



Oriental Port and Allied Services Corporation

Port Congestion: The Cebu Port Experience

Cebu International Port (CIP)



Cebu International Port (CIP)

- *The CIP is a container terminal with a total area of 12 hectares or 120,000 Square Meters*
- *It is under the regulatory jurisdiction of the Cebu Port Authority (CPA)*
- *CIP's cargo-handling operator is **Oriental Port & Allied Services Corporation (OPASCOR)***



Cebu International Port (CIP)

- ◉ *It is strategically situated in the center of the Philippine archipelago.*
- ◉ *Cebu Port is a major trading center since 900 A.D., before the Spanish era, trading with China, Indonesia, Malaysia, and India.*
- ◉ *On 30 July 1886 under the Spanish colonial rule, the Port of Cebu was declared open to world trade.*
- ◉ *The Port of Cebu continued its significance as a major Philippine Seaport during the American colonial era.*



OPASCOR

Oriental Port & Allied Services Corporation

- ◎ *CIP's Cargo-Handling Operator since June 1990*
- ◎ *It services foreign cargoes at all ports of Cebu, and all vessels calling at CIP*
- ◎ *It is a workers' enterprise; a Filipino corporation owned and operated by its workers*



CIP: Area & Berth Length

<i>Total Area in Square Meters</i>	<i>120,000</i>
<i>Total Berth Length in Meters</i>	<i>690</i>

CIP: Area & Utilization

		Area in SqM		
1)	Bureau of Customs		16,284	14%
	One-Stop-Shop Documentation Center			
	Seized Cargo Area			
	Designated Examination Area (DEA)			
2)	Foreign Operations		84,969	71%
	Bulk-Handling Facility	8,900		
	Port Apron	16,896		
	Stacking Area & Road Ways	59,173		
3)	Domestic Operations		18,747	16%
Total Area in Square Meters			120,000	100%



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

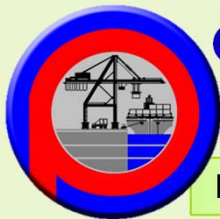
CIP: Berth Length & Utilization

		Length in Meters	
1)	Berth Length used for Foreign Operations	512	74%
2)	Berth Length used for Domestic Operations	178	26%
Total CIP Berth Length in Meters		690	100%

CIP YARD UTILIZATION

as of 31 December 2014

							YARD CAPACITY	YARD UTILIZATION
							TEU	%
	20'	40'	45'	Total	TEU	%		
IMPORT								
0 - 6 days	827	487	1	1,315	1,803	30%		
7 - 30 days	1,226	684	18	1,928	2,635	43%		
above 30 days	1,076	271	8	1,355	1,636	27%		
Total	3,129	1,442	27	4,598	6,074	100%		
EXPORT								
FCL	47	90	1	138	229	23%		
Empty	356	185	14	555	758	77%		
Total	403	275	15	693	987	100%		
TOTAL	3,532	1,717	42	5,291	7,061		92%	



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

CIP YARD UTILIZATION

December 2015

Cut-Off Time	0700 Hours
--------------	------------

Yard Capacity	9,637
---------------	-------

Date	Container Dwell Time in Days																Gross Total	Yard Utilization %
	IMPORT Containers											EXPORT Containers						
	0 to 5 Days		6 to 30 Days		31 to 60 Days		61 to 90 Days		Over 90 Days		Total	FCL		Empty		Total		
31-Dec-15	916	13%	4,213	61%	1,334	19%	22	0%	371	5%	6,856	293	31%	657	69%	950	7,806	81.00%
Average	2,101	27%	4,390	57%	699	9%	39	1%	536	7%	7,765	233	41%	331	59%	564	8,329	86.43%



OPASCOR

Oriental Port and Allied Services Corporation

ISO 9001:2008 Certified

CHALLENGES at CIP



Yard Congestion

Berth
Congestion



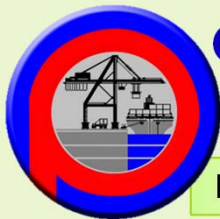
OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

