



# 9TH PHILIPPINE PORTS & SHIPPING 2017

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## DEVELOPING MANILA'S MARITIME TRANSPORT GATEWAY

February 23, 2017

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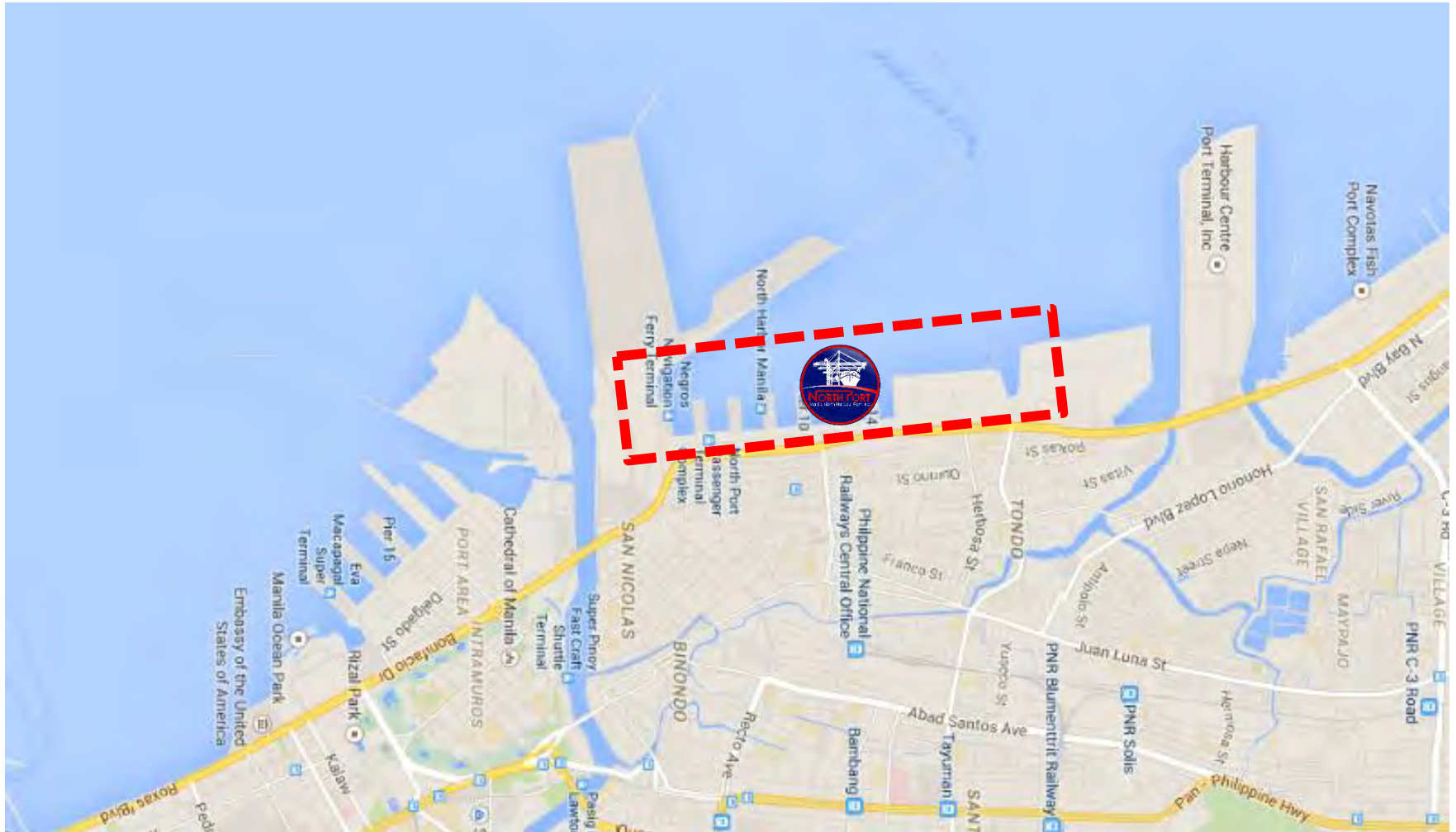
# Presentation Outline

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- Section 1. [OVERVIEW OF MANILA PORTS](#)
- Section 2. [MANILA NORTH HARBOR MODERNIZATION PROGRAM AND MASTER DEVELOPMENT PROGRAM](#)
- Section 3. [ROAD INFRASTRUCTURE](#)
- Section 4. [GOVERNMENT INITIATIVES TO ENHANCE THE MOVEMENT OF GOODS THROUGH PHILIPPINE PORTS](#)
  - \*R.A.10668 – “An Act Allowing Foreign Vessels to Transport and Co-load Foreign Cargoes for Domestic Transshipment and for other Purposes”**
  - \*R.A10667 – “Philippine Competition Act”**



# Overview of Manila Ports



# Manila North Harbor Modernization and Initiatives

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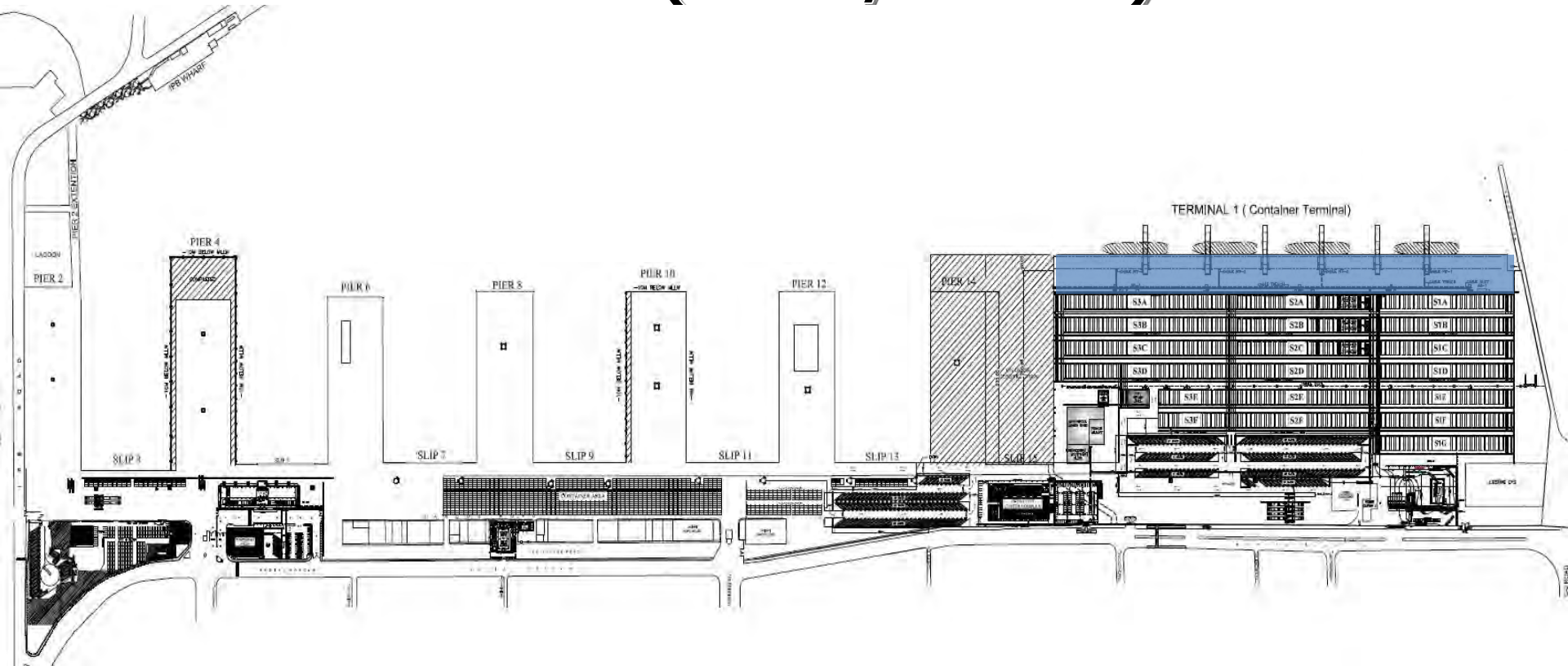
- **52.5 Hectare Port Facility**
- **4,435 meters of quay**
- **2M TEU current yard capacity**
- **4,000 Vessel Calls per year**
- **1.2M TEU in 2016**
- **1.8M MT of Break bulk in 2016**
- **1.3M Passengers in 2016**





