NATIONAL ADMINISTRATIVE REGISTER · JULY 16, 2010

OMNIBUS POLICY AND GUIDELINES ON THE DEVELOPMENT, CONSTRUCTION AND OPERATION OF PRIVATE PORTS WITHIN THE TERRITORIAL JURISDICTION OF THE CEBU PORT AUTHORITY (CPA)

CPA ADMINISTATIVE ORDER NO. 02, July 16, 2010

Read online (full-text search, related cases, audio case brief): https://batas.org/library/03494fae61f6/

Pursuant to Republic Act No. 7621 (Charter of the Cebu Port Authority), Article IX of CPA Administrative Orders 01-2000 (CPA General Port Rules and Regulations) and Board Resolution No. 512-2010 dated 16 July 2010 of the 5th Cebu Port Commission, the following policy and guidelines are hereby prescribed for all concerned:

Article 1
Preliminary Provisions

SECTION 1. Policy - It is hereby the declared policy of the Authority to ensure coordination in the processing of applications to develop, construct and operate private ports consistent with Sections 5 (a) and 7 of Republic Act No. 7621 (Charter of the Cebu Port Authority).

SECTION 2. Scope - This order, shall apply to all parties seeking for permit to develop/construct and operate a private port facility. It shall also specify the roles of CPA units and offices in the processing, evaluation and approval of these applications.

SECTION 3. Definition of Terms - For the purpose of this Order, the following terms used herein shall be construed to mean as indicated:

3.1 Authority – means the Cebu Port Authority.

3.2 CHSP – Cargo Handling Service Provider, which means any person or entity engaged in the activity of rendering cargo handling services.

3.3 Port Charges – includes harbor fees, tonnage and wharfage dues, berthing or anchorage charges, port dues and any other dues or fees imposed by virtue of existing laws.

3.4 Tariff Rates - the schedule of rates which includes tolls, fees, dues and rent imposed by the Authority.

3.5 General Cargo Port – a port that undertakes the handling of cargoes for loading in general non-specialized stowage areas or standard shipping units, e.g., boxes, barrels, bales, crates, packages, bundles, and pallets.

3.6 Government Port - a port owned, managed, and operated by the Cebu Port Authority.

3.7 Government Share - the percentage share that the Authority collects from port charges, wharfage, and cargo-handling services in a private port.

3.8 Private Port - a port facility constructed, owned and operated by a private person or entity as authorized by the Authority. It is classified according to the nature of its operation and purpose, thus:

3.8.1 Private Non-Commercial Port - A port facility constructed, owned and operated by a private person or

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

entity as a component of or accessory to its own business or principal, economic activity and which does not offer its facilities and services to the general public. Its use by third party is only incidental to its operation of the port in view of the availability of specialized and dedicated cargo handling gears and equipment used to handle, usually homogenous cargo, unique to the private port facility, and conducted on a limited and non-commercial basis;

3.8.2 Private Commercial Port – A port facility constructed, owned and operated by a private person or entity which offers its port and services to the general public.

3.9 Privilege Fee - the annual fee paid to the Authority upon the issuance of the Certificate of Registration/Permit to Operate a private commercial port.

3.10 Registered Private Port – a private port that has been duly issued a Certificate of Registration by the Authority.

3.11 Unregistered Private Port - a private port that has no Certificate of Registration with the Authority or whose registration has already expired.

Article 2
PARAMETERS AND GUIDELINES

SECTION 4. Nature of Operations - In considering an application for a Permit to Develop, Construct and Operate a private commercial port, the following parameters must be observed:

4.1 That it is not intended to operate as a general cargo port;

4.2 That it does not duplicate an equally functional facility or service adequately provided by the nearest government port or existing private port authorized by the Authority to operate, but that it provides for a facility and/or service which the government port is incapable of providing, when deemed necessary by the Authority;

4.3 That it should be obligated to accommodate spill-over demands from government ports when deemed necessary by the Authority;

4.4. That in totality, its sole purpose is to supplement the market demand for berths, storage and/or services.

SECTION 5. Government Share – The following government share from port charges, wharfage and cargo-handling services is prescribed for private commercial and non-commercial ports:

