

MALACAÑANG
Manila



BY THE PRESIDENT OF THE PHILIPPINES

Time:

MFN 13549

EXECUTIVE ORDER NO. 170-B

ENCOURAGING FURTHER EXPANSION OF THE COUNTRY'S ROAD ROLL-ON/ROLL-OFF TERMINAL SYSTEM (RRTS) AND REDUCTION OF TRANSPORT COST THROUGH INCREASE IN THE NUMBER OF RORO-CAPABLE PORTS AND CONVERSION OF MORE PRIVATE NON-COMMERCIAL PORT OPERATIONS TO PRIVATE COMMERCIAL PORT OPERATIONS

WHEREAS, the various islands comprising the Philippine archipelago need to be efficiently linked together through a seamless system of land and sea transport that forms an integral part of the national highway network;

WHEREAS, Executive Order (EO) No. 170, dated January 22, 2003, promoted private sector participation and investment in the development and operation of the Road Roll-On/Roll-Off Terminal System (RRTS), whose coverage was expanded by EO 170-A, dated June 9, 2003;

WHEREAS, there are only 115 public ports and about 30 private ports operating commercially in the country, while there are more than 350 private non-commercial ports throughout the country that can be converted into private commercial ports and made part of the RRTS network;

WHEREAS, encouraging the conversion of private non-commercial ports into private commercial ports will expand the country's port system, reduce the investment requirements for building new ports, and entice greater private sector participation in the RRTS;

WHEREAS, Administrative Order No. 123, dated July 4, 2005, authorized the Secretary of the Department of Transportation and Communications (DOTC) Secretary to perform all powers and functions necessary to connect the country through the development of transportation networks such as the RRTS.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Development of more RORO-Capable Ports. All port authorities, like the Philippine Ports Authority (PPA), Cebu Ports Authority (CPA), Regional Port Management Authority (RPMA) and other independent port authorities, to continue the development of more Roll-On/Roll Off (RORO)-



capable ports in strategic areas of the country to widen the coverage of the nautical highway program.

SEC. 2. Transport Cost Reduction. The port authorities and Maritime Industry Authority (MARINA) to ensure that the spirit and intent of Executive Order (EO) No. 170, series of 2003, as amended, to lower the cost of transport is reflected in the Road Roll-On/Roll-Off Terminal System (RRTS) charges, and that the reduction of cargo handling costs is passed on to the users in the form of lower freight rates. In no case shall the existing cargo handling charges be retained in any form or manner, such as, change in the nomenclature of the fee/charge; provided that cargo conforms with the prescribed operating norms for RORO where there is no participation and responsibility over the cargo attached to the cargo handler and/or terminal operator as contemplated in EO 170, as amended.

SEC. 3. Uniform RRTS Rates. All port authorities shall ensure that the said RRTS charges are applied uniformly to RORO cargoes in their respective ports catering to RORO operations;

SEC. 4. Encouraging Conversion to Private Commercial Ports. All port authorities to allow and encourage the conversion of private non-commercial ports into private commercial ports under the RRTS network. Proximity to and direct competition with a public port shall not be a valid cause for non-approval of any private port conversion; and

SEC. 5. DOTC as Lead Agency. The Department of Transportation and Communication (DOTC) shall coordinate the activities of the aforementioned agencies, monitor their compliance with the directives under this EO and related issuances, seek the cooperation of the private sector and regularly report to the Office of the President progress of the government's program to realize the ultimate goal of bringing down transport costs.

SEC. 6. Implementing Rules. The DOTC shall issue the necessary rules and regulations to implement this EO within thirty (30) days after its publication.

SEC. 7. Separability Clause. If any provision of this Order is declared invalid, other provisions not affected thereby shall remain effective.

SEC. 8. Repealing Clause. All orders, issuances, or parts thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

SEC. 9. Effectivity. This Executive Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Republic of the Philippines to be affixed.

Done, in the City of Manila this 19th day of September in the year of our Lord, Two Thousand and Five.

Glenn Arroyo



By the President:

Eduardo R. Ermita

EDUARDO R. ERMITA
Executive Secretary