# Manila North Harbor Modernization and Initiatives

## Retrofitting Works and Installation Of Crane Rails (MSW/Pier16)



# Manila North Harbor Modernization and Initiatives

**BEFORE**



# Manila North Harbor Modernization and Initiatives

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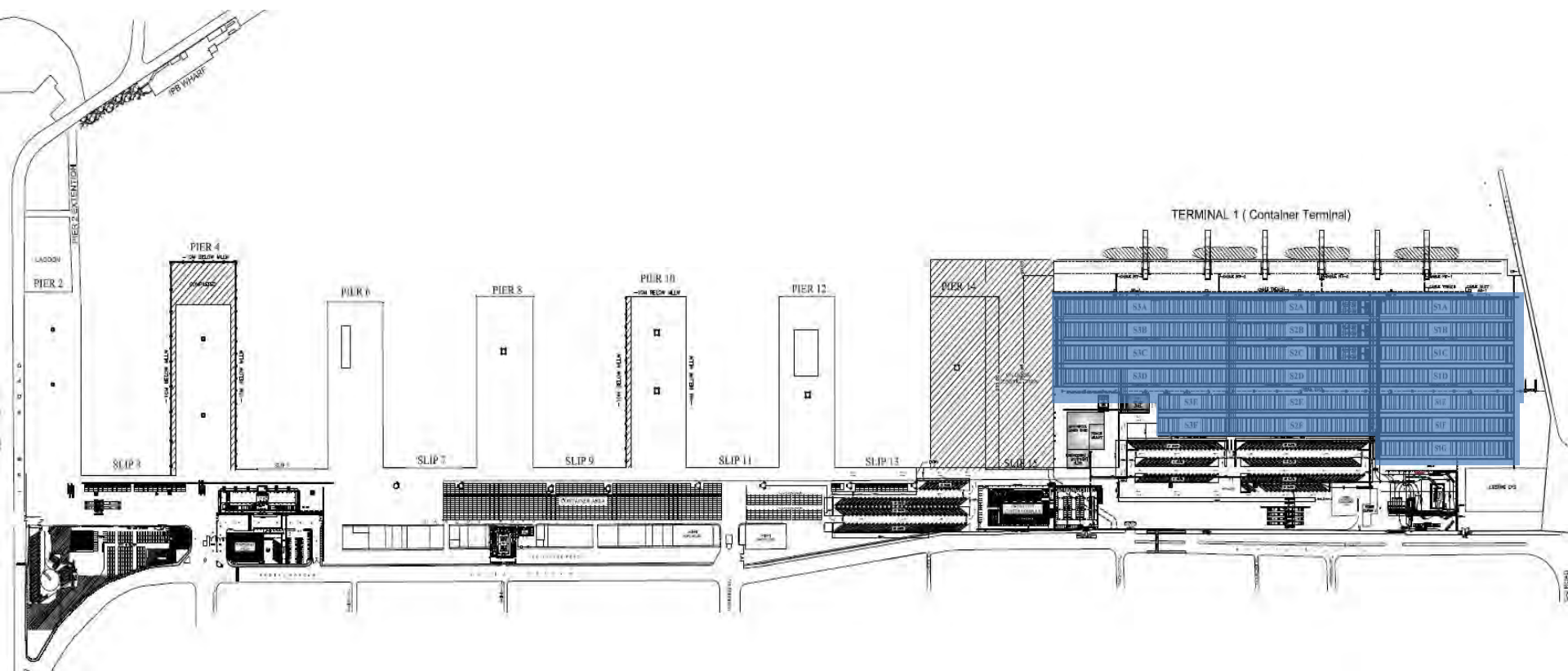


