for, or otherwise obtain any transportation of persons or export and import cargoes by air or water between the Philippines and a place outside thereof, the payment

for which is made or will ultimately be made from funds of the republic of the Philippines or such instrumentalities or corporations, the head of the government office, agency, instrumentality, or government owned or controlled corporation concerned shall obtain such transportation service from the Philippine flag air carriers and/or vessel.

SECTION 3. Any persons, partnership, corporation or entity granted a loan or credit or whose obligation is guaranteed by the government or any of its financial institutions, shall, upon the effectivity of this Decree, utilize the service of Philippine Flag air carriers and/or vessels in the transportation of the persons and export and import of cargoes between the Philippine and a place outside thereof whenever such transportation and/or cargo are paid from the proceeds of such loan, credit or/and guarantee.

SECTION 4. The Civil Aeronautics Board and the Freight Booking and Cargo Consolidation Center of the of the Philippine Shippers' Council shall serve as the central implementing agencies for the air and sea-borne transport aspects of this Decree, respectively.

SECTION 5. The requirements on the use of Philippine Flag air carriers and vessels as prescribed in Section 2 and 3 hereof may be waived in whole or in part and or for specified period of time not exceeding one year by the Civil Aeronautics Board or the Freight Booking and Cargo Consolidation Center as, the case may be, in any of the following instances; (a) when the services of a suitable Philippine flag air carrier or vessel are not available AT REASONABLE FREIGHT RATES, AND within a reasonable period of time; (b) when a relevant international agreement entered into, or an international convention adhered to by the Philippine government provides otherwise; (c) on the basis of reciprocity, when the government of a foreign country or any of its instrumentalities grants similar treatment in the utilization of Philippine flag carriers or vessels as the flag carriers or vessels as the flag carriers or vessels of the said country, in the transport of persons and cargoes; and (d) IN THE CASE OF EXPORT COMMODITY GROUPS, DETERMINED AS EXEMPTED BY THE GOVERNING COUNCIL OF THE PHILIPPINE EXPORT COUNCIL; and (e) when in their judgment, the national interest so requires; Provided, that the implementing agencies hereof may delegate the granting of waivers to the Philippine consular offices abroad through the Department of Foreign Affairs, or to any authorized organization.

SECTION 6. The Secretary of Trade, in his capacity as Chairman of the Philippine Shippers' Council, and the Secretary of Tourism, in his capacity as Chairman of the Civil Aeronautics Board, in consultation with the Maritime Industry Authority, Department of Foreign Affairs, the Commission on Audit, the Philippine Export Council, and other appropriate government agencies, shall within ninety (90) days from the approval of this Decree, promulgate the necessary implementing rules and regulations to assure the smooth and efficient implementation of the provisions of this Decree, as well as to ensure faithful compliance therewith by all parties concerned.

SECTION 7. The Chairman of the Commission on Audit shall disallow the payment of passenger fare or cargo freight on any foreign flag air carrier or vessel, as the

case may be, in the absence of waiver procured from the Civil Aeronautics Board or the Freight Booking and Cargo Consolidation Center, or the duly authorized consular office, as the case may be.

SECTION 8. Any violation of the provisions contained in Section 2 and 3 hereof, as well as any provision of the implementing rules and regulations to be issued in connection therewith, shall be punished by a fine not to exceed the cost of the freight of the shipment, but which shall not be less than five thousand pesos (P5,000.00). In addition, the government offices and financing institutions and implementing agencies concerned, shall adopt and implement such administrative sanctions and measures as may be necessary to assure faithful compliance with the provisions of this Decree.

SECTION 9. There is hereby initially appropriated the sum of one hundred fifty thousand pesos (P150,000.00) from the funds of the National Treasury not otherwise appropriated, each to the Civil Aeronautics Board and the Freight Booking and Cargo Consolidation Center, for their operational expenses in connection with the implementation of this Decree. Thereafter, adequate funds for this purpose shall be included in the national budget.

SECTION 10. All laws, decrees, orders, rules and regulations or parts thereof inconsistent with or contrary to the provisions of this Decree are hereby repealed or modified accordingly.

SECTION 11. This Decree shall take effect upon issuance of the implementing rules and regulations.

