



REPUBLIC OF THE PHILIPPINES
OFFICE OF THE PRESIDENT
Cagayan Economic Zone Authority

CEZA OPERATIONS

CIRCULAR NO. 19-004/M.

TO : All Shipping Line Companies, Accredited Port Users, CEZA
Registered Enterprises, Others Concerned

SUBJECT : CEZA RATE FOR TUG BOAT ASSIST DURING BERTHING

Pursuant to the CEZA Memorandum Circular No. 0-02-2019 Mandatory use of Tug Boat assist during berthing and Memorandum Order dated February 18, 2019 Pilotage and Compulsory Tug Boat Assistance during Docking/ Undocking services, this Authority adopts outport SEVENWELLS TUGS AND TOWING as non exclusive Service Provider with a rate of P1,800,000.00 PER VESSEL CALL (In/ and out)

This Order shall take effect on March 15, 2019

Signed:

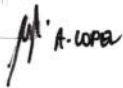

SEC. PAUL L. LAMBINO
Administrator and CEO




 **CEZA**
CAGAYAN ECONOMIC ZONE AUTHORITY

20190325-M-01299

Mar 25 2019 5:51 pm



Republic of the Philippines
Office of the President
CAGAYAN ECONOMIC ZONE AUTHORITY
**APPROVED FOR
POSTING**

Leonardo C. Cruz
Chairman, QMS



M. A. LOPEZ

MEMORANDUM

FOR : *[Signature]*
SEC. RAUL L. LAMBINO
Administrator and CEO

FROM : *[Signature]* 3/25
PCSUPT. AGRIMERO A. CRUZ JR. ret., CSEE
Deputy Administrator

SUBJECT : **PORT TUG BOAT SERVICES AND RATE**

DATE : **MARCH 25, 2019**

SUMMARY

1. This has reference to CEZA Memorandum Circular No 02-2019 dated February 18, 2019 with subject: Mandatory Use of Tug Boat Assist During Berthing in relation to PPA Administrative Order No 08,s 2012 for Pilot Special Services Charges and PPA Administrative Order No 11 s 2000 for Mandatory use of Tug Boat Services.

2. Pursuant to above references, the undersigned with the CEZA port Operations Specialist Mr ralph Iloy and Port Harbor Pilot Capt Reynaldo Erica initiated a consultation meeting with different shipping agents, transport officers, tugboat company representative and other stakeholders on March 6, 2019 at 10:55 am at Country Inn Beach Resort, Sta. Ana, Cagayan.

3. At the outset, Mr. Ralph Iloy declared that CEZA will implement PPA Admin Order No 11 s 2000 and PPA Memo Order No 8 s 2012 for CEZA not to violate Port International Safety Procedures. This will be done pursuant to CEZA Memo Circular No 2-2019 and will be effective March 15, 2019. (Minutes hereto attached)

4. One Tug Boat Company, Sevenwells Tugs and Towing Services based in Subic, Zambales submitted a proposal for tugboat services at a rate of Php 1,800,000.00 for berthing (in and out).

5. North Harbor Tugs Corporation represented by Operations Manager Ronald Custona verbally manifested their intention to submit a counter proposal at a rate lower than mentioned above. The undersigned gave them fifteen (15) days, sufficient time to make good on their intentions but up to this date, no proposal has been submitted.

6. Meanwhile, the other stakeholders interposed no objections to the implementation of CEZA 'No Tugboat Assist, No Berthing' Policy as embodied in

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By: *[Signature]*
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CEZA Memorandum Circular 02-2019 but merely stated that their respective cost of operations will considerably increase.

DISCUSSION

7. Both the undersigned and CEZA Port Operations Specialist are of the opinion that the port users and stakeholders must be consulted on the 'No Tugboat Assist, No Berthing' Policy in Port Irene and Port San Vicente.

8. This is also true on the Provider and Rate of Tugboat Services that is available. However only one such provider, Sevenwells Tugs and Towing submitted a formal proposal. The other company reneged on their promise to submit theirs within 15 days.

RECOMMENDATION

9. Respectfully recommend that CEZA Port Operations immediately implement Memorandum Circular 02-2019 (No Tugboat Assist, No Berthing Policy) and adopt SEVENWELLS TUGS and TOWING Services as a non-exclusive provider.

10. Further recommend approval and signature on attached CEZA Operations Circular to operationalize paragraph 9, above.

encls: a/s





MEMORANDUM

FOR : PCSUPT. AGRIMERO A. CRUZ JR., ret., CSEE
Deputy Administrator/
Overall Head, Cagayan Offices

FROM : RALPH PATRICK M. ILOY, MPA 3/11/19
Port Operations Specialist/ Head Seaport

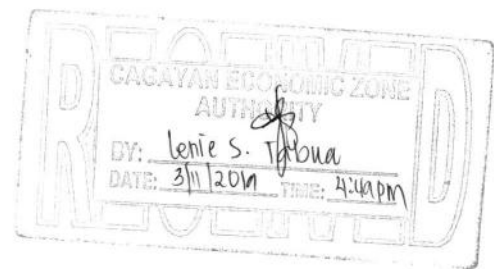
SUBJECT : IMPLEMENTATION OF TUG BOAT RATE
Minutes

DATE : MARCH 11, 2019

Attached herewith are the following documents for the immediate implementation of the Tug Boat Assistance Rate at Port Irene.

1. Minutes of the Stakeholders meeting held last March 6, 2019;
2. CEZA approved accredited Tug Boat provider rate;
3. Draft Memorandum Circular Order for Tug Boat Rate.

