

PRESIDENTIAL DECREE NO. 667-A

PROVIDING FOR THE SUSTITUTION OF PRESIDENTIAL DECREE NO.667 AND DIRECT INCENTIVES FOR THE DEVELOPMENT OF PHILIPPINE OVERSEAS SHIPPING

WHEREAS, the government recognizes the important role of the shipping industry in the economic development of the country;

WHEREAS, Presidential Decree No. 667 was promulgated with the objective of providing incentives to the shipping industry by granting income tax deductions to shippers who utilize Philippine flag vessels for their shipments, which incentive is considered as an indirect assistance to the said industry; and

WHEREAS, it is deemed more advantageous to the meaningful for said shipping industry to be extended direct assistance instead of the indirect type thus granted under the aforesaid decree.

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

Section 1. The policies and objectives declared in Presidential Decree No. 474 are reiterated herein and made an integral part of this Decree. In pursuance of such policies, the State shall take all the steps necessary, including the provision of direct incentives to Philippine flag vessels and national shipping lines, to enable them to carry a substantial and increasing share of the cargo generated by Philippine foreign trade and to accelerate expansion and modernization of the Philippine merchant fleet.

Section 2. In providing indirect incentives under P.D. 667 the following are hereby:

- (a) Vessels which are duly registered in the Philippines and which are owned or controlled, or chartered by the Philippine national's shall have at least equal shares as vesels of another country in the carriage of international cargo between the Philippines and that other country.
- (b) Shipping lines of third countries shall be accorded opportunnities to carry the balance of international cargo on such bilateral trade which cannot be carried by such vessels of the Philippines and of the second country.

Section 3. The Maritime Industry Authority is authorized and directed:

- (a) To study and devise means by which importers and exporters of the Philippines can be induced to give preference to vessels of Philippine registry and those owned and controlled, or chartered by Philippine nationals, with the assistance of other government offices, agencies and instrumentalities as well as Philippine shipping lines;
- (b) To recommend such measures as it may deemed necessary to the appropriate government authorities to implement the policies and objectives herein set forth;
- (c) To promulgate appropriate rules and regulations for the effective implementation of this Decree; and
- (d) To serve as central coordinating agency in the implementation of this Decree.

Section 4. All laws, decrees, orders, rules and regulations which are inconsistent with or contrary to the provisions of this decree are hereby repealed or modified accordingly.

Section 5. This Decree shall take effect immediately.

Done in the City of Manila, Philippines, this 10th day of October, in the year of our Lord, Nineteen Hundred and Seventy – Five.

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