DONE in the City of Manila, this 11th day of June in the year of our Lord nineteen hundred and seventy-eight.

(SGD.) FERDINAND E. MARCOS
President
Republic of the Philippines

By the President:

(SGD.) JACOBO CLAVE
Presidential Executive Assistant

Republic of the Philippines
Ministry of Trade
PHILIPPINE SHIPPER'S COUNCIL
Freight Booking and Cargo Consolidation Center
Makati, Metro Manila

RULES AND REGULATIONS

IMPLEMENTING PRESIDENTIAL DECREE NO. 1466

WHICH REQUIRES THE USE OF PHILIPPINE FLAG VESSEL

Pursuant to Section 6 of Presidential decree no. 1466 which requires the use of Philippines flag vessels, the following rules and regulations are hereby promulgated in order to assure the smooth and efficient implementation of the intent and provision of the said Decree and to ensure faithful compliance therewith by all parties concerned in so far as the sea-borne transport aspects of the said decree is concerned:

RULE I. Definition – For purposes of these rules and regulations, the following terms are hereby defined as follows:

- a. “Decree” means Presidential Decree No.1466 issued by the President of the Philippines on June 11, 1978, which amended Presidential Decree No. 894
- b. “Philippine Shipper’s Council” or “SHIPPERCON” refers to the said council which was created under Presidential Decree No. 165, as amended
- c. “Freight Center” or “Center” refers to the Freight Booking and Cargo Consolidation Center, which was created under Presidential Decree No. 917 as an integral part of the Philippine Shipper’s Council
- d. “Philippine flag vessels” refers to vessels which are duly registered in the Philippines and which are either (1) owned or controlled, or (2) chartered, by Philippine Citizens or by corporation or other entity owned or controlled by the Citizens of the Philippines.
- e. “Foreign flag vessel” refers to a vessel which is not a Philippine flag vessel.
- f. “Waiver” means a written exemption from the requirements of the Decree on the use of the Philippine flag vessels, which are granted by the Freight Center or its authorized representatives in appropriate cases.

RULE II. Coverage –

A. Whenever any office, agency or instrumentality of the government, including all government- owned or controlled corporations, shall procure, contract for, or otherwise obtain any transportation or export or import cargoes by water between Philippines and the place outside thereof, the payment for which is made or will ultimately be made from funds of the Republic of the Philippines or such instrumentalities or corporations, the head of the government office, agency, instrumentality, or government-owned or controlled corporation concerned shall obtain such transportation services from Philippine Flag vessels.

B. Any person, partnership, corporation or entity granted a loan or credit or whose obligation is guaranteed by the government or any of its financial institutions, shall, upon the effectivity of these rules and regulations, utilize the services of Philippine flag vessels in the transportation of export and import cargoes between the Philippines and a place outside thereof whenever such transportation and/or cargo are paid from the proceeds of such loan, credit or guaranteed loan or credit. Whenever such parties make the shipping decision in the case of f.o.b. shipments, they shall select/nominate suitable Philippine flag vessels for the carriage of the export/import cargoes involved.

RULE III. Central Implementing Agency – The Freight Booking and Cargo Consolidation Center of the Philippine Shippers’ Council shall serve as the central implementing agency for the sea-borne transport aspects of the Decree and these rules and regulations, with the assistance and cooperation of relevant government offices, agencies and instrumentalities which are necessary for their effective implementation.

RULE IV. Role of the Maritime Industry Authority –

A. The Maritime Industry Authority (MARINA) shall assist the Freight Center by, among others, furnishing it with the following information on Philippine flag vessels:

1. Certified list of existing registered Philippine flag vessels which are (a) owned or controlled, or (b) operated on charter by Philippine citizens, corporations, partnerships or other entities. The list shall include the registered name, owner, type, tonnage, speed, available equipment, date constructed, date registered in the Philippines, and other particulars of the vessel such as chartered (if chartered out to an operator other than the owner), nature of charter, etc. The said list shall be furnished, in sufficient copies, for distribution and use locally and by Philippine consular offices and authorized organizations abroad, within two weeks after receipt of copies of these rules and regulations

Thereafter, MARINA shall furnish the Center, also in sufficient copies, similar lists of additional ships registered and any changes in the listings earlier furnished, within two weeks after registration of the ships or receipt of information on changes. The lists so submitted shall be the basis for the

Freight Center and its authorized representatives in determining a Philippine flag vessel.

