



January 5, 2024

SD/PMD20240105-03
Dkt# 2024-APAD-0000753
SOP 24-08

ADVISORY TO ALL SEAPORT STAKEHOLDERS

**IMPLEMENTATION OF BOARD RESOLUTION NUMBER 23-08-0253
(STANDARDIZED CURRENCY FOR EMPTY HANDLING CHARGES
IN UNITED STATES DOLLARS (USD) OF THE SUBIC BAY
INTERNATIONAL TERMINAL CORPORATION (SBITC))**

Sir / Madam:

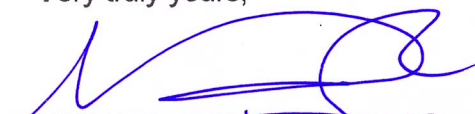
This is to inform all stakeholders that the implementation of the policy on Standardized Currency for Empty Handling Charges in United States Dollars (USD) of the Subic Bay International Terminal Corporation (SBITC)" as per SBMA Board Resolution No. 23-08-0253 shall take effect 15 days after publication in at least one (1) general circulation newspapers and submission of three (3) copies to the Office of the National Administrative Register (ONAR).

Please be advised that notices for the implementation of the aforementioned policy was published in the Philippine Star on December 20, 2023. Also, according to our SBMA Legal Department, subject policy was received by ONAR through electronic mail confirmation last January 4, 2024.


In view of the foregoing, may we respectfully notify all stakeholders that the above-mentioned policy will be implemented on **January 19, 2024**.

We appreciate your kind consideration and support. Thank you

Very truly yours,


MICHAEL PHILIP M. LAZARO
Officer-In-Charge, Seaport Department

Noted by


ATTY. MARTIN KRISTOFFER F. ROMAN
Deputy Administrator for Port Operations
Chief of Staff, Office of the Chairman and Administrator


RONNIE R. YAMBAO
Senior Deputy Administrator for Operations

PMD/AADC/sor

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Annex # 14
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NOTICE

Notice is hereby given that the Subic Bay Metropolitan Authority (SBMA), with office address at Bldg. 229, Waterfront Road, Subic Bay Freeport Zone, during the Sixteenth (16th) Meeting of the Board of Directors of the SBMA held last August 29, 2023, wherein there was a quorum to validly transact business, approved and ratified the following resolution:

Board Resolution No. 23-08-0253

“Resolve, as it is hereby resolved, that upon recommendation of Management and without prejudice to COA Regulations and pertinent laws on the matter, the Board hereby approves the implementation of the Standardized Currency for Empty Handling Charges in United States Dollars (USD) of Subic Bay International Terminal Corporation (SBITC)”.

EMPTY DEPOT STORAGE CHARGES (SHIPPING LINES)

Empty Container Handling Fee

Size	Rates per SBMA Board Resolution No. 19-10-1451	Unit of Measure	BSP Reference Exchange Rate (Nov. 18, 2019) \$1.00: ₱50.5920
Import			
20-footer	₱849.09	per box	US\$16.78
40-footer	₱1,948.65	per box	US\$38.52
Export			
20-footer	₱849.09	per box	US\$16.78
40-footer	₱1,948.65	per box	US\$38.52

Notes:

* 45-footer rate is same with 40-footer

Attached hereto is a copy of the Policy on Standardized the Currency for Empty Handling Charges in United States Dollars (USD) of Subic Bay International Terminal Corporation (SBITC).

As such, the implementation of the Policy on Standardized the Currency for Empty Handling Charges in United States Dollars (USD) of Subic Bay International Terminal Corporation (SBITC), shall be effective after fifteen (15) days following the completion of its publication in a newspaper of general circulation.

Please be guided accordingly.

JONATHAN D. TAN
Chairman and Administrator

NOV 08 2023

Cc: Office of the SDA for Operations
Office of the DA for Port Operations
Office of the General Manager

PMD/AADC/sor

Subic Bay Metropolitan Authority

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Policy to Standardize the Currency for Empty Handling Charges in United States Dollars (USD) of Subic Bay International Terminal Corporation (SBITC)

I. Policy Statement

In reference to Republic Act (RA) No. 7227, also known as the “Bases Conversion and Development Act of 1992, Subic Bay Metropolitan Authority (SBMA) has the authority to management and administrative service fees for processing, handling and escorting of importations, exportations and local sales or purchase”. The purpose of this policy is to standardized the billing currency from Philippine Peso to US Dollar of Empty Handling Charges of containerize cargoes handled by Subic Bay International Terminal Corporation (SBITC).