CLASSIFICATION GOVERNMENT SHARE

Private Commercial Port Port Charges Wharfage CHSP (Annual Gross Revenue)

Registered 50% 50% 10% from domestic Cargoes; 20% from foreign cargoes

Unregistered 100% 100%

Private Non-Commercial Port

Registered 50% 50%

Unregistered 100% 100% None

SECTION 6. Limitations in the Operation of Private Ports - The following limitations shall be imposed in the operation of private ports and shall be so indicated in the Certificate of Registration/Permit to Operate issued to the owner or operator concerned:

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

1. Private non-commercial ports shall be limited to operating as a component of or accessory to its own business or principal economic activity and shall not offer port services to the general public but shall exist generally for its own particular use and need. Its use by third party is only incidental to its operation of the port in view of the availability of specialized and dedicated cargo handling gears and equipment used to handle, usually homogenous cargo, unique to the private port facility, and conducted on a limited and non-commercial basis. Should it wish to operate as a commercial port, it shall have to follow the guidelines set by this Order in applying for a permit to develop, construct and operate as a commercial port.

2. Private commercial ports may offer port services to the general port users and not only as a mere component of the main business or activity of the owner or operator, but as the main business activity itself;

3. The owner or operator shall operate the private port subject to the following terms and conditions:

3.1 It shall only be for the duration specifically indicated in the Certificate of Registration/Permit to Operate;

3.2 The owner or operator shall operate the private port facility for a period of twenty five (25) years, but in no case shall exceed the term of its Foreshore Lease Agreement (FLA), provided, however, that in case of non-renewal, cancellation, or expiration of the permit, the private port facility or structure thus built on the foreshore and other government-owned land utilized for such private port operation, shall become the property of the Authority, free from all liens and encumbrances, unless such foreshore area has been authorized to be reclaimed, and the corresponding land has become officially titled to the private port owner concerned.

3.3 The Certificate of Registration/Permit to Operate shall be non-transferable. Any violation of this condition shall automatically terminate or revoke such registration/permit without need of further action by the Authority;

3.4 The Certificate of Registration/Permit to Operate does not include the power to operate cargo-handling, porterage and other related services, which are covered by separate and distinct permit/s;

3.5 The private port owner or operator shall pay such dues, fees, charges as may be due to the Authority during the lifetime of the permit;

3.6 The grantee shall maintain the facilities in good condition and shall be responsible for the safe, secured and efficient operations thereof as well as for any damage to property or person arising out of its operations;

3.7 No alterations or improvements, other than ordinary repair for wear and tear shall be made on the existing facilities (as shown on the As-Built plan to and stamped by the Authority) without prior approval of Authority;

3.8 The grantee shall allow the use of its facility to other port users in case of emergency, necessity, or congestion at the government pier upon written orders of the Authority;

3.9 The grantee shall comply with CPA existing and subsequent applicable rules, and other laws and regulations promulgated or to be promulgated by proper authorities. Failure of the grantee to comply with any of the conditions herein specified shall constitute sufficient ground for the Authority to revoke the permit after proper proceedings.

Article 3
PROCEDURE, PRIVATE PORT FEES AND OTHER RELATED CHARGES

Section 7. Criteria for Evaluation – As a general rule, all applications for the development, construction, and operation of private ports shall be granted subject to compliance with this Order and other government laws and regulations.

Section 8. Application for Permit to Construct - New private commercial ports as well as existing commercial ports which intend to expand or improve their facilities, shall be required to apply for a permit to Construct a

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

Private Port with the Authority.

8.1 Application for a Permit to Construct shall be submitted to the Office of the General Manager for evaluation and approval of the Cebu Port Commission (See Annex "A" for format)

8.2 For reference purposes, the application for Permit to Construct shall include the following:

1. Letter of intent
2. Site/Location/Distance/Accessibility of applied foreshore area from other ports/public utilities and infrastructure
3. Project scope, description and technical specification
4. General port lay-out plan and development plan
5. Construction and building plans

a. Plan and working drawings duly signed and sealed by a licensed Civil Engineer
b. Technical Specifications
c. Detailed Estimates
d. Design Analysis of the structure duly signed and sealed by a licensed Civil/Structural Engineer