2. A list of current owners or operators of registered Philippine flag vessels giving a profile of their ownership and control, together with certified true copy of their updated articles of incorporation, partnership, charter or other terms of reference, within one month after receipt of copies of these rules and regulations. MARINA also furnish similar information on owners or operators of Philippine flag vessels re registered thereafter as well as changes in all such lists, within two weeks after its receipt or advice on such new registrations and changes in owners or operators. Only those owners or operators included in the lists so submitted by MARINA shall be recognized by the Freight Center for purposes of the Decree.

B. MARINA shall assist in the enforcement of penalties and administrative sanctions against owners, operators, agents and officials of Philippine flag vessels for their failure to comply with their obligations under the Decree and its implementing rules and regulations.

RULE V. Role of Owners/Operators of Philippine Flag Vessels –
All Philippine citizens and partnerships, corporations or other entities which are owned or controlled by Philippine citizens that own or operate Philippine flag vessel/s shall –

1. Furnish directly to the Freight Center, Philippine consular offices and authorized organizations abroad the following information:
 - a. Sailing schedules, by month, of such vessel/s on overseas liner service including the estimated time of arrival (ETA) at, and estimated time of departure (ETD) from each port of call. These schedules shall furnished at least two months in advance of the start of the monthly schedule. Any changes therein shall be immediately communicated in writing directly to the Freight Center, Philippine consular offices and authorized organizations abroad, which shall use the updated schedule so furnished as basis in determining the availability of Philippine flag vessels.
 - b. List of their Philippine flag vessels, which are available for charter hire, including the period of availability and the ports where they start to available. This list and any charges therein shall be furnished within the same periods prescribed in Rule V-A-1-a above. Only vessels included in the updated lists so furnished shall qualify to be utilized for charter under the Decree.
2. Give priority, on first-come-first-served basis, in accepting booking or cargoes of exporters/importers who are required to use Philippine flag vessels. The only acceptable reason for refusing to book such cargoes is that

no adequate, suitable and/or unreserved space for the shipment is available in the vessel. The reason for refusal shall be stated in writing to the exporter/importer or his authorized representative, by the ship's owner, operator, agent or representative.

3. Carry the cargoes which had already been booked and confirmed for carriage by their vessel, as agreed, to point of discharge; or comply with their obligations under the charter party.
4. Keep their shipping agents/representatives abroad promptly and properly posted on the implementation of the Decree and require them to make themselves readily available to the Philippine consular offices or authorized organizations abroad for consultation and technical advice in this regard.
5. Furnish the Freight Center copy of the cargo manifests, together with the net freight cost of each shipment or charter hire covered by the Decree, within three weeks after departure from/arrival at Philippine port of their Philippine flag vessels; and report periodically on the effect of the Decree on their operations.

RULE VI. Role of Government and Private Financial Institutions –

A. Government offices, agencies, corporations and instrumentalities which are covered by Section 2 of the Decree and those which, under Section 3 thereof, have granted a loan or credit to or guaranteed the obligation of any person, partnership, corporation or entity as well as private financial institutions which service such accounts, shall be directly responsible within their respective jurisdictions for the enforcement of the Decree and its implementing rules and regulations.

B. They shall assist in the implementation of the Decree by:

1. Requiring the beneficiary of such loan, credit or guarantee to utilize the services of Philippine flag vessels unless a waiver of this requirement is secured, pursuant to the Decree.
2. Requiring that a foreign obligation which they are requested to guarantee shall include a provision that Philippine flag vessels shall be utilized in the carriage of the import or export cargoes whenever such cargoes and/or the transportation thereof are paid from the proceeds of such foreign obligation, pursuant to the Decree.
3. Including a standard condition in the approval of loans, credit or guarantees, the proceeds of which shall be used partly or wholly to pay for import and/or export goods and/or the overseas freight cost thereof, that Philippine flag vessels shall be utilized for the transport of such goods unless a waiver

of this requirement is secured, pursuant to the Decree. Such condition shall be reflected in the corresponding contract/agreement, letters of credit and other necessary instruments.