CIP Berth Congestion

*Limited Berth Length – 690 Meters only
used for both Foreign [512 M] and Domestic Operations [178 M]*



OPASCOR

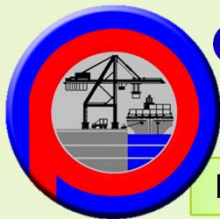
Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

CIP Berth Congestion

Limited Berth Draught

Draft of 4.5 Meters - Bollards 1 to 5 of CIP



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

Challenges: CIP Yard Congestion

*Increase in Cargo
Volume*

*Limited Yard
Space*

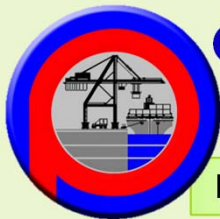
*High Container
Dwell Time*

*Truck Ban Policy
of Surrounding
Cities*

CIP Yard Congestion

Limited Yard Space

Total area of 12 Hectares only or 120,000 Square Meters



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

CIP Yard Congestion: Increase in Cargo Volume

CIP Cargo Volume : 2003 to 2015

Year	Containerized Cargoes [in TEUs]	Non-Containerized Cargoes [in MTs]
2003	143,326	294,546
2004	152,251	286,946
2005	144,537	351,441
2006	165,764	324,413
2007	193,406	358,126
2008	198,375	502,602
2009	213,184	476,181
2010	236,001	480,164
2011	243,651	597,414
2012	263,658	549,724
2013	272,027	494,442
2014	291,631	735,247
2015	336,647	691,201

CIP Yard Congestion

Limited Back-up Yard for Foreign Cargo Operations

Maximum Container Capacity of 7,707 TEUs only until February 2015



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

CIP Yard Congestion

High Container Dwell Time

Average Container Dwell Time: 2013 – 8 Days; 2014 - 14 Days; & 2015 – 12 Days



CIP Yard Congestion: High Container Dwell Time

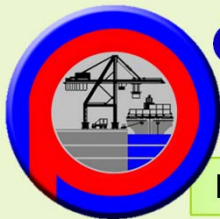
*Seized &
Abandoned
Cargoes*

*Alerted
Cargoes*

*Red-Tagged
Cargoes with
Examination Issues*

*Cargoes with
Document/
Valuation/Payment
Issues*

*Cargoes not
withdrawn despite
BOC Clearance*



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

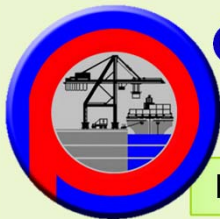
CIP Yard Congestion

Truck Ban Policy by Surrounding Cities

Truck Ban Time: 6am – 8am and 5pm – 7pm



Though ready to leave the CIP, trucks are prevented to do so due to the Truck Ban Policy



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

Long Term & Sustainable Solution: New Cebu International Port



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

Urgent & Immediate Action Needed!



Congestion: Service Providers & Regulators

Cebu Port Authority

OPASCOR

Bureau of Customs

OPASCOR Action



*Operation of Empty Container Depots
outside, but near, CIP*



*Increase of CIP Yard Capacity through the
acquisition of Cargo Handling Equipment
capable of High Stacking*



*Drive for Increase in Daily Container
Withdrawal*



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

OPASCOR Action

Operation of Empty Container Depots, outside, but near CIP

(by 3rd Quarter of 2015, one of the depots was sub-leased by CPA and used as CIP-Extension for Seized and Abandoned Cargoes)



CY 1 = 1.2 Hectares; and CY 2 = 2.4 Hectares



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

OPASCOR Action

Increase CIP's Yard Capacity through the acquisition of Equipment capable of High Stacking



Ex: Forklifts capable of 4-High Stacking & RTGs capable of 6-High Stacking



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

CIP: Updated Maximum Yard Capacity in TEUs

	<i>Feb-15</i>	<i>Mar-15</i>
<i>Primary Stacking Area</i>	<i>5,411</i>	<i>7,551</i>
<i>Back-Up Stacking Area</i>	<i>2,296</i>	<i>2,086</i>
<i>Total Containers in TEUs</i>	<i>7,707</i>	<i>9,637</i>



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

OPASCOR ACTION

Drive for Increased Daily Container Withdrawal



Extended Time for Withdrawal of Containers - 12:00 Midnight, and later (March 2016) after constant coordination with CPA & BOC, 24/7

OPASCOR Action



*Constant coordination and dialogue with Port Regulators
& Stakeholders*

[CPA, BOC, Shipping Lines, Truckers, Importers, Exporters, et. al.]