**CONTINUOUS QUAY LENGTH  
& SHIP-TO-SHORE CRANES**





# Manila North Harbor Modernization and Initiatives



## CONTAINER YARD





# Manila North Harbor Modernization and Initiatives

**BEFORE**



# Manila North Harbor Modernization and Initiatives

**BEFORE**





# Manila North Harbor Modernization and Initiatives



**CONTAINER YARD**





# Manila North Harbor Modernization and Initiatives

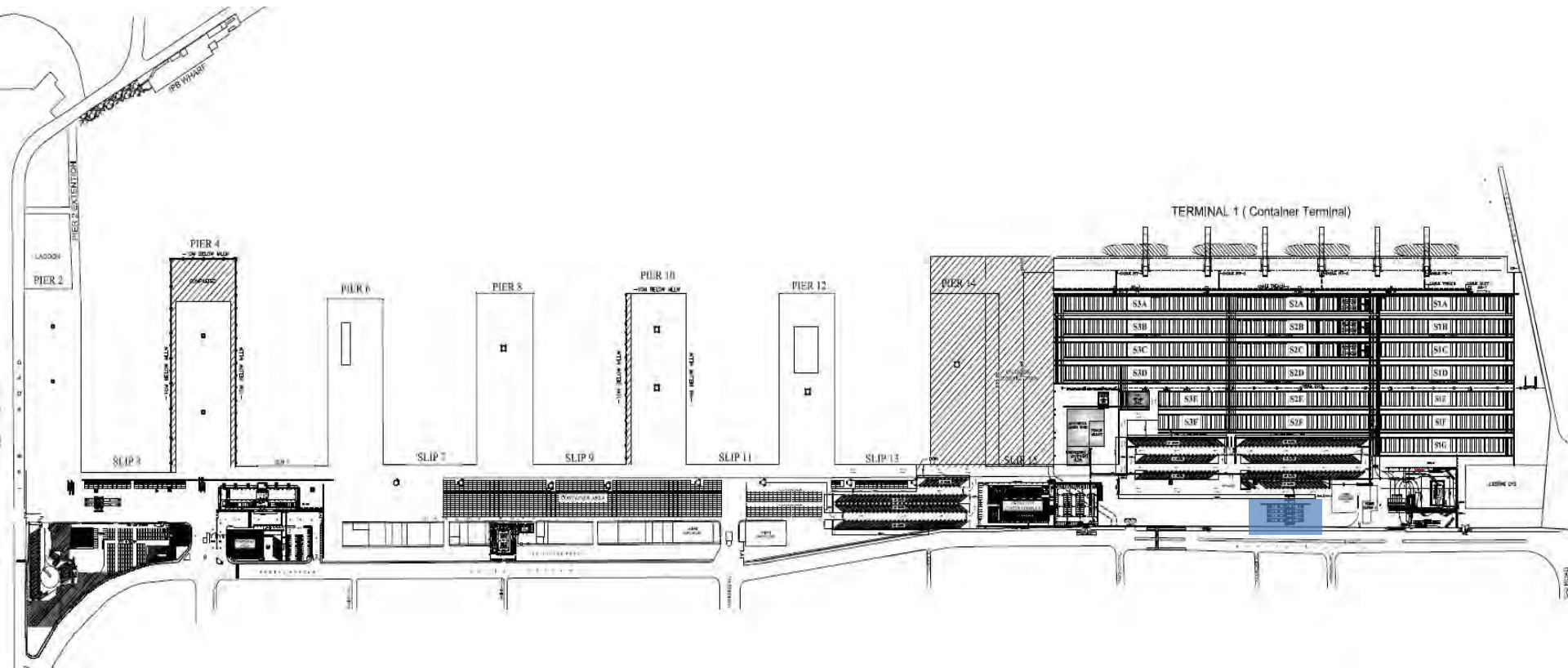
## TERMINAL 1- Entrance Gate





# Manila North Harbor Modernization and Initiatives

## Weighbridges & Passing Lanes



# Manila North Harbor Modernization and Initiatives



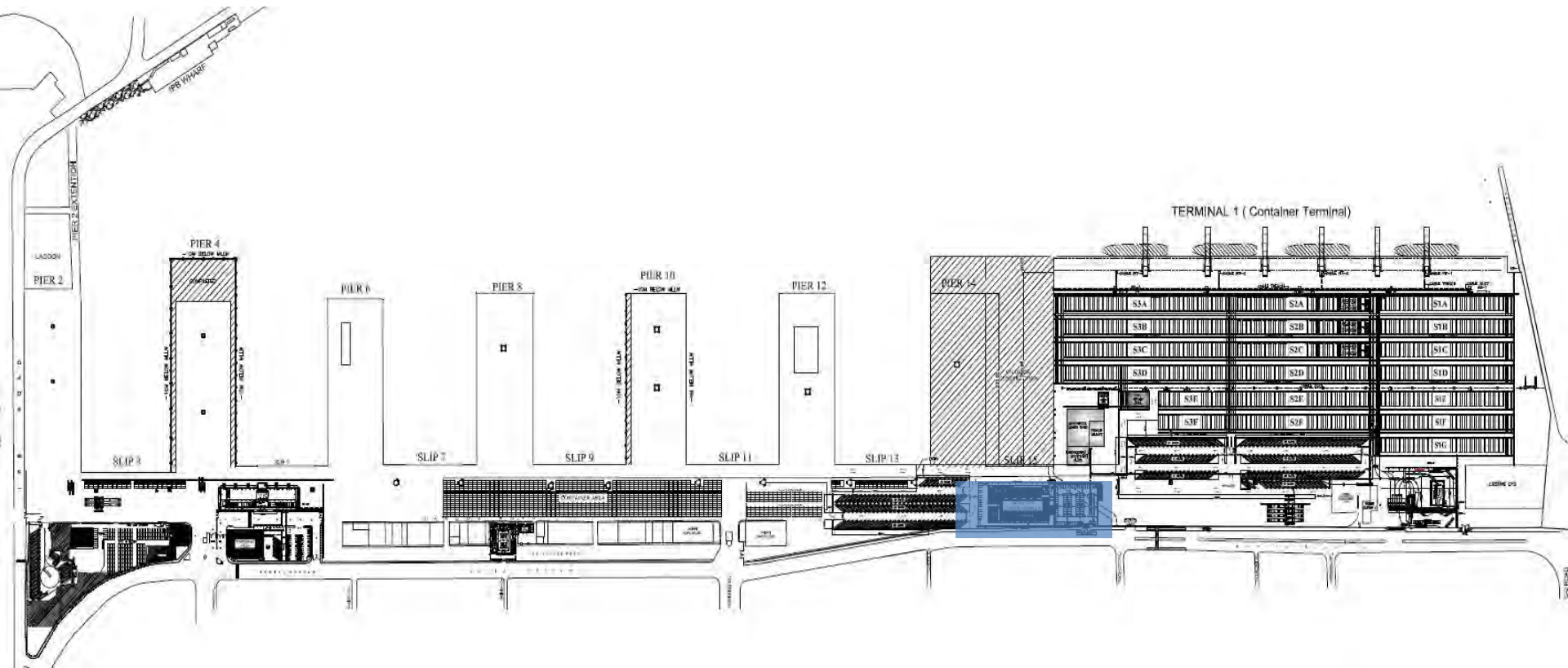
**Weighbridges**





# Manila North Harbor Modernization and Initiatives

## Operations Center – Terminal 1



# Manila North Harbor Modernization and Initiatives



**OPERATIONS CENTER – TERMINAL 1**





# Manila North Harbor Modernization and Initiatives

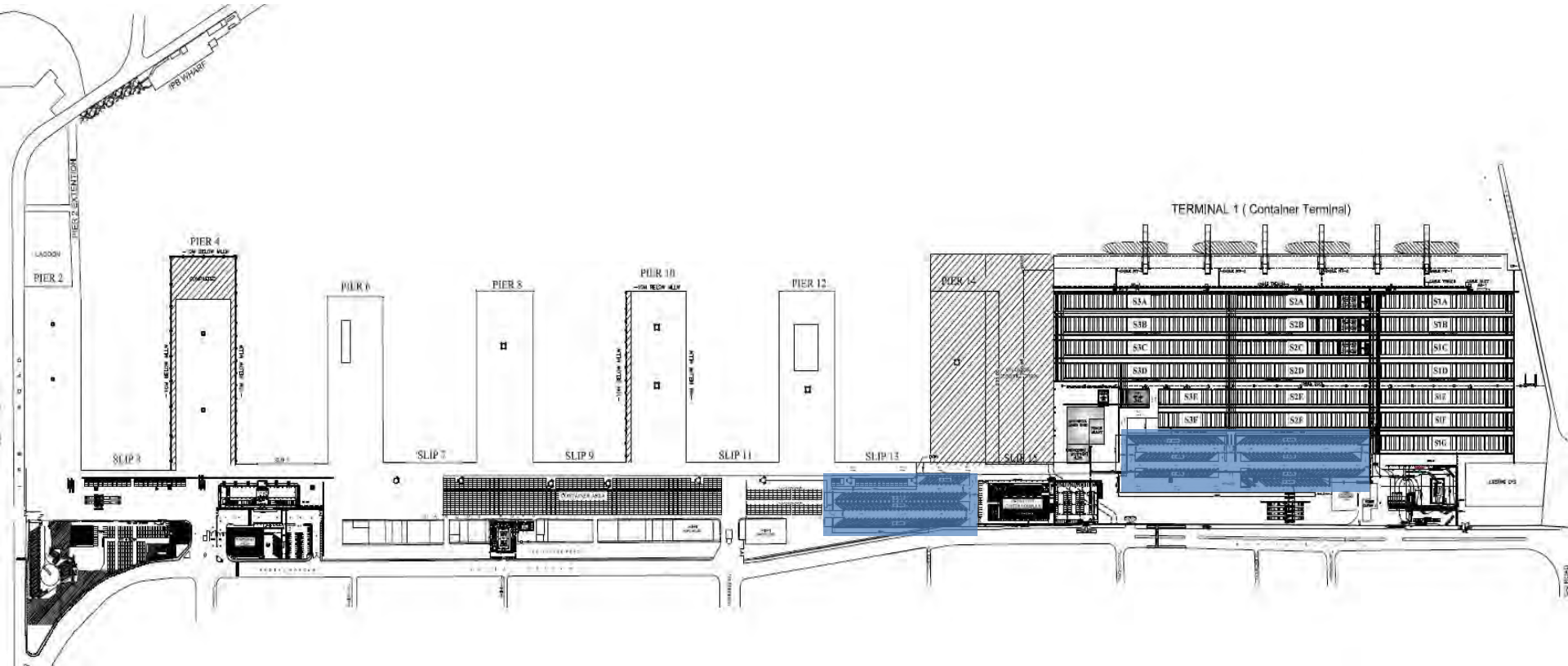


**ONE-STOP SHOP PROCESSING**



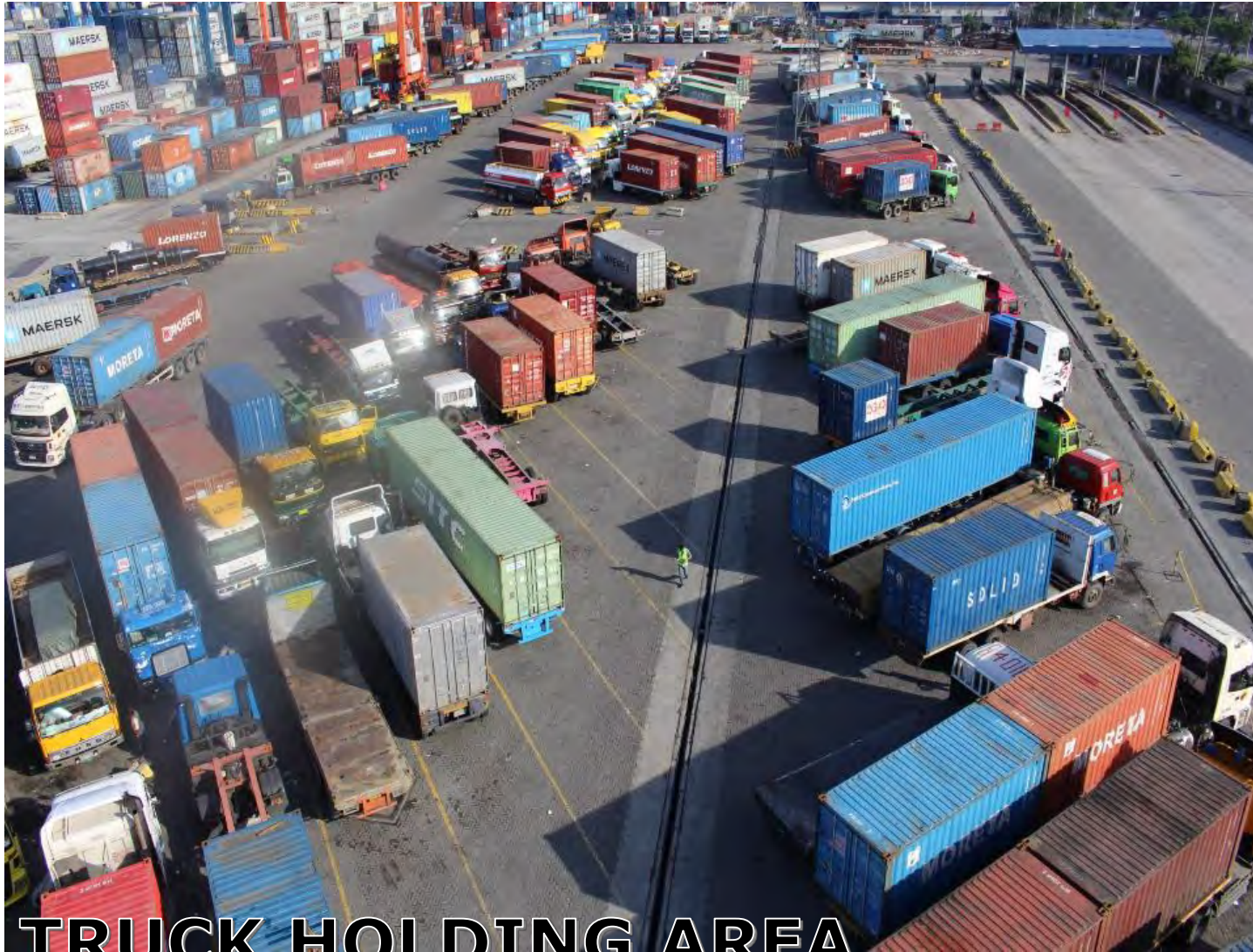
# Manila North Harbor Modernization and Initiatives