4. Adopt and implement such administrative sanctions and measures as may be necessary to assure faithful compliance by the officials concerned of their organizations and their beneficiaries of such loans, credits or guarantees, with the requirements of the Decree and its implementing rules and regulations.
- C. Applications of any person, partnership, corporation or other entity granted a loan/credit or whose obligation is guaranteed by the government or government financial institutions for the importation under letter of credit or other arrangement or the exportation of goods, merchandise or commodities, if the import/export cargoes and/or the freight thereof shall be paid from the proceeds of the loan/credit so granted or guaranteed shall contain an undertaking by the applicant that Philippine flag vessel/s shall be used for the transport thereof unless a waiver is secured pursuant to the Decree.
- D. Banking institutions may not service remittances of payments for such imports and Central Bank may not issue the corresponding release certificates unless it is established that Philippine flag vessels were used for the transport of such imports or that a waiver therefrom had been secured, pursuant to the Decree.

RULE VII. Role of the Ministry of Foreign Affairs –

A. In order to expedite the grant of waivers, the authority of the Freight Center to grant waivers is hereby delegated to the Philippine consular offices in areas abroad where they operate, on applications under Rule IX-A, Instances 1 and 4 received thereat, in accordance with the implementing rules and regulations of the Decree and under such arrangements as may be agreed upon between the Ministry of Foreign Affairs (MFA) and the Freight Center. The Philippine commercial attach office as SHIPPERCON resident representative in the area concerned shall assist the consular offices in the processing of application for waiver.

B. The MFA and Freight Center may consult with each other as the need arises on relevant international agreements entered into and international conventions adhered by the Philippine Government and on matters involving foreign relation relevant to the decree and its implementation.

RULE VIII. Role of the Bureau of Customs – upon request of the Freight Center for the effective enforcement of the decree, the Bureau of Customs shall not allow specified export cargoes to be loaded in the Philippines nor import cargoes to be released from the piers in cases covered by the decree unless Philippine Flag vessels will be/ were utilized for the overseas transport thereof or a waiver from this requirement had been duly secured, pursuant to the Decree.

RULE IX. Grant of waivers -

- A. Instances When Waivers May Be Granted –The requirements on the use of the Philippine Flag vessels as prescribe on section 2 and 3 of the Decree may be waived in whole or in part and/or for specified period of time not exceeding one year by the Freight Center in the case of all-water or combined water-and-land transportation, in any of the following instances:
1. When the services of a suitable Philippine Flag vessel are not available at reasonable freight rates and within a reasonable period of:
 - a. When there is no Philippine flag vessel suitable to carry a particular type of cargo or operating on a specific liner route, an appropriate blanket waiver may be granted by the Freight Center.
 - b. In determining the suitability of the vessel for the carriage of a particular shipment, the following factors shall be applied: (1) type, including cargo- handling facilities aboard; (2) transit time; and (3) operating situation, of the vessel.
 - c. Availability within a “reasonable period of time” shall mean that the vessel will be ready to load within ten days from the date the cargo is ready for loading.
 - d. The reasonableness of the freight rates of the Philippine flag vessel concerned shall be determined as applied to a specific shipment. The rates it charges for the shipment shall be competitive with the total net freight charges of the foreign flag vessel which is available at the same time as the Philippine flag vessel and which is proposed to be used instead.
 - e. In the case of liner service, “freight rates” shall refer to the total net amount to be paid to the shipping line concerned for the transport of the shipment. This amount shall include, in addition to the base rate charge, all applicable surcharges like bunker and currency surcharges, transshipment additional and heavy-lift surcharge, but excluding cargo insurance and port congestion surcharge. In case the shipment is on a through-bill of lading, involving combined water-and-land transport to final destination, “freight rates” shall refer to total freight cost of the water-and-land transport.
 - f. In case of chartered vessels, such as on voyage or time basis, the reasonableness of the “freight rates” shall be determined by comparing not only the charter hire or rate per ton/day/month but also the other terms and condition in the relevant charter parties.