6. Company profile, to include a brief of its owners/stockholders
7. For private port facilities constructed on foreshore lease area, 2 copies of DENR Environmental Compliance Certificate (ECC)
8. Photocopy of award of DENR Foreshore Lease Agreement (FLA)
9. A copy of CPA certification that the area applied for is not a part of the CPA development plans, to be issued by the Engineering Services Department (ESD) of CPA.
10. For private port facilities constructed along river banks or reclaimed lands, two (2) certified true copies of land titles
11. One (1) photocopy of SEC Registration
12. One (1) photocopy of Articles of incorporation and by-laws
13. Business Plan (format attached as Annex "B")

8.3 Permit to Construct Fee - upon approval, the applicant shall pay the corresponding fee:

Classification Amount

Permit to Construct Fee

Private Non-Commercial Port Below Php 10 million

Php 20,000 + VAT

Php 10 Million & above Php 30,000 + 0.001 (1/10 of 1% of the excess of Php 10 million but not to exceed Php 100,000 + VAT

Private Commercial Port Below Php 10 million Php 60,000 + VAT

Php 10 Million & above Php 80,000 + 0.001 (1/10) of the excess of Php 10 Million but not to exceed Php 100,000 + VAT

SECTION 9. Application for Certifciate of Registration/Permit to Operate - Private part investors who have satisfactorily established new port infrastructures as well as port owners/operators who have developed and operated their facilities prior to the Authority's creation shall register with the Cebu Port Authority.

A Certificate of Registration/Permit to Operate (COR/PTO) shall be issued to newly constructed ports, existing private ports without any valid permit, existing ports with Temporary Certificate of Registration and those

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

applying for Renewal of Permit to Operate upon compliance with the following requirements:

9.1 The application for Permit to Operate a newly constructed port whose Permit to Develop and Construct has been earlier approved by the Authority, shall include the following:

1. Permit to Develop/Construct
2. Project Completion Report as inspected by the Authority
3. As built plans

9.2 The application for Permit to Operate an existing port without any valid permit with CPA shall include the following:

1. Letter of Intent addressed to the General Manager
2. Site/Location/Distance/ Accessibility of applied foreshore area from other ports/public utilities and infrastructure
3. General Port Layout Plan and Development Plan
4. Company Profile, to include a brief of its owners/stockholders
5. As-built Plans and Accomplished Project Completion Report and Actual Cost of the Project
6. For private port facilities constructed on foreshore lease area, a copy of DENR Environmental Compliance Certificate (ECC)
7. Photocopy of award of DENR Foreshore Lease Agreement (FLA)
8. A copy of CPA certificate that the area applied for is not a part of the CPA development plans, to be issued by the Engineering Services Department (ESD) of CPA.
9. For private port facilities constructed along river banks or reclaimed lands, two (2) certified true copies of land titles
10. One (1) photocopy of SEC Registration
11. One (1) photocopy of Articles of Incorporation and by-laws
12. Business Plan (Format attached as Annex 2)
13. Upon approval, the applicant shall pay the corresponding fee:

a. Project Cost Below Php 10 Million = 200% of the applicable Permit to Construct Fee + VAT
b. Project Cost is Php 10 Million and above = 200% of the applicable Permit to Construct Fee plus 1/10 of 1% of the excess of Php 10 Million, but not to exceed Php 100,000.00 + VAT. Provided, that in case the actual cost is more than the project cost, the permittee shall be liable to pay the difference.

9.3 The application for a Permit to Operate an existing port with temporary certificate of registration or for Renewal of Permit to Operate with the Authority shall include the following:

1. Letter of Intent addressed to the General Manager
2. Site/Location/Distance/Accessibility of applied foreshore area from the ports/public utilities and infrastructure
3. General Port Layout Plan and Development Plan
4. Company Profile, to include a brief of its owners/stockholders
5. As-Built Plans and Accomplished Project Completion Report and the Actual Cost of the Project.
6. For private port facilities constructed on foreshore lease area, a copy of DENR Environmental Compliance Certificate (ECC)
7. Photocopy of award of DENR Foreshore Lease Agreemet (FLA)
8. A copy of CPA certificate that the area applied for is not a part of the CPA development plans, to be issued by the Engineering Services Department (ESD) of CPA
9. For private port facilities constructed along river banks or reclaimed lands, two (2) certified true copies of land titles
10. One (1) photocopy of SEC Registration

