MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This AGREEMENT entered into by and between:

The Department of Transportation and Communications, a government agency with principal office located at Columbia Tower, Ortigas Ave., Mandaluyong City, represented herein by its Secretary, VICENTE C. RIVERA Jr., hereinafter referred to as DOTC;

The Department of Environment and Natural Resources, a government agency with principal office located at the Visayas Ave., Diliman Quezon City, represented herein by its Secretary, ANTONIO H. CERILLES, hereinafter referred to as DENR:

The Department of Agriculture, a government agency with principal office located at the Elliptical Circle, Diliman, Quezon City, represented herein by its Secretary, WILLIAM D. DAR, hereinafter referred to as DA:

The Department of Interior and Local Government, a government agency with principal office located at A. Francisco Gold Condominium II, EDSA corner Mapagmahal St., Diliman, Quezon City, represented herein by its Undersecretary, RONALDO V. PUNO, hereinafter referred to as DILG:

WITNESSETH

WHEREAS, the movement of domestic goods cargoes and motor vehicles parts through the ports requires numerous permits/clearances and actions from various government agencies:

WHEREAS, such government clearance/permit requirements and actions results in additional government expenditures, bureaucratic red tape, operational inefficiency and increase in transport cost;

WHEREAS, there is an urgent need to synchronize and rationalize clearance requirements for the movement of interisland
vessels and domestic goods/cargoes in ports to reduce bureaucratic red tape and lower transport cost.

WHEREAS, Executive Order 493 issued on 3 December 1991 directed all Secretaries of concerned Departments to deputize the Philippine Ports Authority with respect to issuances of appropriate clearances for every entry and departure of domestic vessels;

WHEREAS, the issuance of entry and departure clearances to interisland vessels depends to a large extent on clearances on goods/cargoes issued by the Departments, its offices/agencies concerned;

WHEREAS, the functions presently being exercised by identified Departments of the National Government relative to the issuance of said clearances for domestic goods/cargoes and motor vehicles/parts may be delegated to the Philippine Ports Authority, in view of PPA’s functions in regulating entry and withdrawal of goods/cargoes to/from the ports;

NOW, THEREFORE, for and in consideration of the above premises, the Parties herein have mutually agreed to execute this MEMORANDUM OF AGREEMENT, subject to the following terms and conditions.


1.1 Inspection, checking and issuance of clearances for domestic goods/cargoes as an inherent functions shall still be exercised by concerned Departments, its offices/agencies, but such clearances shall not hinder the expeditious entry/withdrawal of such cargoes.

1.2 All goods/cargoes intended to be shipped out from quarantine restricted areas shall be cleared by concerned agencies prior to its entry to the ports for loading.

1.3 The registration certificates and official receipts shall be required for the shipment of motor vehicles/parts only at the port of loading. Any shipment in violation of pertinent provisions of Republic Act 6539, otherwise known as the Anti-Carnapping Act, shall be turned over to the PNP Traffic Management Group for appropriate action.
1.4 To effect expeditious mobility of goods/cargoes, the involvement of the shipowners/agents and masters of domestic vessels, the cargo owners shippers, and the authorized cargo handlers in the ports shall be encouraged and enjoined to implement the corresponding implementing rules and regulations of this MOA.

1.5 In the implementation of this MOA, the Port Integrated Clearance Office (PICO) shall be set up and, if already existing, be fully operationalized in PPA-manned ports to serve as one-stop-shop housing authorized personnel of concerned Departments, its offices agencies.

1.6 All Parties to this MOA shall initiate the review of existing laws, rules and regulations affecting the issuance of cargo clearances and may recommend appropriate changes, amendments or repeal pertinent thereto.

1.7 All parties to this MOA shall monitor the movements of hazardous materials through inter-island shipping through effective and efficient coordination among parties as well as with other entities such as but not limited to other National Government Agencies. A monitoring report shall likewise be kept and maintained by all parties to this AGREEMENT.

2. Specific Powers and Functions of Concerned Departments at Port of Loading

2.1 Department of Agriculture (DA):

   2.1.1 The Bureau of Plant Industry (BPI) and the Bureau of Animal Industry (BAI) shall cease from issuing clearance for incoming and outgoing domestic vessels. The BPI and BAI however, shall continue to inspect and issue permits for plants and animals, its by-products and related materials coming from going to areas with quarantine restrictions.

   2.1.2 The Bureau of Fisheries and Aquatic Resources (BFAR) shall cease from issuing clearance for incoming and outgoing domestic vessels. The BFAR however, shall continue to inspect and issue permits for fish and
aquatic products coming from/going to areas with quarantine services.

2.1.3 The BPI, BAI, BFAR shall continue to inspect incoming/outgoing domestic vessels to determine that no prohibited plants, animals, and its by-products and related materials; and fish and aquatic products are loaded.

2.2 Department of Environment and Natural Resources (DENR)

2.2.1 The Department of Environment and Natural Resources (DENR), thru its Regional Offices and/or its appropriate offices, shall continue to issue clearance including transport permit for forestry and wildlife products, flora and fauna intended for loading on board domestic vessels. When necessary, the concerned DENR Officer shall be present in the loading of forest and wildlife products, flora and fauna and other natural resources products at the port of loading to ensure strict monitoring of such movement and the implementation of Environment and Natural Resources laws, rules and regulations on such goods and cargoes.

