

GUIDELINES IN THE DISPOSITION OF OVERSTAYING AND/OR ABANDONED CARGOES WITHIN THE PORT PREMISES

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/ec1ec86110db/>

To maximize utilization of port facilities, smooth flow of cargo movement, and to enable this Authority to collect port charges due from overstaying and/or abandoned cargoes and pursuant to Sections 7, 12, and 21 of R.A 7621, Charter of the Cebu Port Authority, the following guidelines are hereby promulgated for compliance by all concerned.

I

Preliminary Provisions

SECTION 1. Scope — This Order shall apply to overstaying and/or abandoned cargo within the premises owned and/or controlled by the Authority.

SECTION 2. Definition of Terms — For purposes of this Order the following terms shall be understood to mean as follows:

- a. Overstaying Cargoes — refer to articles or cargoes which have remained at the port premises after the free storage period until the same has been deemed abandoned.
- b. Abandoned Cargoes — refer to overstaying cargoes which have remained in the port premises after forty-five (45) days from discharge of all consignments from the carrying vessel, or acceptance by the cargo-handling operator in the case of outbound cargoes, and the owners or consignees have been notified but failed to claim the same or the owner has expressly abandoned the cargoes.

II

Disposition Procedures

SECTION 3. Notice and Publication —

- a. Notices to Known Owners — Known owners/consignees of overstaying cargoes shall be properly notified in writing by the General Manager or his authorized representative within the 45-day period after discharge or acceptance of the cargoes. Overstaying cargoes not withdrawn at the expiration of the prescribed 45-day period and after a third notice shall have been served, shall be inventoried and sold at public auction by the General Manager or his authorized representative in accordance with Section 8 of this Order.
- b. Notices to Unknown owners — Notices to unknown owners/consignees of overstaying cargoes shall be effected by the General Manager or his authorized representative, as follows:
 1. For articles/cargoes with an estimated value of P 25,000.00 and below, notice shall be posted on the 10th day after discharge or acceptance involving such cargoes/articles, for fifteen (15) consecutive days within the 45-day period in a conspicuous premises of the Authority where the unclaimed cargoes are located.
 2. For articles/cargoes with estimated value exceeding P 25,000.00 — the notice must be published, simultaneous with the posting as prescribed in the immediately preceding paragraph, for three (3) consecutive issues in a local newspaper or by other means.

SECTION 4. Option to Reclaim — Upon presentation to the General Manager or his authorized representative of proof of ownership, the owner, shipper or consignee shall have the option to reclaim his abandoned cargo, a week before the actual auction takes place.

Any of the following authenticated documents shall be considered as proof of ownership:

1. Bill of Lading
2. Invoices
3. Official Receipt(s)
4. Or any other documents of probative value

The General Manager or his authorized representative shall notify the Auction Committee of the intention of the owner, shipper or consignee to reclaim his cargo. Prior to the approval of the release of the cargo, the General Manager or his authorized representative shall see to it that the following charges and expenses have been fully paid by the claimant in accordance with the usual accounting and auditing procedures:

1. Taxes (if any)
2. Charges on cargo (Wharfage and Storage)
3. Arrastre/Stevedoring charges
4. Necessary and incidental expenses, like advertisement, transfer expenses, etc.

SECTION 5. Mode of Sale — Overstaying and/or abandoned cargoes are subject to disposal by auction or by private sale in accordance with Section 8 of this Order.

SECTION 6. Auction Committee — The auction sale shall be conducted by an Auction Committee created as follows:

a. Composition — The Auction Committee shall be composed of four (4) regular members: the General Manager or his authorized representative who shall act as Chairman, the Port Services Division Manager, the Resource and Management Division Manager, the Legal Affairs Division Manager, and the Terminal Supervisor, where the abandoned/overstaying cargo is located. A representative from the Commission on Audit (COA) shall be invited to witness every auction proceeding.

b. Functions — The duties and responsibilities of the Auction Committee shall be as follows:

1. To conduct auction and/or private sale
2. Provide the necessary information to interested bidders;
3. Assess/evaluate data and determine qualification of participants;
4. Appraise the value of pre-determined charges and/or expense such as, taxes/duties, bidding and port charges and keep the same confidential;
5. Award sale lot numbers to winning bidders if the amount involved is less than P 100,000.00;
6. Recommend to the General Manager the awarding to winning bidders if the amount involved exceeds P 100,000.00;
7. Render reports to on every perfected sale;
8. Keep records of its own proceeding; and
9. Perform such other duties as maybe necessary in the effective discharge of their functions.

SECTION 7. Participants in Auction Sale — Any Filipino of legal age or any juridical entity legally doing business in the Philippines duly represented by its authorized official may participate in the auction sale, provided, however the CPA officials and employees and relatives of the Auction Committee members of up to the second civil degree of consanguinity or affinity shall be disqualified from participating therein.