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

11. One (1) photocopy of Articles of Incorporation and by-laws
12. Business Plan (Format attached as Annex 2[*])

9.4 Privilege Fee – The privilege fee shall be paid to the Authority every first quarter of every year during the effectivity of the COR/PTO, as specified below:

Classification Amount

Private Commercial Port Php 80,000 + VAT

Private Non-Commercial Port Php 30,000 + VAT

9.5 All private ports that handle both non-commercial and commercial cargoes shall be considered as private commercial ports.

SECTION 10. Surcharge for Late Registration - Private ports applying for registration beyond six (6) months from effectivity of this Order shall pay to the Authority penalty fees as specified below:

Particulars Penalty Fees

1. Filling of Application for registration more than six (6) months from the effectivity of this Order Php 50,000

2. Filling of Application for registration one (1) year from the effectivity of this Order Php 75,000

3. Filling of Application for registration after one (1) year from the effectivity of this Order Php 100,000

SECTION 11. Penalty for Failure to Commence Construction within six (6) months from the date of issuance of the Permit to Construct - Failure to commence construction within six (6) months from the issuance of the Permit to Construct shall be imposed a penalty charge of Fifty Thousand Pesos (P50,000.00) A grace period of another six (6) months shall be given to private port owner/s to comply after paying the penalty, after which the Permit to Construct shall be rendered null and void. The applicant shall be required to re-apply and pay the Permit to Construct Fee as herein provided.

SECTION 12. Transfer of Operating Permits – The sale, transfer, conveyance, assignment of operating permits shall not be entered into by the private port owner/ operator without first seeking prior written clearance from the Authority.

SECTION 13. Administrative Fees – The following administrative fees shall be paid to the Authority:

Particulars Amount

Filing Fee Php 1,000

Change of Name Fee 5,000

Transfer Fee 50,000

Penalty for Constructing without Prior clearance from the Authority 100,000

SECTION 14. Request for Improvement - During the effectivity of the private port owner/operator's approved operating permit, no improvement/expansion/rehabilitation of existing private ports, except for annual preventive maintenance and repair purposes, shall be made unless a request is made to the Authority and approved by the latter.

SECTION 15. Cargo Handling Permit - Duly registered privately-owned ports shall be allowed to undertake cargo handling operations either on their own or by contract, upon the issuance of its Certificate of Registration/Permit

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

to Operate; provided that the contractor is accredited as a cargo-handler by the Authority. The private port owner/operator shall submit the monthly operational report as prescribed by the Authority.

SECTION 16. Grounds for Revocation – Any violation of this Order, rules and regulations and all other orders, circulars and other issuance adopted/issued or as may hereafter be issued by the CPA, rules on safety, and national security shall likewise be a cause for revocation of any CPA permit given to the private investor or owner.

SECTION 17. Reponsibility of the Management Office Concerned - The Management Office concerned shall submit to the Business Marketing and Development Department (BMDD) once every six (6) months a complete list of private ports duly registered and those subject for registration within his area of registration until such time that all private ports shall have been registered.

SECTION 18. Visitorial and Enforcement Powers of the CPA – The duly authorized representative/s of the Authority shall have the power to enter the private port premises and inspect the facilities, including examination of specific records to determine compliance with this Order. Such representative shall also have the power to issue compliance orders requiring the private port to submit requirements, data, documents or information which the Authority may require from time to time for audit, statistical and other purposes;

SECTION 19. Repealing Clause – All orders, rules and regulations, policies, guidelines, memoranda or circulars issued and/or adopted by the CPA, which are inconsistent herewith are hereby repealed.

SECTION 20. Separability Clause – If any provision or section of this Order, or the application thereof to any person, corporate entity or circumstances is held invalid, the other provisions or sections of this Order shall not be affected and shall continue to be in full force and effect.

SECTION 21. Effectivity - This Administrative Order shall take effect 15 days after publication, once a week for two (2) weeks, in a newspaper of general circulation.

(SGD.) VICENTE T. SUAZO, JR.
General Manager

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.