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified



CPA Action

*Shortened Free Storage Period at CIP-CY & Increased Storage Fees
[Effective 01-March-2015; CPA-MC No. 02, Series of 2015; amended twice later]*

*Lease of Yard Space for Seized and Abandoned Cargoes
(Aug-2015; with OPASCOR)*

Port Dredging (2015 to 2016; with OPASCOR)



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

CPA & OPASCOR Action

Yard for Seized and Abandoned Cargoes: MOA Signing & Turn-Over of 1.2 Hectare Yard to CPA on 03 August 2015 [CPA, BOC & OPASCOR]



CPA & OPASCOR Action Berth Dredging

- 3rd Quarter, 2015: Dredging of Berthing and Maneuvering Area – CIP Berths 2 to 4 (c/o OPASCOR)
- From a draft of only 4 Meters, to 9.5 Meters
- On-Going: Dredging of CIP Channel by CPA (Target: 12 Meters)





Bureau of Customs- Port of Cebu

BOC: Longer Operational Hours

(10-March-2016; 24/7 Full Operation)



PROGRESS. Bureau of Customs OIC Cebu District Collector Rico Rey Francis Holganza (front row, center) met with officers and trustees of the Cebu Chamber of Commerce and Industry, including the chamber's president Melanie Ng (front row, second from left), and port stakeholders to assess the bureau's 24-hour operations. (CONTRIBUTED PHOTO)

24/7 operations 'not ideal'

ANOTHER round of meetings with Bureau of Customs OIC Cebu District Collector Rico Rey Francis "Koko" S. Holganza transpired Monday at the Cebu Chamber of Commerce and Industry boardroom with the Cebu importers and CCCI president Melanie C. Ng.

The meeting assessed the implementation of the daily 24-hour operation of the Bureau of Customs in Cebu, as announced by Commissioner Bert Lina in his meeting with the stakeholders of Cebu Port last March 10.

After a week of implementing the 24/7 operations in Cebu port, the stakeholders realized that the schedule is not ideal for the entire operation of the port, considering the extent of human resources required. They found that the daily 24-hour operation is only appropriate for releasing of containers.

As for the schedule for the processing of documents and X-ray of containers, they have set

it at 7 a.m. to 7 p.m. daily.

A draft memorandum of agreement is being circulated for review by the stakeholders and the BOC-Port of Cebu. The MOA will be presented to the board of trustees of CCCI for approval on March 31 and will be endorsed to BOC Manila as soon as it is ready.

"Whatever is agreed at this time, rest assured that I am flexible and willing to change it even overnight, if necessary. My only concern is that we should address this problem but also take into consideration the limited manpower that the bureau has now. Even if we'll come up with the final agreement, and if in a few days we'll find out that it is not working, then we will have to meet again and assess," Holganza said.

The gathering kicks off the start of the monthly stakeholders technical working group (TWG) meeting to be chaired by the CCCI logistics committee under chair Bonifacio Sia. The TWG will tackle

and address port issues that affect the ease of doing business in Cebu.

Trustees and officers of the CCCI, presidents of Chamber of Customs Brokers, Inc - Cebu Chapter (CCBD), Philippine International Seafreight Forwarders Association, Inc. (PISFA), Oriental Port & Allied Services Corp. (OPASCOOR), Cebu Bankers Club, Central Lumber Corp., Cebu Steel Corp., and a representative from the Railway Freight and Shipping Corp. conveyed their thanks to Commissioner Lina through Holganza for taking action in improving the processing and releasing of imported shipments to facilitate trade and lessen the incidence of port congestion in Cebu.