SECTION 8. Auction Proceeding —

- a. Notice of Sale — notice of Sale shall be advertised by the General Manager or his authorized representative by printed notice in for not less than three consecutive days in any newspaper of general circulation, or where the value of the property does not warrant the expense of publication, by notices posted for a like period in at least three public places in the locality where the property is to be sold.
- b. Auction Proceeding — At the date of the auction sale, the bidders shall register their names and addresses at the logbook and drop the sealed bid containing the specific amount offered and the bidders bond equivalent to ten percent (10%) of the amount of the bid in cash, cashier's or manager's check. No bid shall be accepted after the designated time for the opening of the bid whereupon submission of the bids shall be declared "closed" by the Committee. Bid tender will be opened and read one after the other by the Chairman, Bidding Committee, at the time set and shall be signed by all members of the Committee.
- c. Determining the winning Bid — After opening of all bids, the member-secretary shall prepare the Abstract of Bid in three copies to determine the winning bidder. The highest price offered shall be the winning bid, provided, that the amount shall at least meet the estimated predetermined charges and other expenses. In case of a tie, the Committee shall exercise reasonable discretion in determining the winning bid.
- d. Posting of Performance Bond — immediately after the winning bidder has been determined by the Committee he shall be required to post a performance bond in the form of cash, cashier's or manager's check, which in addition to the bidder's bond shall be equivalent to twenty percent (20%) of the bid price. Such total amount shall be considered partial payment of the bid price.

Failure of the winning bidder to post said bond will result in the automatic forfeiture of the bidder's bond.

- e. Award to Winning Bidder — Winning bid price of less than One Hundred Thousand Pesos (P 100,000.00) in a single lot shall be awarded immediately by the Committee. Where the bid price is more than P 100,000.00, the award shall be made by the General Manager upon the recommendation of the Committee.

In both cases the balance shall be paid within three (3) days from receipt of notice of award and the articles/cargoes shall be immediately withdrawn from the port premises upon full payment of the balance otherwise the twenty percent (20%) performance bond shall be forfeited in favor of this Authority. The bonds of losing bidders shall be retained by the Committee until the bid price has been fully paid by the winning bidder.

SECTION 9. Disposition of Proceeds — proceeds of the sale shall be applied in the following manner:

- a. In payment of taxes, if any, due to the Government
- b. In payment of expenses of appraisal, advertisement and sale
- c. In payment of port charges due to the CPA
- d. In payment of arrastre/stevedoring charges due to the CPA
- e. In payment of freight, lighters or shipping expenses of which due notice shall have been given to the Authority;
- f. And finally, in rendering on demand the surplus, if any, to the person legally entitled thereto; Provided, That in no case no such demand is made within a period of one year from the date of the sale of the goods, the surplus, if any, shall become part of the general funds of the Authority, whereupon all rights to the same by such person shall be extinguished.

SECTION 10. Disposition of Overstaying/Abandoned Cargoes Unfit for Use or Sale or Injuries to Public Health — Any overstaying and/or abandoned cargo which in the opinion of the General Manager is a menace to public health, shall, in coordination with health authorities and the Commission on Audit (COA) at the Port, be ordered

destroyed or otherwise disposed of in such manner as he may deem proper.

SECTION 11. Disposition of Unsold Cargoes/Articles for Want of Bidders — When any overstaying cargo remains unsold after at least two (2) public bidding for want of bidders or for lack of an acceptable bid and the cargo is perishable and/or suitable for official use, the PSD manager shall report the matter immediately to the General Manager or his designated assistant who may, subject to the approval of the CPA Board of Commissioners authorize the official use of the cargo/article in the following order of priority: first, by the CPA and second, by other offices of the government. If the cargo cannot be disposed of as provided above, the same may be sold at a private sale at a price to be fixed by the Auction Committee and approved by the CPA Board of Commissioners.

III

Final Provisions

SECTION 12. Special Provision — No cargo shall be disposed from the port premises unless the procedure in the preceding section are complied with.

Nothing herein prescribed shall preclude the General Manager, subject to approval of the CPA Board of Commissioners, from exercising reasonable discretion and taking such action or measures as he may deem necessary for the decongestion of the Port and the interest of the Authority is not prejudiced. In any case of import/export cargo, the same shall be done in coordination with the Bureau of Customs.

SECTION 13. Repealing Clause — All orders, rules and regulations, circulars, guidelines or memoranda and other issuance issued/adopted by CPA inconsistent herewith are hereby repealed, amended, or modified accordingly.

SECTION 14. Effectivity — This Order shall take effect upon publication in a newspaper of general circulation.

(SGD.) RAUL T. SANTOS

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.