## Truck Holding Area





# Manila North Harbor Modernization and Initiatives

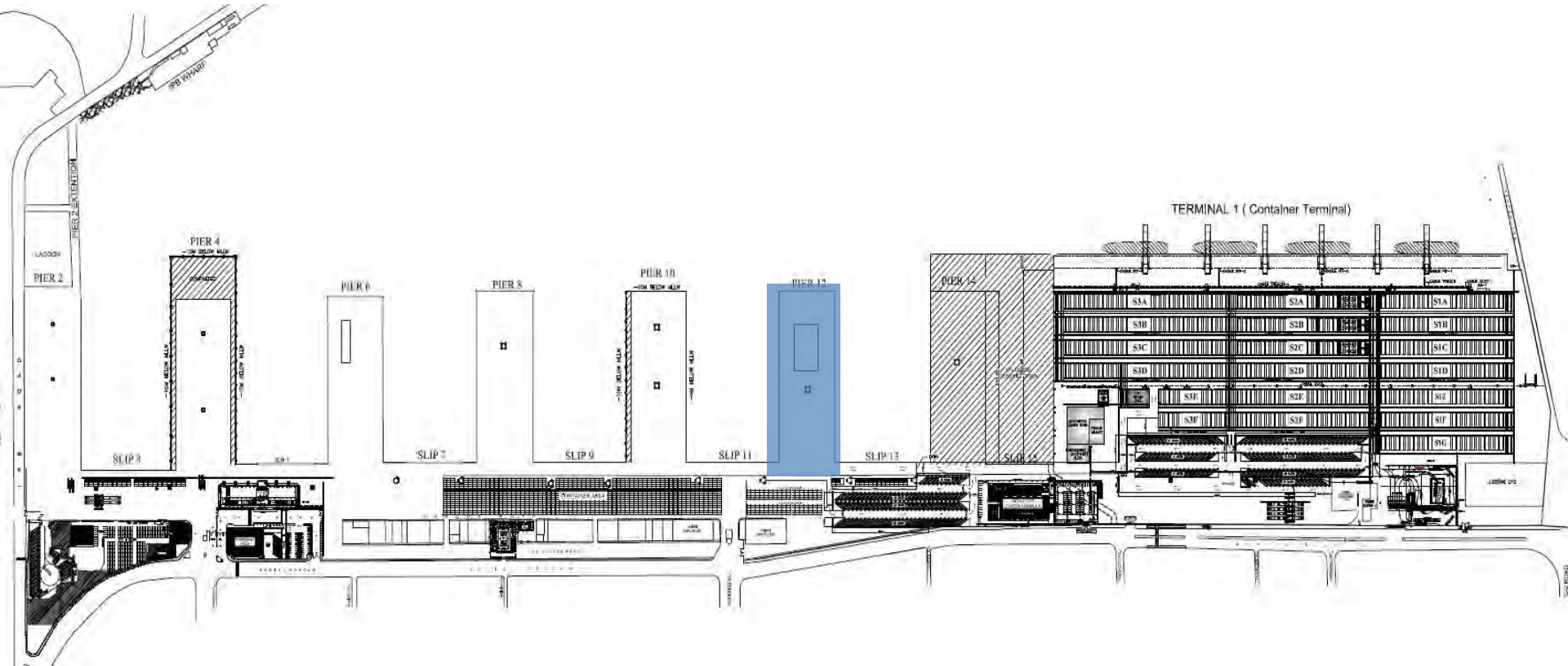


**TRUCK HOLDING AREA**



# Manila North Harbor Modernization and Initiatives

## Pier 12 Pavement Repairs





# Manila North Harbor Modernization and Initiatives

**BEFORE**



# Manila North Harbor Modernization and Initiatives

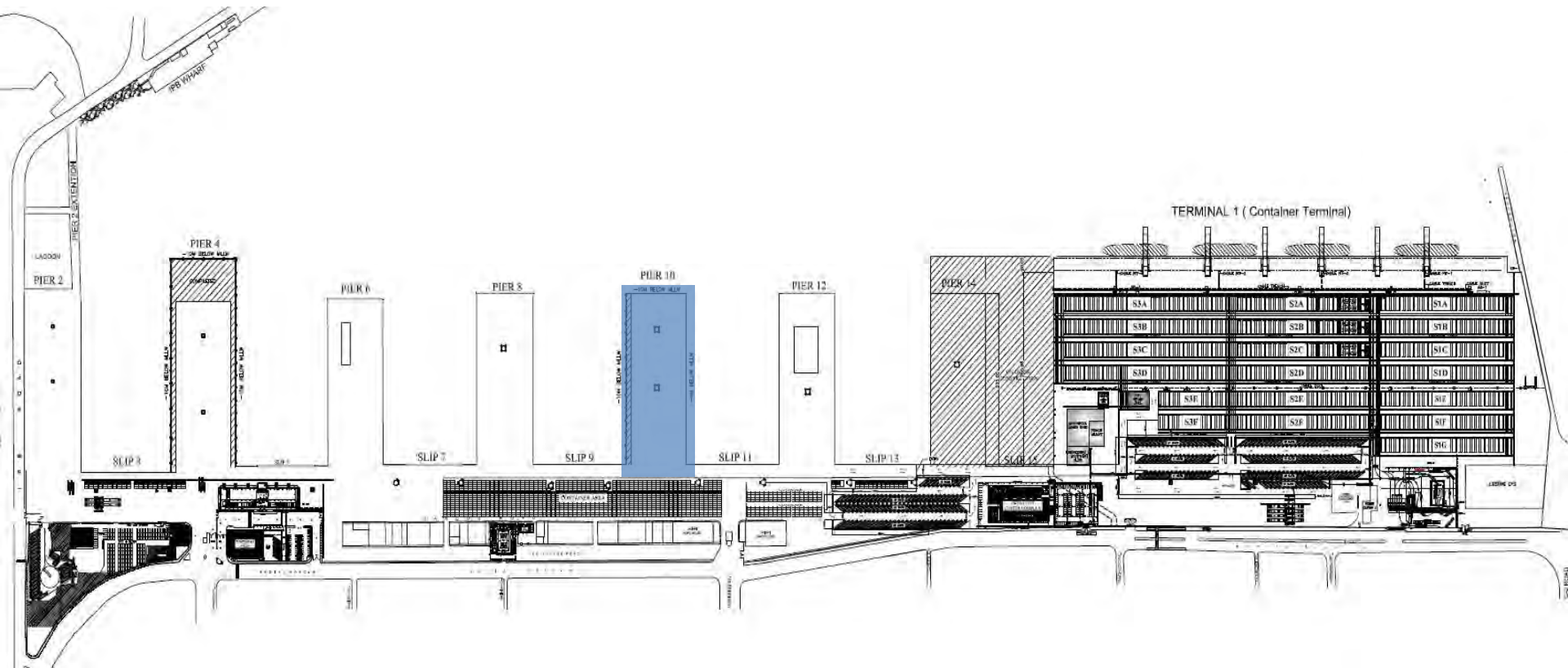
## PIER 12





# Manila North Harbor Modernization and Initiatives

## Pier 10 – South Side Bulkhead and Rehabilitation of Pavement



# Manila North Harbor Modernization and Initiatives

**BEFORE**





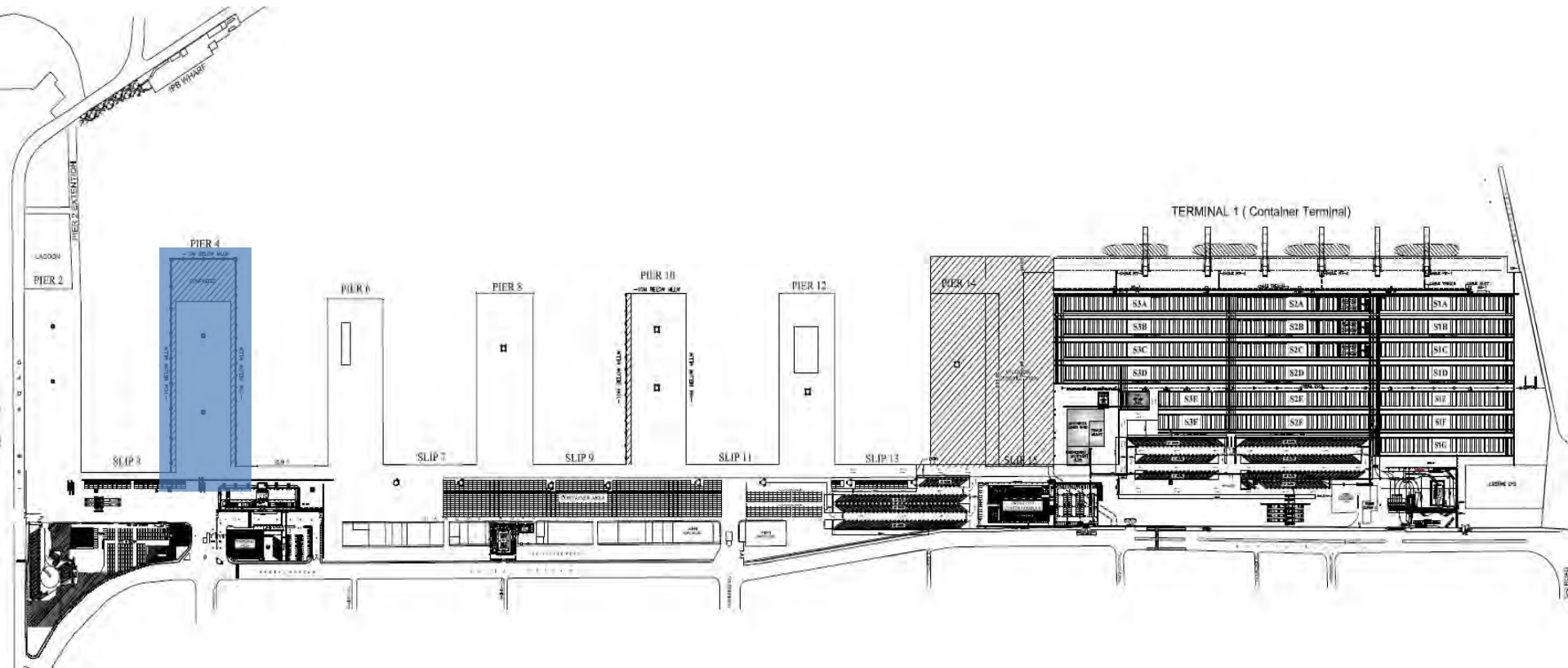
# Manila North Harbor Modernization and Initiatives