For your information and guidance.





REPUBLIC OF THE PHILIPPINES
 OFFICE OF THE PRESIDENT
Cagayan Economic Zone Authority

Time : 10:55 am
 Date : March 6, 2019
 Venue : Country Inn Beach Resort, Centro, Sta. Ana, Cagayan
 Hold by: Ralph Patrick M. Iloy

Attendees:

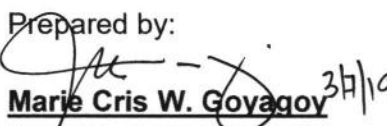
- PCSupt. Agrimero A. Cruz Deputy Administrator/ Overall in Command, Cagayan Offices
- Ralph Patrick M. Iloy Port Operation Specialist/ Head Seaport
- Capt. Reynaldo O. Erica CEZA Harbor Pilot
- Edmundo P. Revilla Shipping Agent of BISON Shipping and Logistics Agency Corp.
- Robert Tiano Shipping Agent of FULLSTEAM Shipping Agency
- Teofilo De Guzman Shipping Agent of PHILHUA Shipping Agency
- Edmund P. Africa Transport Officer of HOLCIM Phil.
- Ronaldo C. Custona Operation Manager of North Harbor Tugs Corp.
- Rogerick B. Matammu Port Technical Assistant
- Marie Cris W. Goyagoy Port Operation Specialist
- Macario A. Ayuman Chief Security Officer
- Elric A. Diego Civil Security Officer C
- Lory Jean B. Dafun Port Technical Assistant Secretary

Minutes of Meeting

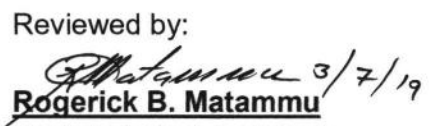
ITEMS	PARTICULARS	REMARKS
	Meeting called by Mr. Ralph Patrick M. Iloy	
	AGENDA: CEZA Memorandum Circular No. 0-02-2019 and Other issues Arising.	
	Discussions: <ul style="list-style-type: none"> • Presentation of the CEZA Memorandum Circular No.0-02-2019 to the Stakeholders. -Mandatory Use of Tug Boat Assist During Berthing to all Shipping Line Companies, Accredited Port Users, CEZA Registered Enterprises and other Concerned. Pursuant to Philippines Ports Authority (PPA) Administrative Order No. 11 s2000 and Philippine Ports Authority (PPA) Memorandum Order No. 08,2012 for Pilot Special Services Charges for 	By: Ralph Patrick M. Iloy

	Docking/Undocking Services which shall take effect on March 15, 2019.	
	<p>Action</p> <ul style="list-style-type: none"> CEZA should implement the PPA Administrative Order No.11 s2000 and Memorandum Order No.08,2012 otherwise CEZA violates the Safety Procedure as stated. -CEZA will implement on March 15, 2019 for the safety of the vessel and the port as well 	<p>By: Ralph Patrick M. Iloy</p> <p>By: PCSupt. Agrimero A. Cruz</p>
	<p>Proposal:</p> <ul style="list-style-type: none"> One tugboat applicant who is willing to provide services in Port Irene considering the present ship calls in the Port. Only one tug boat is visible to be station and charge the ship owner via ship agent tug services rate of Php. 1, 800,000 per vessel call. CEZA will inform all the Shipping Agents for the requirements. 	<p>By: Ralph Patrick M. Iloy</p>
	<p>COUNTER PROPOSAL</p> <ul style="list-style-type: none"> Operation Manager of North Harbor Tugs Corp. proposed a Php. 950,000.00 tug service rate per vessel call. Operation Manager of North Harbor Tugs Corp. counter proposal was advised to make a letter stating their kind of services and cost attaching their Company Profile and other requirements needed, addressed to the Office of the Administrator. 	<p>By: Ronaldo C. Custona</p> <p>By: PCSupt. Agrimero A. Cruz</p>
	<p>COMMENTS/ SUGGESTIONS</p> <ul style="list-style-type: none"> The shipping agents will advise the ship owner with regards to the proposal stated. HOLCIM Representative is willing to follow on what will be implemented by the Management. Capt. Erica suggested to the body to use 3,000 horsepower z-peller tugboat regardless of the size of the vessel. 	<p>By: Edmundo P. Revilla</p> <p>By: Edmund P. Africa</p> <p>NOTED</p>
	Meeting adjourned by Ralph Patrick M. Iloy at 11:20 am	


Prepared by:


Marie Cris W. Goyagoy
 Port Operation Specialist

Reviewed by:


Rogerick B. Matammu
 Port Technical Assistant

Noted by:


Ralph Patrick M. Iloy
 Port Operation Specialist/ Head Seaport



SEVENWELLS TUGS AND TOWING
Services Subic, Inc.

Date: March 11, 2019

Cagayan Economic Zone Authority (CESA)
Port Irene, Casambalangan, Sta. Ana,
Cagayan

Attn: Mr. Ralph M. Iloy
Port Operations Division Chief

Subject: Tugboat Rate Breakdown

Dear Iloy,

Please find the breakdown of tugboat rate.

Tugboat Rate	Php 1,800,000.00
Breakdown:	
1. Time Charter	Php 1,400,000.00
2. CEZA Share 10% of gross revenue	Php 180,000.00
3. Fuel Cost	Php 33,840.00
4. Various Admin Cost	Php 154,600.00
Total	Php 1,768,440.00
Net Revenue	Php 31,560.00

Very truly yours,

Capt. Ireneo U. de los Santos
President