Port stakeholders also expressed their gratitude to Cebu Port Authority General Manager Edmund Tan, who initiated the series of stakeholders' meetings since the start of the port issues for all concerns to be addressed. (PR)

BOC: Longer Operational Hours

(agreed on 21-March-2016)

- ❑ Releasing of Cargoes: 24 hours a day, seven days a week except during holidays
- ❑ Document Processing: 7:00AM to 7:00 PM
- ❑ Cargo X-Ray Scanning: 7:00 AM to 7:00 PM

BOC Challenges

*Time-Consuming
Seizure Proceedings*

*Undermanned
Offices*

*Examination, Valuation and
Payment Issues
[Importers/Brokers]*

Results

Improved Yard Utilization Levels

CIP Yard Utilization & Dwell Time
January to June 2016

Cut-Off Time	0700 Hours
--------------	------------

Yard Capacity	9,637
---------------	-------

in TEUs

2016	Container Dwell Time in Days															Gross Total	Yard Utilization %	
	IMPORT Containers											EXPORT Containers						
	0 to 5 Days		6 to 30 Days		31 to 60 Days		61 to 90 Days		Over 90 Days		Total	FCL	Empty		Total			
January	1,697	26%	3,284	49%	1,145	17%	271	4%	244	4%	6,641	200	37%	334	63%	534	7,175	74.45%
February	1,775	44%	1,584	39%	367	9%	195	5%	151	4%	4,072	228	26%	636	74%	864	4,936	51.22%
March	1,701	49%	1,185	34%	90	3%	265	8%	206	6%	3,447	227	24%	709	76%	936	4,383	45.48%
April	2,041	50%	1,494	37%	69	2%	49	1%	401	10%	4,054	229	29%	565	71%	794	4,848	50.31%
May	1,932	50%	1,653	43%	87	2%	30	1%	137	4%	3,839	250	28%	629	72%	879	4,718	48.96%
June	1,951	59%	1,160	35%	68	2%	16	0%	139	4%	3,334	222	27%	606	73%	828	4,162	43.19%
Average	1,850	44%	1,727	41%	304	7%	138	3%	213	5%	4,231	226	28%	580	72%	806	5,037	52.27%



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

Increasing Container Withdrawal

2016	No. of Withdrawn Containers in TEU							Average Dwell Time in Days
	8:00 am to 1:00 pm		1:00 to 8:00 pm		After 8:00 pm		TOTAL	
January	57	11%	358	69%	104	20%	519	22
February	56	12%	337	73%	66	14%	459	16
March	55	10%	413	78%	61	12%	529	10
April	47	9%	407	74%	94	17%	548	13
May	54	10%	389	69%	119	21%	562	8
June	66	66%	424	73%	87	15%	577	7
Average	56	10%	388	73%	89	17%	532	13



OPASCOR

Oriental Port and Allied Services Corporation

ISO 9001:2008 Certified

New Cebu International Port



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

New Cebu International Port

The new port should consider the following:

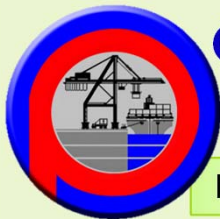
1) International Standards on Draught Requirement

2) Expandability/ Growth Flexibility

3) Connectivity [Road Network]

4) Proximity to Stakeholders

5) Use of Appropriate Equipment/Sufficient Equipment



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

New Cebu International Port

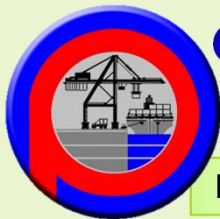
The new port should consider the following:

6) Business Friendly Policies & Regulations

7) Environmental Sustainability

8) Climate-Resiliency

Thank You!



OPASCOR

Oriental Port and Allied
Services Corporation

ISO 9001:2008 Certified

*Optimum Quality in Port
Services, Always!*

www.opascor.com