II. Rationale

1. Empty container handling charges, like other vessel-related charges, are levied to international shipping lines. Hence, this policy aims to standardize the currency of the billing statements issued to international shipping lines in US Dollars (USD). The current published tariffs for foreign cargoes charged to shipping lines such as stevedoring, shifting on-board, shifting via-dock, transshipment, line handling etc. are all denominated and billed in USD, except for the empty handling fees to which is billed in Philippine Peso (PHP). Based on SBMA Seaport Department feedback, majority of the international shipping lines usually settle these vessel-related billings in NCT1 and NCT2 in USD as their primary functional currency.
2. Subic Bay Metropolitan Authority (SBMA) Board, through Resolution No. 19-10-1451, approved and ratified the implementation of the Empty Container Handling Fee for Import and Export; to wit:
20 footer = PHP 849.00
40/45 footer = PHP. 1,948.65
3. This proposal is in line with the policy of the Philippine Port Authority (PPA) having implemented standards of international port regulation throughout the country, hence geared to standardize the currency in billing the international shipping lines on the Empty Handling Fees for foreign empty containers in US Dollar-denominated vessel charges with SBMA. This is in reference to the Philippine Port Authority (PPA) Memorandum Circular No. 10-2022.

III. Objective

1. **To protect SBMA's revenue from volatility of the PHP.** The proposed standardization of the empty container handling charges from PHP to USD, will give the shipping lines the option to settle its empty container handling charges in USD or in PHP equivalent under the provisions stated in the SBMA Board Resolution No.19-10-1451, and at the exchange rate stated below, even if the billing is in USD.
2. **To standardize the billing statement of empty container handling fees by converting the value from PHP to USD.** The exchange rate used is referenced to the applicable PHP to USD exchange rate on November 18, 2019, the implementation date of the empty container handling fees or as the implementation date of SBMA Board Resolution No. 19-10-1451. The Bangko Sentral ng Pilipinas exchange rate on the mentioned date was 1 US\$ is equal to Php 50.5920.

(source www.bsp.gov.ph/statistics/rerb/18%20Nov%202019.pdf)

IV. Scope

1. This policy shall only apply to empty container handling fee under Empty Depot Storage Charges of Shipping Lines.

V. Rates

Size	Rates per SBMA Board Resolution No. 19-10-1451	Unit of Measure	BSP Reference Exchange Rate (Nov. 18, 2019) \$1.00: ₱50.5920
Import			
20-footer	₱849.09	per box	US\$16.78
40-footer	₱1,948.65	per box	US\$38.52
Export			
20-footer	₱849.09	per box	US\$16.78
40-footer	₱1,948.65	per box	US\$38.52

Notes:

*** 45-footer rate is same with 40-footer**

VI. Comparison

Size	Unit of Measure	Proposed Rates (\$1.00 : ₱50.5920)	MICT Rates** (\$1.00: ₱44.50)	Difference	%
Import					
20-footer	per box	US\$16.78	US\$31.461	US\$14.68	87%
40-footer	per box	US\$38.52	US\$62.921	US\$24.40	63%
45-footer*	per box	US\$38.52	US\$70.787	US\$32.27	84%
Export					
20-footer	per box	US\$16.78	US\$31.461	US\$14.68	87%
40-footer	per box	US\$38.52	US\$62.921	US\$24.40	63%
45-footer*	per box	US\$38.52	US\$70.787	US\$32.27	84%

(** Per PPA Memorandum Circular 10-2022 dated June 29, 2022)

VII. Revisions of these Rules.

The SBMA may revise this policy to Standardize the Currency for Empty Handling Charges in United States Dollars (USD) of Subic Bay International Terminal Corporation (SBITC) whenever it deems necessary, after due consultation with affected stakeholders.

VIII. Repealing Clause.

All policies, resolutions, instructions, and rules and regulations, or parts thereof, which are inconsistent with this policy to Standardize the Currency for Empty Handling Charges in United States Dollars (USD) of Subic Bay International Terminal Corporation (SBITC) are hereby deemed repealed or modified accordingly.

IX. Separability Clause.

Should any provision herein be subsequently declared unconstitutional or invalid, the same shall not affect the legality or validity of the other provisions.

X. Effectivity.

This policy to Standardize the Currency for Empty Handling Charges in United States Dollars (USD) of Subic Bay International Terminal Corporation (SBITC) shall take effect after fifteen (15) days following their publication in at least one (1) newspaper of general circulation and the filing of three (3) copies thereof with the Office of the National Administrative Register.