## PIER 10



# Manila North Harbor Modernization and Initiatives

## Pier 4 – Bulkhead and Rehabilitation of Pavements





# Manila North Harbor Modernization and Initiatives

**BEFORE**



Length	220 meters
Width	80.8 meters
Draft	-6 meters



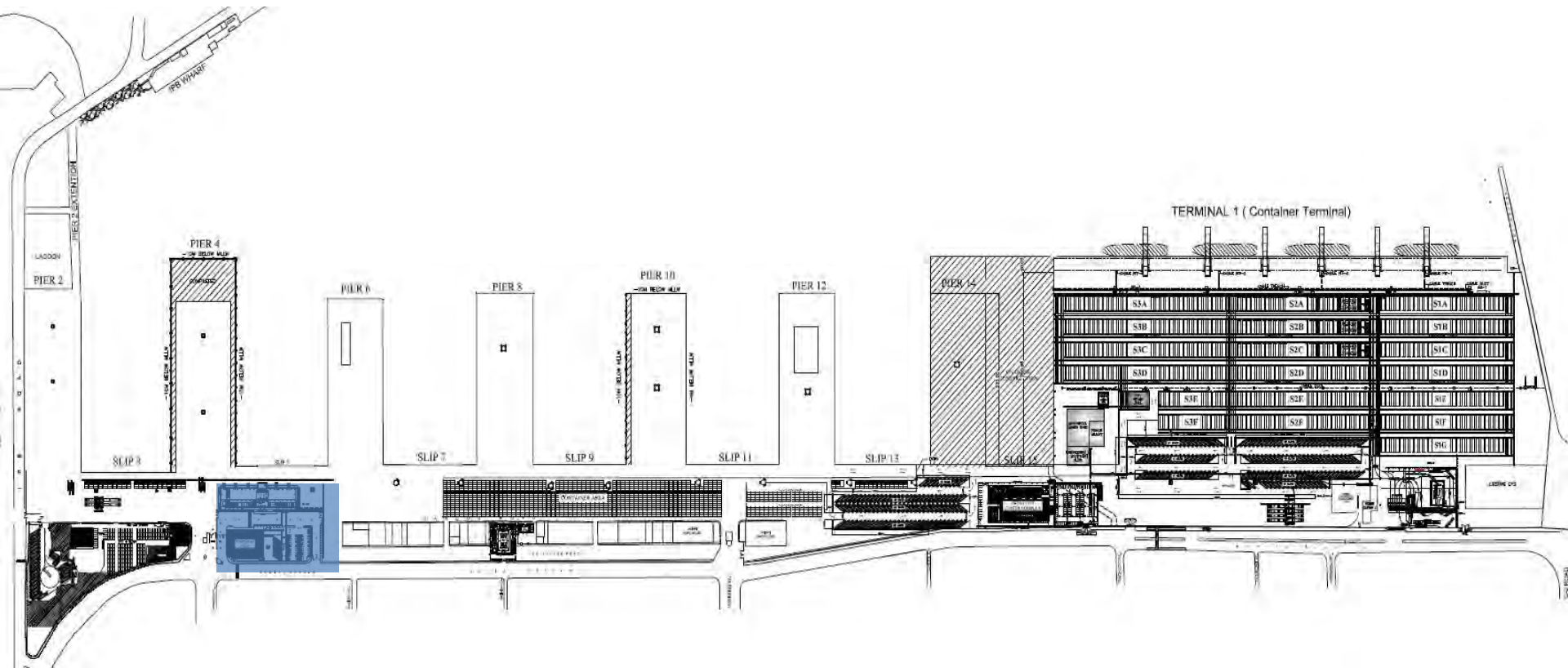


# Manila North Harbor Modernization and Initiatives



# Manila North Harbor Modernization and Initiatives

## Passenger Terminal Complex





# Manila North Harbor Modernization and Initiatives





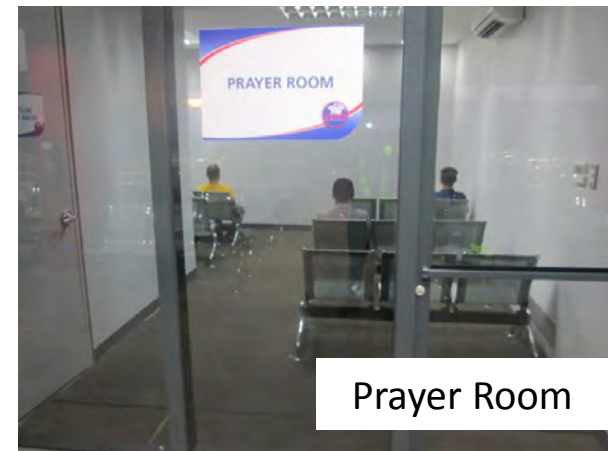
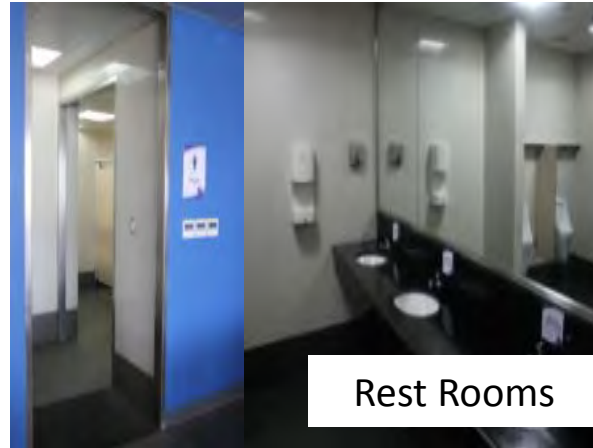
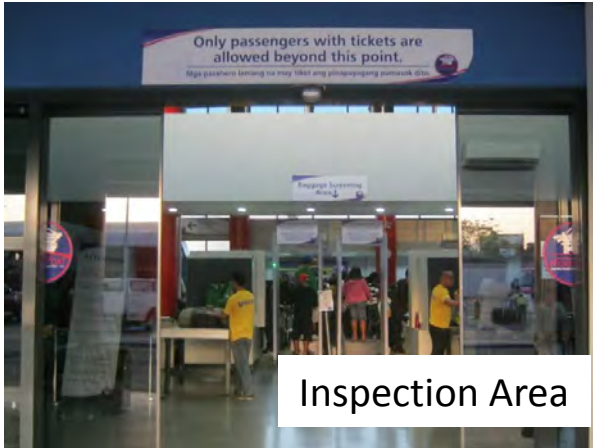
# Manila North Harbor Modernization and Initiatives

