STANDBY PENALTY CHARGES AT SOUTH HARBOR AND MANILA INTERNATIONAL CONTAINER TERMINAL (MICT)

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The imposition of standby penalty charges has resulted in various conflicts between the operators and shipping lines in the application of crane productivity rate under PPA MC Nos. 04-2001 and 08-2001. In order to resolve these, the following clarifications are hereby issued.

1. SCOPE

This Memorandum Order shall cover the imposition of allowable standby penalty charges at the South Harbor and the MICT.

2. OBJECTIVES

2.1 To guide ATI and ICTSI in the proper imposition of allowable standby penalty charges;

2.2 To resolve disagreements between the cargo handling service providers and the shipping lines with respect to the imposition of standby penalty charges.

3. CLARIFICATIONS

3.1 Standby Penalty Charges

Standby penalty charges shall be applied on delays in the loading or discharging of containers, the causes of which are beyond the control of the terminal operator. In general, standby penalty charges shall be imposed from the time operation stops up to the time it resumes, under any of the following circumstances.

3.1.1 Waiting for vessel's arrival, provided, the reckoning point shall be based on vessel's original ETA. Amendments to ETA should be submitted not later than 12 hours before ETA from foreign port and 6 hours from any local port;

3.1.2 Waiting for ship's agent, provided, there will be no charge if agent transports quarantine doctor/boarding officer;

3.1.3 Opening/closing bay covers by ship's crew, which is applicable only to McGregor or similar hatches;

3.1.4 Waiting for ship's crew, provided, there is a written request from shipping line;

3.1.5 Waiting for cargo from outside port zone, excluding exempted cargoes in the PPA ruling, i.e., transshipment refrigerated, dangerous cargoes, etc., provided, there is a written request from shipping line;

3.1.6 Snatching of cargo/container which involves the removal of container from the 'tween deck;

3.1.7 Change of stowage plan ship's agent if submission of same is made after loading closing time (LCT);

3.1.8 Waiting for loading sequence/bay plan if submission of same is made after LCT;

3.1.9 Vessel's listing/trimming, provided, there is confirmation from the shipping line/vessel command and terminal operator;

3.1.10 Delay due to lack of lashing materials, revision of lashing scheme, provided, there is confirmation from the shipping line and terminal operator;

3.1.11 Hold by customs and other authorities, provided, the cause is attributable to shipping lines;

3.1.12 Vessel shifting berth, provided, there will be no charge if shifting is for the convenience of the terminal operator;

3.1.13 Waiting for consignee's transport which is applicable only in case of direct delivery.

4. EFFECTIVITY

This Order shall take effect November 15, 2001.

Adopted: 28 Nov. 2001

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