2.2.2 The Mines and Geosciences Bureau (MGB) shall continue to issue the Ore Transport Permit, Delivery Receipt and Certification for the shipment of minerals, mineral products or ores intended for loading on board domestic vessels.

2.2.3 The Environmental Management Bureau (EMB) shall continue to issue the Permit to Transport toxic and hazardous materials intended for loading on board domestic vessels.

2.3 Department of Interior and Local Government (DILG)

2.3.1 The Philippine National Police (PNP), thru the Traffic Management Group, shall require proof of ownership consisting of the Registration Certificate and Official Receipt as the only requirements for the issuance of clearance for the shipment of motor vehicles/parts from one port to another valid for 30 days pursuant to
Republic Act 6539, otherwise known as the Anti-Carnapping Act of 1972.

2.3.2 Checking and inspection of the foregoing proof of ownership shall be done only at the port of loading.

2.3.3 The concerned Governor or City Mayor shall continue to issue Ore Transport Permit for minerals or mineral products or Delivery Receipts for sand and gravel extracted from areas covered by quarry, small scale and other permits under the jurisdiction of the local governments.

3. Responsibilities of Concerned Departments, Its Offices/Agencies

3.1 Philippine Ports Authority shall:

3.1.1 Ensure that the documents required for the transport of cargo and the movement of vessel are accomplished properly, submitted and made ready and available to the concerned Departments, and/or its offices/agencies.

3.1.2 Closely coordinate with the local officials/representatives of other Departments, and/or its offices/agencies to achieve effective documentation and reporting system.

3.1.3 Hold the entry and loading of goods/cargoes from quarantine restricted areas of known diseases/pest, including motor vehicles/parts not properly cleared, upon receipt of official instruction/order or notification of violation of the laws, rules and regulations of a particular Department, and/or its office/agency.

3.1.4 Require the involvement and active participation of shipowners/agents, masters of interisland vessels, cargo owners/shippers and cargo handlers using the ports in facilitating the movement of such goods/cargoes.

3.1.5 Report to the local offices of Department/agencies concerned any violation of any provisions of this Memorandum of Agreement.
3.2 Marine Industry Authority (MARINA)

3.2.1 Develop and implement a mechanism that will involve shipowners, ship agents, masters of interisland vessels, in ensuring that no prohibited cargoes are loaded on domestic shipping vessels and to apply sanctions for violations thereof.

3.3 Department of Transportation and Communication (DOTC), Department of Agriculture (DA), Department of Environment and Natural Resources (DENR) and Department of Interior and Local Government (DILG).

The foregoing Departments shall:

3.3.1 Continue to discharge their respective functions in the monitoring, checking, inspection and issuance of pertinent permits or clearances for the transport of domestic goods/cargoes in the exercise of their inherent powers and functions.

3.3.2 Closely coordinate with local PPA authorized personnel and the shipowners/agents and masters of domestic vessels, particularly in holding entry of domestic goods/cargoes and the issuance of departure clearances of interisland vessels.

3.3.3 Avail of office space provided at the PICO by designating authorized personnel to stay thereat, for greater efficiency in the delivery of their services.

This AGREEMENT takes effect upon approval of all parties herein and shall remain in force and effect unless amended/revoked by mutual consent of all the parties in writing.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands on this 3rd day of February 1998, in Makati City, Philippines.

(Sgd.) VICENTE C. RIVERA Jr.
Secretary
Department of Transportation and Communications
(Sgd.) **ANTONIO H. CERILLES**  
*Secretary*  
Department of Environmental and Natural Resources

(Sgd.) **WILLIAM D. DAR**  
*Secretary*  
Department of Agriculture

(Sgd.) **RONALDO V. PUNO**  
*Undersecretary*  
Department of Interior and Local Government

**WITNESSES**

(Sgd.) **JUAN O. PEÑA**  
*General Manager*  
Philippine Ports Authority

(Sgd.) **AGUSTIN R. BENGZON**  
*Administrator*  
Marine Industry Authority

(Sgd.) **TEODORO A. ABILAY**  
*Director*  
Bureau of Animal Industry

(Sgd.) **NERIUS I. ROPEROS**  
*Director*  
Bureau of Plant Industry

(Sgd.) **ARSENIO S. CAMACHO**  
*Director*  
Bureau of Fisheries and Aquatic Resources

(Sgd.) **WILFREDO S. POLLISCO**  
*Director*  
Protected Areas and Wildlife Bureau

(Sgd.) **MARLITO L. CARDENAS**  
*Director*  
Environmental Management Bureau
(Sgd.) **HORACIO C. RAMOS**
*Director*
Director Mines and Geosciences Bureau

(Sgd.) **JOSE D. MALVAS, Jr.**
*Director*
Forest Management Bureau

(Sgd.) **P/SUPT. JAIME DELA CRUZ**
*Director*
Traffic Management Group, PNP