## PASSENGER TERMINAL COMPLEX



# Manila North Harbor Modernization and Initiatives

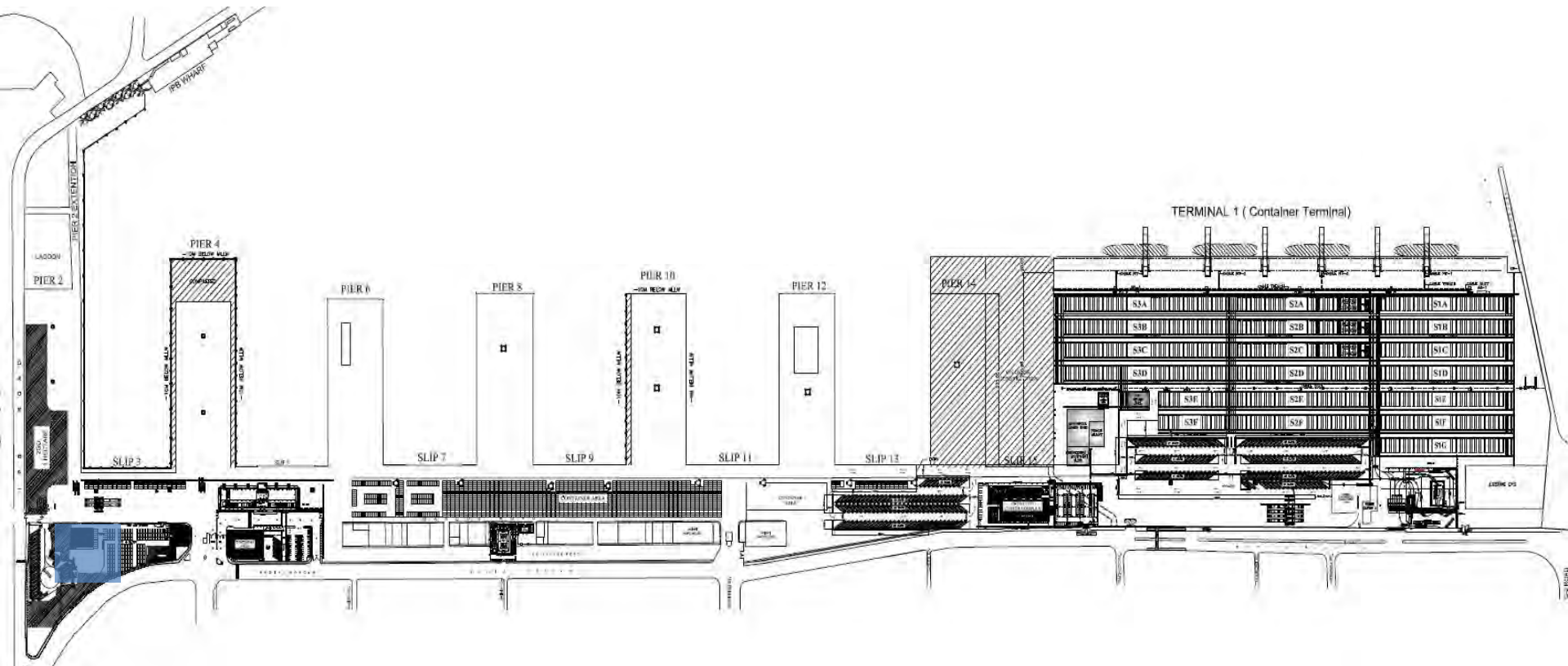
## PASSENGER AMENITIES





# Manila North Harbor Modernization and Initiatives

## Operations Center – Terminal 2



# Manila North Harbor Modernization and Initiatives

## BEFORE





# Manila North Harbor Modernization and Initiatives



## TERMINAL 2 - OPERATIONS CENTER



# Manila North Harbor Modernization and Initiatives



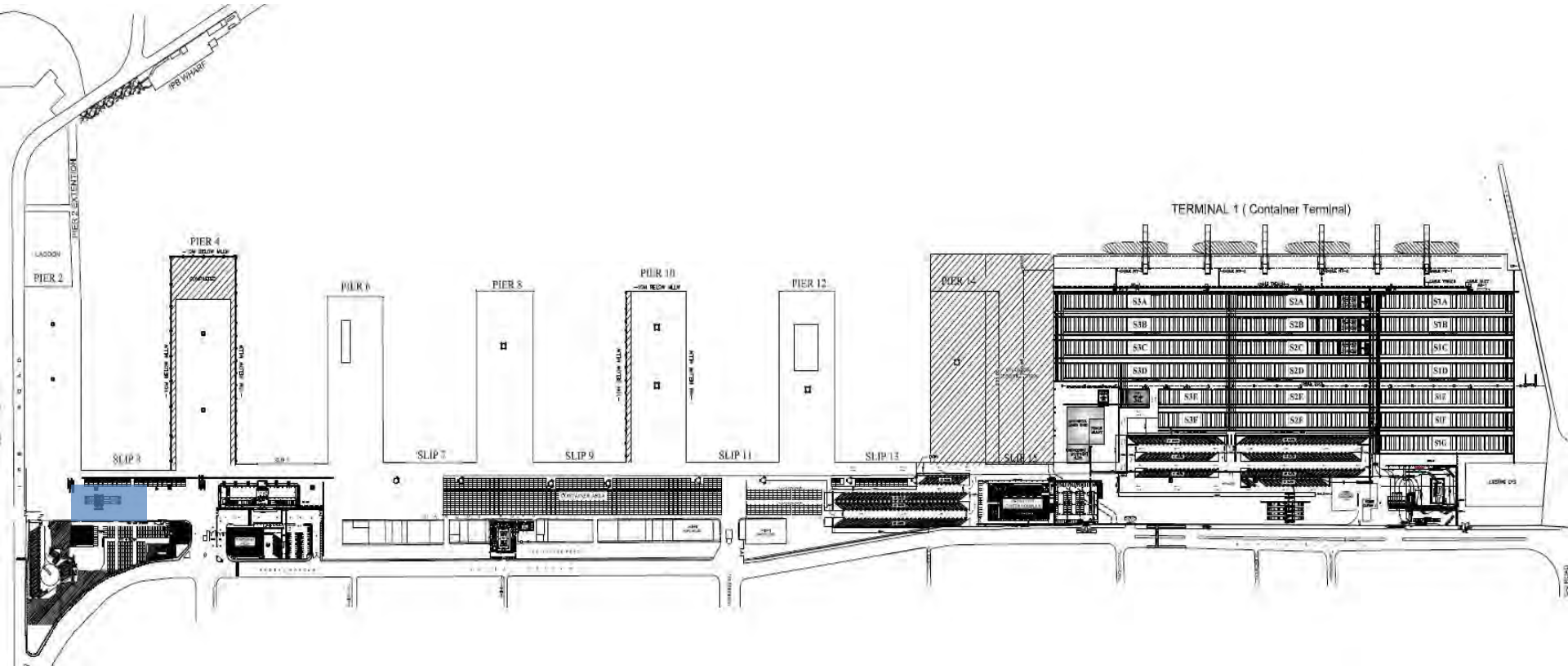
## **TERMINAL 2 – OPERATIONS CENTER**



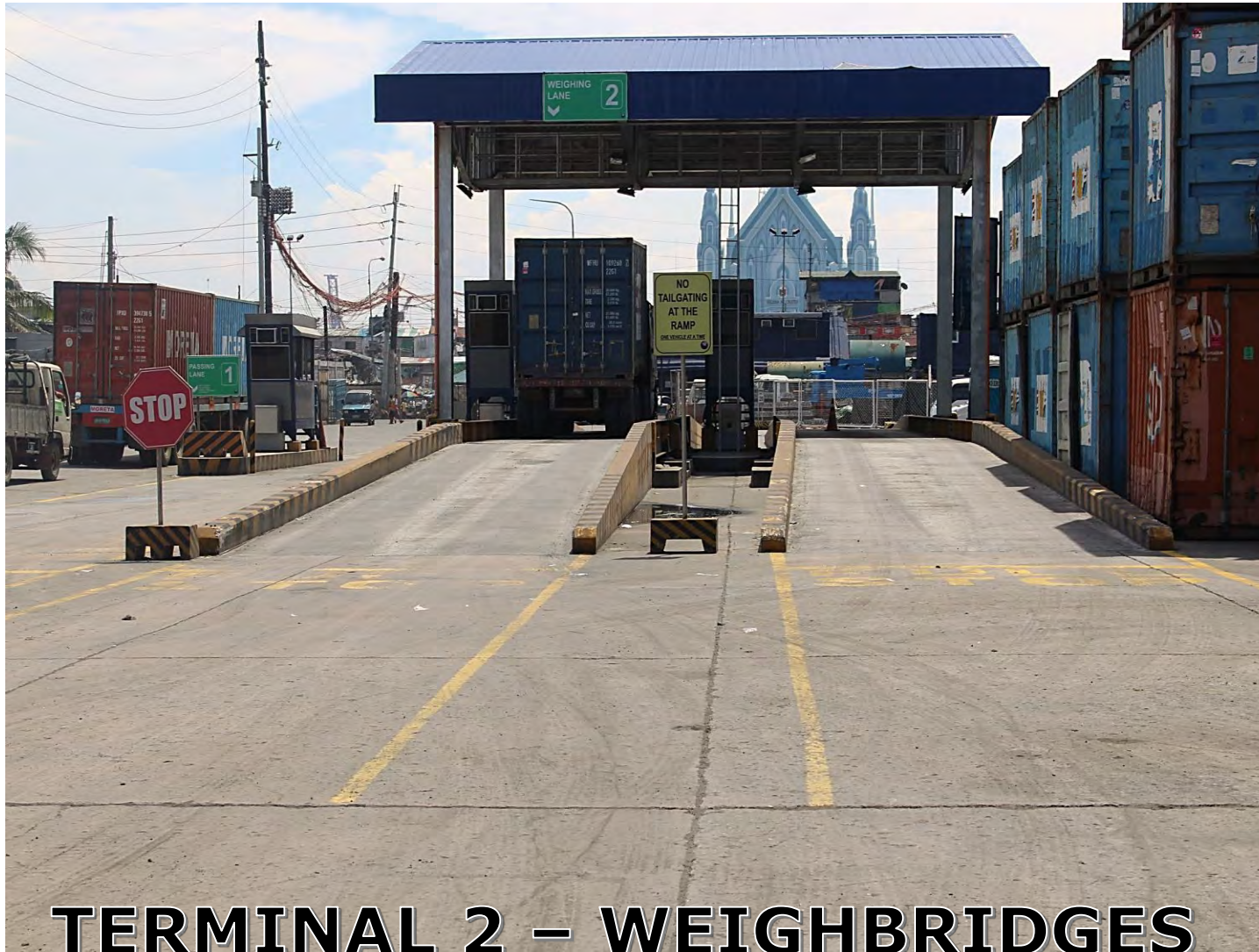


# Manila North Harbor Modernization and Initiatives

## Terminal 2 - Weighbridges



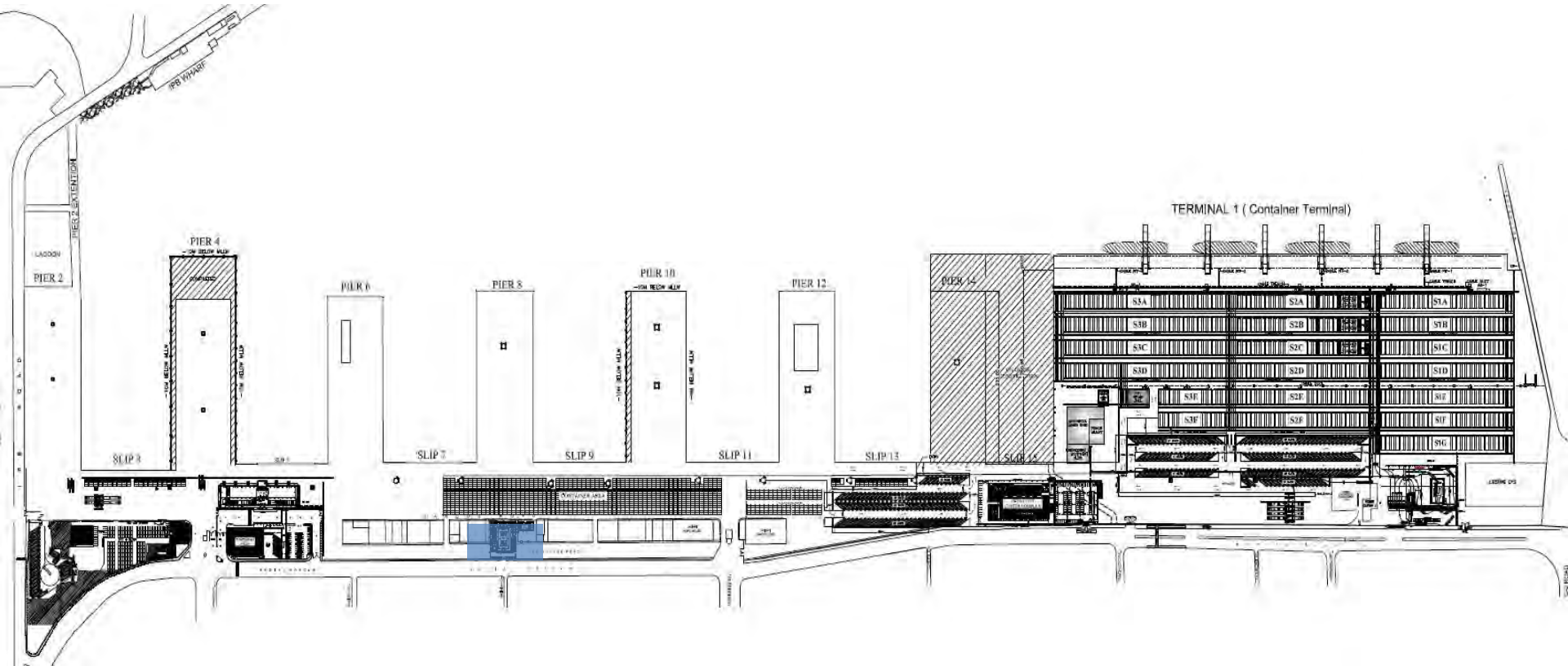
# Manila North Harbor Modernization and Initiatives