2. When a relevant international agreement entered into, or an international convention adhered to by the Philippine Government provides otherwise.
 - a. The applicant for waiver shall identify, furnish true copy and/or cite the applicable provisions of the relevant agreement or convention.
 - b. In case of conflict in the interpretation of such provisions, that of the MFA shall govern.
3. On then basis of reciprocity, when the government of a foreign country or any of its instrumentalities concerned grants similar treatment in the utilization of Philippine flag vessels as the flag vessels of the said country, in the transport of cargoes.
 - a. The applicant for waver shall support his claim with copies of relevant documents or other authoritative papers
 - b. “Similar treatment” may take the form of granting Philippine flag vessels an equitable share of terms of freight revenue as the flag vessels of the other country in the carriage of the shipments involve or bilateral trade concerned
4. In the case of export commodity groups, determined as exempted by the governing council of the Philippine Export Council.
 - A. The Governing Council shall advise the Freight Center which export commodity groups it had determined as exempted and the conditions and reasons therefor, soon after it had so determined.
 - B. “Export commodity groups” means (a) a specific group of commodity for export; and not to broad classifications such as textiles, handicrafts or construction materials, nor to the individual exporters or group of exporters; and (b) for export to a specific country or area, such as U.S. pacific coast, Japan, Western Europe and the Middle East.
5. When in the judgement of the Freight Center, the national interest so requires.
 - a. The applicant shall specify the national interest involve and submit justification that such interest requires grant of waiver for the shipment concerned.

- b. The requirement is waived on shipments of the same exporter/importer which are for loading aboard a foreign flag vessel in one sailing and which have a total declared value of less than Ten Thousand (P10, 000.00) pesos.

B. Filing of Application for Waiver

1. Who shall file – Responsibility for securing the required waiver rests with the beneficiary of the loan, credit or guarantee or the head of the government office, agency, instrumentality or corporation concerned. The application for waiver shall be signed and filed by (a) the beneficiary/government official concerned or his authorized representative locally or abroad, as exporter/importer; together with (b) the freight forwarder, customs broker or other representative whom he has authorized to handle the shipment.
2. Where to file – (Refer also to Rule IX-E)
 - a. The Freight Center, currently located at the 6th floor, Filcapital Bldg., Ayala Avenue, Makati, Metro Manila; or its duly authorized representative in areas in the Philippines outside Metro Manila. All applications for waivers for use of chartered vessels, for blanket waivers, and under Instances 2, 3 and 5 of Rule IX-A shall be filed with/referred to the Center for processing and decision.
 - b. The relevant Philippine consular office abroad.
 - c. The Philippine commercial attaché office, as SHIPPERCON resident representative, if there is one, or organization authorized by the Freight Center, in areas abroad which are not covered by or located too far from the nearest Philippine consular office.
3. Form for filling – The application shall be filled from the form prescribe, in sufficient number of copies.
4. When to file – The application shall be filed, complete with all the necessary supporting papers, data and information, at least 20 regular working days before the estimated dates of loading of the shipment aboard the foreign flag vessel on liner service proposed to be utilized; or at least 45 days before the required date of loading of the cargoes on the foreign flag vessel to be chartered.
5. Filing fee – A filing fee of twenty pesos (P20.00) if in the Philippines, or twenty United States dollars (US\$ 20.00) or its equivalent if abroad, shall be paid by the applicant upon filing of the application.

C. Processing of Applications

1. The completeness and accuracy of the data and information in the application and authenticity of the supporting papers shall be verified.
2. If these are found to be incomplete, grossly inadequate or false; or the application was filed after the prescribed deadline without valid reason, the application shall be disapproved outright and other appropriate action taken.
3. Consultation on the application shall be made if necessary and practicable, with the shipping agent/representative of Philippine shipping lines in the area, who shall issue to the Center, consular office or authorized organization a certificate of non-availability of their vessel as appropriate.
4. On the bases of the update list of the Philippine flag vessels available and sailing schedules and information submitted by the owners/ operators of such vessels, all the necessary and accurate data and information submitted, and evaluation of the validity of the reason given by the applicant as falling within the allowable exemptions, the waiver applied for may be granted or denied, within 16 regular work hours in simple cases.
5. Copies of decided application shall be properly and promptly distributed such as; original to the applicant, copy each to the Freight Center, Central Bank, Bureau of Customs, Philippine consular office/organization concerned.