# Manila North Harbor Modernization and Initiatives

## Hiring Hall



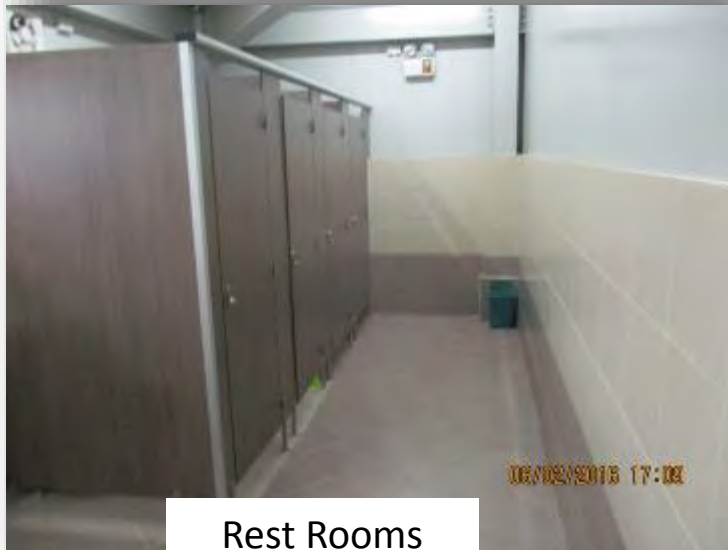
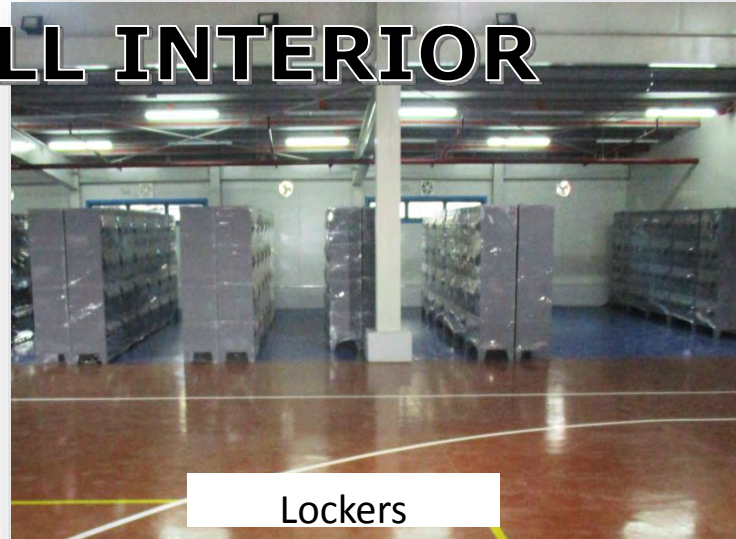
# Manila North Harbor Modernization and Initiatives