D. Procedure Regarding Chartered Vessels

1. When an exporters/importers concerned needs a vessel to be chartered for the transport of his shipment, he shall first consult with and inquire from the Freight Center at least 60 days before the date he is required to load, on the availability of the Philippine flag vessels needed.
2. He shall furnish the Center information such as on (a) the cargoes to be shipped: description, date available for loading and port of loading, required date of arrival at destination and port of discharge, delivery terms and L/C expiry date; and (b) his needs for a ship for charter including type, tonnage and facilities.
3. Based on information previously submitted by operators of Philippine flag vessel is available for his needs, in which case he shall file an application for waiver, on the form prescribed.

4. In case Philippine flag vessel are available for charter, the Center shall furnish him with a list of such vessel and the names and addresses of the operators/agents. He shall then negotiate with the latter for the charter of vessels needed and report to the center the results of his negotiations. If the negotiations fail, the ships operators/agents concerned shall issue a certificate of non-availability of their vessels to the Center, furnishing him copy thereof, which shall indicate the reasons for non-availability.
5. He may file an application for waiver on the prescribed form, based on any of the instances allowable under Rule IX-A.

E. Officials Who are Authorized to Grant Waivers

1. The Freight Center in Metro Manila represented by its General Manager or, in his absence, the official duly-authorized by the SHIPPERCON Chairman – under all allowable Instances, Rule IX-A; in areas outside Manila, the duly-authorized representative of the Freight Center under Instances 1 and 4, Rule IX-A.
2. The head of the Philippine consular office or a consular official in areas abroad, designated by the Ministry of Foreign Affairs – under Instances 1 and 4, Rule IX-A.
3. The Philippine Commercial Attaché/Analyst as SHIPPERCON resident representative in an area where there is no Philippine consular office and where such an attaché post is maintained – under Instances 1 and 4, Rule IX-A.
4. The official of an organization abroad in areas not covered by or too far from a Philippine consular office of a Philippine Commercial Attaché port, who is duly authorized by the SHIPPERCON Chairman – under Instances 1 and 4, Rule IX-A

F. Appeals – Appeals from decisions of authorized representatives abroad or outside Manila shall be decided by the Freight Center. Appeals from decisions of the Freight Center shall be finally decided by the SHIPPERCON Chairman.

RULE X. Penalties and Administrative Sanction and Measures –

A. The chairman of the Commission on Audit shall disallow the payment from funds of the Philippine Government, government instrumentalities or corporations, of cargo freight to any foreign flag vessel in the absence of a waiver duly granted by the Freight Center or its duly-authorized representatives.

B. Any violation of the provisions of Section 2 and 3 of the Decree or of these implementing rules and regulation shall be punishable by a fine not to exceed the cost of the Freight of the shipment, but which shall not be less than five thousand pesos (P5, 000.00). the fine shall be imposed, after due notice and hearing, upon the party/parties found responsible for the violation by the Minister of Trade as Chairman of the Philippine Shippers' Council.

1. Among the acts which may be subject to penalties and administrative sanctions and measures are:
 - a. Loading of cargo aboard a foreign flag vessel without first securing the necessary waiver.
 - b. Deliberate or habitual submission of grossly inaccurate date and information in the application for waiver.
 - c. Submission of false statements or unauthentic documents or supporting papers.

C. In addition to the fine, the government offices, instrumentalities and financing institutions concerned shall: (1) Adopt and implement such administrative sanctions and measures as they may deem necessary to assure faithful compliance with the Decree: (2) inform the Freight Center of such sanctions and measures and the results of their implementation and (3) assist in the prosecution of violations of the Decree and its implementing rules and regulations.

RULE XI. Effectivity – These rules and regulations shall take effect thirty (30) days after their first publication in three newspapers of general circulation in the Philippines.

APPROVED, September 7, 1978.

(SGD.) TROADIO T. QUIAZON, JR.

Minister of Trade
Chairman
Philippine Shippers' Council

ATTESTED:

(SGD.) VICENTE COLOSO
Senior Consultant
To the Minister of Trade;
And Adviser
Philippine Shippers' Council

Form No. I
September 1978

APPLICATION NO. _____ FOR WAIVERS UNDER P.D. NO. 1466

Date: _____

Freight Booking and Cargo Consolidation Center/The Consular Office
Philippine Shippers' Council Embassy of the Philippines
6th Floor, Filcapital Building _____
Ayala Ave., Makati, Metro Manila _____

Dear Sirs:

We hereby apply for a waiver on the use of Philippine flag vessels pursuant Presidential Decree No. 1466 and certify that the information we have given here under are true and correct and the supporting attachment are authentic:

- A. Exporters/Importers: Name _____ TAN _____
Address _____ Tel. Nos. _____
B. Cargo: Description; Number and Kind of Packages _____
-

- Gross Weight (kg/tons) _____ Measurements (m3) _____
Date Cargo Available for Loading _____ Port of Loading _____
Required Arrival Date at Destination _____ Port of Discharge _____
Shipment Terms: FOB C & F CIF Invoice Value _____
P/O No./Date _____ L/C No. _____ Expiry Date _____ Shipping Period _____
C. Agent Bank _____ Address _____
D. Importers/Exporters: Name _____ TAN _____
Address _____ Tel. Nos. _____
E. Reason/s for Waiver: Rule IX-A, Instance No. ____ . Elaborate/attach supporting papers:

- F. Alternative shipping Arrangements Proposed:
Name of Vessel _____ Foreign Flag _____
Shipping Agent _____ Tel. Nos. _____
Estimated Date & Port of Loading _____ ETD _____
ETA at Destination _____ Total Net Freight _____

===== Very truly yours,

APPROVED / DISAPPROVED:

Printed Name and Signature of
Exporter/Importer

Official Designation

Date: _____

Printed Name and Signature of
Customs Broker/ Freight Forwarder

Filing Fee of _____

Paid under O.R. No. _____

Dated _____

Official Designation – Company Name

GUIDELINES AND INSTRUCTIONS

1. **General Guidelines** –

a. To avoid the need to apply for a waiver, the party concerned is advised to first determine if a suitable Philippine flag vessel is available for his shipping needs, by consulting with the Freight Booking and Cargo Consolidation Center (FBCCC) or its representatives; or the shipping agents of such vessels in the area. Only when no such vessel appears to be available should be apply for waiver.

b. In order to expedite processing and decision, it is important that the applicants cooperate by providing the necessary and accurate data, information and supporting papers at the time the application is filed. They are urged to familiarize themselves with the rules and regulations for waivers before filing up the Form. FBCCC or its authorized representatives will be glad to assist in this regard.

2. **Application Form** – Use this FBCCC Form No.1 in applying for waiver. One set is provided free with the filing fee. Additional sets are available at nominal cost.

3. **How to accomplish Form** – Fill all the blanks fully and accurately, preferably using a typewriter. If an item is not applicable, state “n. a.”. If additional space is needed, use an extra sheet, with five copies; sign them and attach to the Form, which should be submitted also with five clear carbon copies.

4. **Where to file** – a. In the Philippines: with FBCCC in Metro Manila or its branch office or authorized representative outside Metro Manila. b. Abroad: with the Philippine consular office in the area; or, in areas not covered by or too far from the nearest consular office, with the Philippine commercial attaché office or an organization authorized by the Freight Center.

5. **Deadline for filing** – Not later than 20 regular work days before the estimated date of loading aboard the proposed foreign flag vessel, in the case of liner service.

6. **Charter of foreign flag vessel** – In case a vessel is needed for charter, inquire from FBCCC at least 60 days before the required date of loading the cargoes if suitable Philippine flag vessels are available for charter. Application for waiver shall be filed not later than 45 work days before the estimated date of loading the cargoes aboard the foreign flag vessel proposed to be chartered. It is advisable not to sign the charter party until after the waiver had been granted.

7. **Supporting documents** – Attach certified true copy of (a) P/O, L/C and/or sales contract; (b) proposed charter party, if vessel is to be chartered; and (c) other documents which may be necessary.

8. **Filing Fee** – To be paid upon filing the application; currently P20.00 in the Philippines or US\$20.00 or its equivalent if filed abroad.
9. **Outright disapproval** – Application shall be disapproved outright if it is filed late without valid reason, incomplete or grossly inaccurate.