# Manila North Harbor Modernization and Initiatives

## HIRING HALL INTERIOR



# Manila North Harbor Modernization and Initiatives

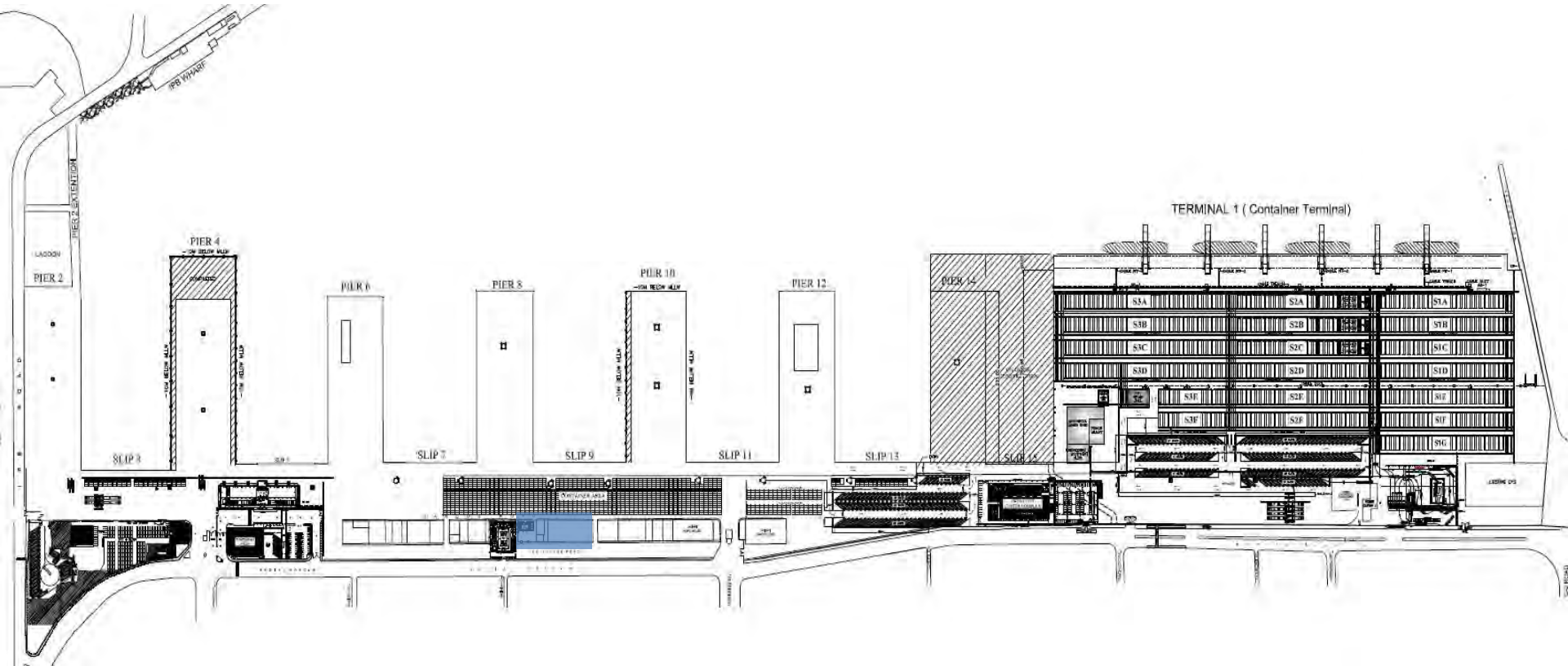
## HIRING HALL INTERIOR





# Manila North Harbor Modernization and Initiatives

## Bahay Silungan



# Manila North Harbor Modernization and Initiatives

## **BAHAY SILUNGAN EXTERIOR**





# Manila North Harbor Modernization and Initiatives

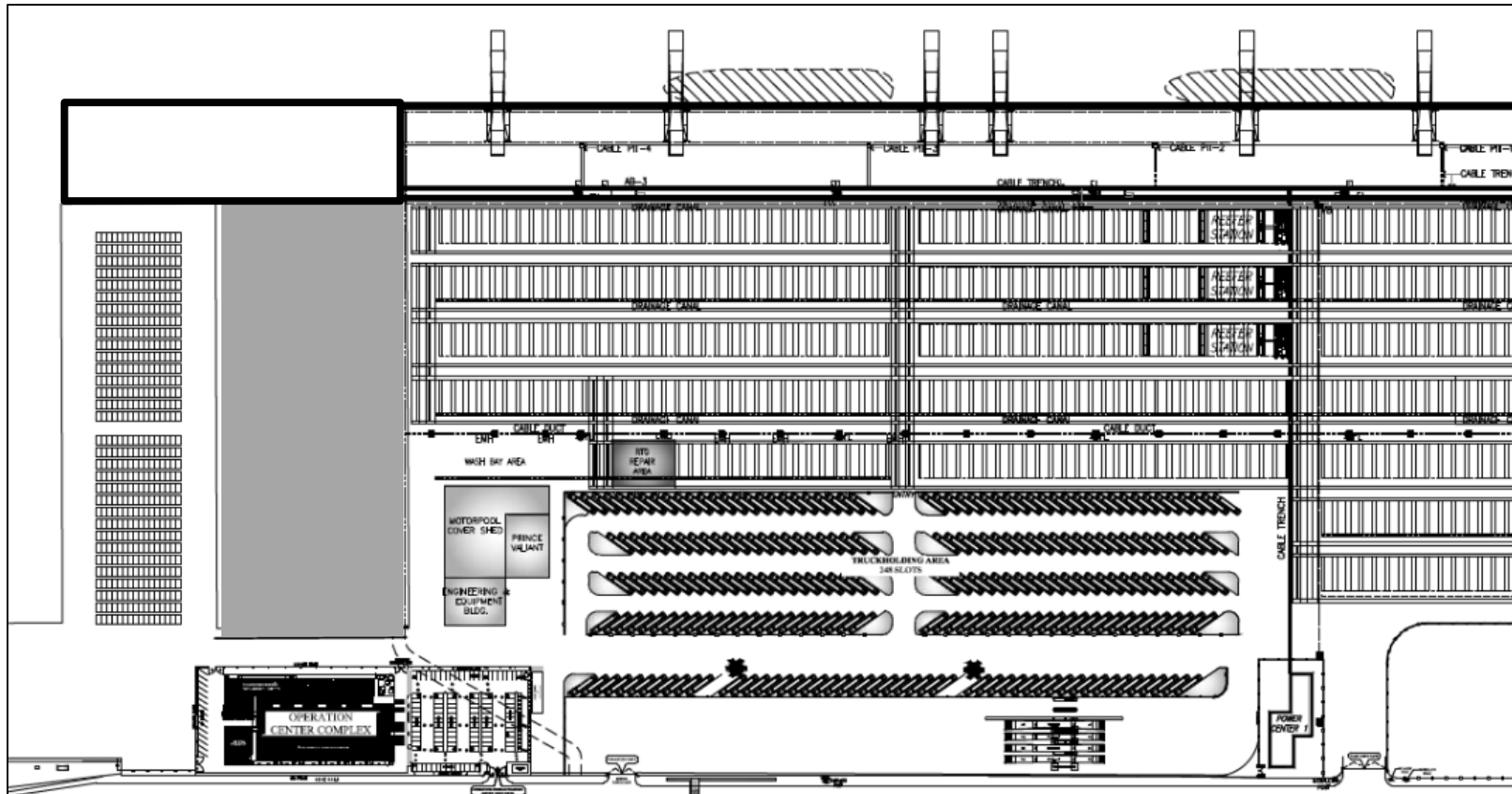


## BAHAY SILUNGAN INTERIOR



# Manila North Harbor Modernization and Initiatives

## Front Wharf Pier 16-14 & Reclamation of Slip 15



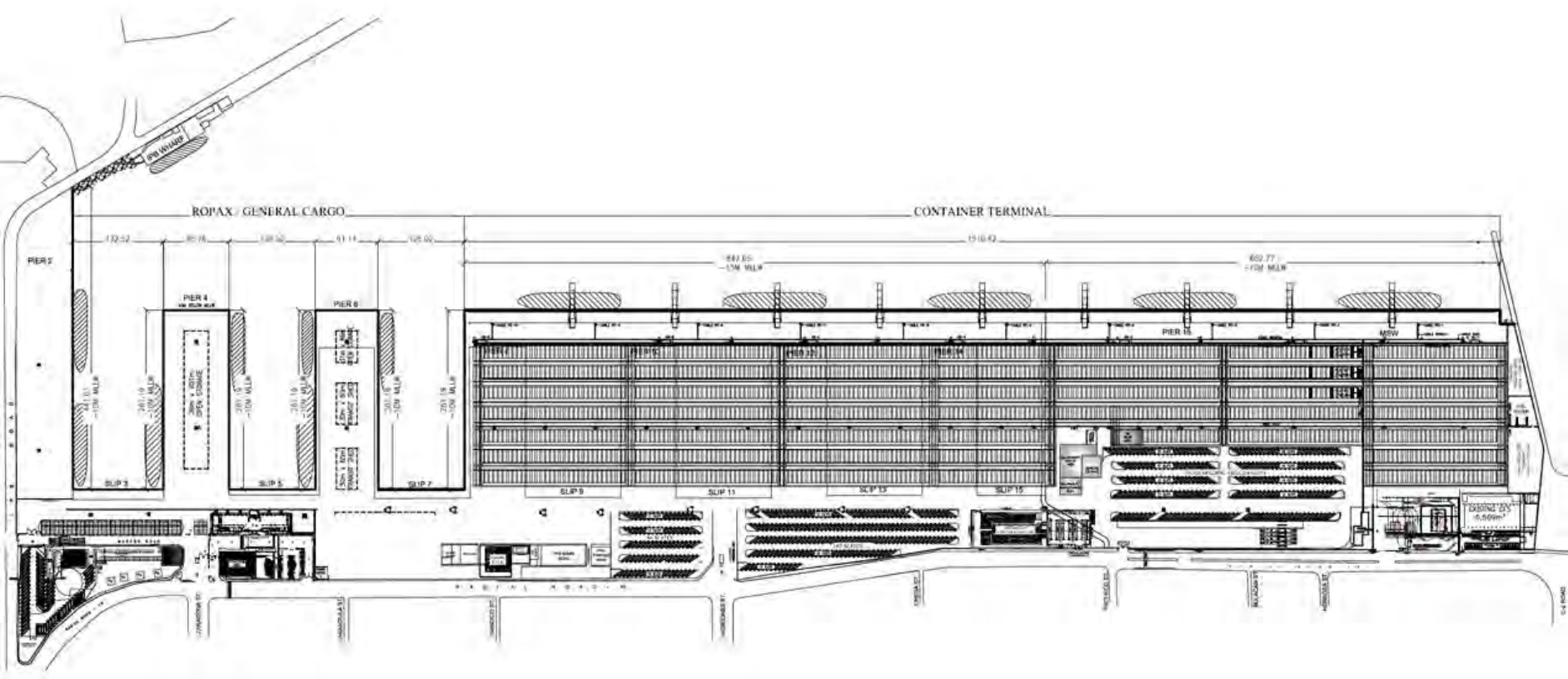


# Front Wharf Pier 16-14 & Reclamation of Slip 15



# Manila North Harbor Modernization and Initiatives

## Master Development Plan





# Manila North Harbor Modernization and Initiatives

## Major Equipment



# Master Development Plan

## SYSTEM MODERNIZATION

- Due process characteristics and complexity the Supply Chain faces many challenges.
- Internet allows freight movement to be sensed and controlled remotely. Movers can automatically and digitalize their operations.
- A catch word today is “visibility” that provides a clear image of where inventory, goods and vehicles are at any time from origin to destination.
- Securing a complete supply chain visibility is not easy especially with geographically scattered partners using different IT systems.
- MNHPI is implementing the latest Navis N4 (Terminal Operating System). This, amongst other, provides instant access to the supply chain to access the status of the freight movements.





# Related Issues Concerning The Movement of Cargoes In and Out of the Philippines

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## **Improving Port Access – Appointment Booking System**

- In order to improve Port access, the Philippine government implemented the Terminal Appointment Booking System (TABS) – an online platform that manages truck movements in and out of the ports, which was piloted in October 2015 and strictly and fully implemented on March 16, 2016.
- TABS enables port stakeholders to select time slots for delivering and withdrawing cargoes which as increased transaction efficiency at the ports.
- Despite the implementation of TABS, the port connector roads remain congested and the truck traffic to and from the port continues to be a major cause of vehicular gridlock in Metro Manila.
- The traffic congestion runs counter to one of the objectives of TABS, that is to avoid port congestion as a result of faster movement of goods. This is being addressed by Government and the private sectors.



# TRAFFIC AT R10





# Road Infrastructure

- **No direct port access road**
- **Slow movement of goods**
- **Contributes to port congestion**



# Road Infrastructure



## THE PROPOSED SKYWAY PORTAL PROJECT





# Road Infrastructure

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## Elevated Highway connected to Manila ports

- To fully realize the benefits of TABS, Manila North Harbour Port, Inc. (MNHPI) has earlier proposed to the Department of Transportation (DOTr) a direct link between the ports in Manila and the elevated highways, which are now under construction.
- The port connection is the fastest way to ease the traffic congestion on the roads, improve the efficiency of the ports and speed up the flow of goods to various destinations on the north and south.
- This proposal was supported by trucking associations and the Supply Chain Management Association of the Philippines (SCMAP), which was submitted to the Toll Regulatory Board in June 2015. The proposal also included a direct access to the port, which would limit the trucks on the major roads in Manila.
- Not only trucks and vehicles moving in and out of the port facilities will benefit from the project but also the motoring public in general.



# Republic Acts

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## I. UPDATES ON THE IMPLEMENTATION OF R.A. 10668 AND R.A. 10667 AND RELATED ISSUES ON MOVING IMPORTS AND EXPORTS INTO AND OUT OF THE PHILIPPINES

### Background

- Prior to the enactment of R.A. 10668, cabotage or the right to carry cargo or passenger via sea is reserved only for national flag vessels.
- Since foreign vessels are restricted from engaging in coastwise trade, the lack of meaningful competition in the industry has led to the high cost of domestic shipping services.
- Indeed, the country's strong cabotage policy that only allows foreign flag vessels to call on one Philippine Port, hinders our economic development.
- Thus, the high cost of domestic shipping services mainly due local taxes, provided a strong motivation for exporters and importers to push for the lifting of cabotage restrictions.





# Republic Acts

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## II. Republic Act (R.A.) No. 10668 Otherwise Known As “An Act Allowing Foreign Vessels To Transport And Co-Load Foreign Cargoes For Domestic Transshipment

- R.A. 10668 was enacted into law on July 21, 2015, which became effective on September 15, 2015.



# Republic Acts

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## Objectives of R.A. 10668:

(a) To assist importers and exporters in enhancing their competitiveness in light of intensifying international trade; and

(b) To lower the cost of shipping export cargoes from Philippine ports to international ports and import cargoes from international ports for the benefit of the consumers.

- These policy objectives may only be achieved with the integration of domestic and international services within the different ports and terminals in the country.
- By doing so, it will enhance and promote healthy competition among port operators and concessionaires and give importers and exporters flexibility and more economical terminal services.
- Under R.A. 10668, the Commissioner of Customs is given may mandate to direct foreign vessels to dock at any Philippine Port, effectively lifting cabotage restrictions under Philippine shipping laws.



# Republic Acts

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- SEC. 4. *Carriage of a Foreign Cargo by a Foreign Vessel.* – A foreign vessel:
  - (a) Arriving from a foreign port, shall be allowed to carry a foreign cargo to its Philippine port of final destination, after being cleared at its port of entry;
  - (b) Arriving from a foreign port, shall be allowed to carry a foreign cargo by another foreign vessel calling at the same port of entry to the Philippine port of final destination of such foreign cargo;
  - (c) Departing from a Philippine port of origin through another Philippine port to its foreign port of final destination, shall be allowed to carry a foreign cargo intended for export; and
  - (d) Departing from a Philippine port of origin, shall be allowed to carry a foreign cargo by another foreign vessel through a domestic transshipment port and transferred at such domestic transshipment port to its foreign port of final destination.





# Republic Acts

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For purposes of this Act, an empty foreign container van going to or coming from any Philippine port, or going to or coming from a foreign port, and being transshipped between two (2) Philippine ports shall be allowed.

- *SEC. 5. Authority of the Commissioner of Customs.* – The Commissioner of Customs, upon such reasonable conditions as may be imposed, may do the following acts:
  - a. Authorize the conveyance of foreign cargo brought from abroad by a foreign vessel;
  - b. Allow a foreign vessel to take cargo intended for export at any Philippine port and convey the same upon such foreign vessel to a foreign port; and
  - c. Authorize the transshipment of such foreign cargo intended for import or export through another Philippine port by another foreign vessel to the cargo's port of final destination.



# Republic Acts

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## III. Republic Act No. 10667 otherwise known as the “Philippine Competition Act”

- R.A. 10667 enacted into law on July 21, 2015, which became effective on September 15, 2015. The Philippine Competition Commission issued and promulgated the IRR of R.A. 10667 on May 31, 2016, which took effect on June 18, 2016.
- R.A. 10667 seeks to promote and enhance economic efficiency and healthy competition in the market and will eliminate monopolies/oligopolies whereby consumers, as well as business enterprises are given more control in the choice of goods or service providers.
- One of the prohibited acts of R.A. 10667 is imposition of barriers to entry or committing acts that prevent competitors from growing within the market in an anti-competitive manner.





MNHPI appreciates very much to be given this opportunity to present to the 9<sup>th</sup>.  
PHILIPPINE PORTS & SHIPPING 2017

