

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 514

FURTHER AMENDING EXECUTIVE ORDER NO. 495, SERIES OF 1991, AS
AMENDED, BY PROVIDING FOR THE REGULARIZATION OF THE
PHILIPPINE SHIPPERS' COUNCIL

WHEREAS, Executive Order No. 495, series of 1991, as amended, directed the dissolution of the Philippine Shippers' Council and its incorporation as a private, non-stock and non-profit corporation with the Securities Exchange Commission; and

WHEREAS, subsequent developments require the retention and justify the conversion of the Philippine Shippers' Council into a regular government agency;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

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SECTION 1. *Declaration of Policy.* - It is hereby declared the policy of the State to facilitate and assist the development and growth of Philippine trade and the national economy by enhancing the legitimate interests of Philippine shippers.

SEC. 2. *Regularization.* - The Philippine Shippers' Council is hereby converted into a regular agency under the Department of Trade and Industry to be known as the Philippine Shippers' Bureau, hereinafter referred to as the Bureau.

SEC. 3. *Powers and Functions.* - The Bureau shall have the following powers and functions:

a. Promote and protect the common interests of Philippine exporters, importers and other commercial users of water transport; and maintain and foster close cooperation and mutual assistance among them;

b. Conduct continuing consultations and negotiations with shipping companies, associations of shipping interests, government authorities and other institutions and persons, whether foreign or domestic, for the shipment of goods on time at reasonable rates and acceptable shipping terms and conditions;

c. Mediate and/or arbitrate disputes between members of associations of shipping interests and between the said members and non-members;

d. Serve as the clearing house of information on shipping services and other related matters;

e. Recommend appropriate measures to promote and develop Philippine trade and commerce through the economical and efficient carriage of merchandise;

f. Maintain and develop harmonious relationships and enter into mutually-beneficial arrangements with domestic and international shippers' associations or councils;

g. Participate in conferences and present the government position concerning shipping policies and the promotion of export and import trade; and negotiate for reasonable freight rates at international shipping conferences and non-conference lines and trampers;

h. Register and accredit non-vessel operating common carriers, freight forwarders, cargo consolidators and breakbulk agents in accordance with existing agreements and charge reasonable fees therefor;

i. Implement the provisions of Presidential Decrees Nos. 917 and 1466 and their implementing rules and regulations governing freight booking and cargo consolidation; and seaborne transport, respectively; and

j. Perform such other functions as may hereinafter be provided by law.

SEC. 4. *Bureau Officials.* - The Bureau shall be headed by a Director who shall be assisted by an Assistant Director. The Director and the Assistant Director shall be appointed by the President of the Philippines and both must have the necessary background in international and domestic trade, overseas and inter-island shipping, economics and maritime matters and must have had at least three (3) years of work experience in research, planning and management in a responsible capacity.

The Director shall have the following powers and functions:

a. Exercise supervision and control over all divisions and other units under the Bureau;

- b. Establish policies and standards for the operations of the Bureau pursuant to the plans and programs of the Department of Trade and Industry;
- c. Promulgate rules and regulations necessary to carry out the Bureau's objectives, policies and functions;
- d. Submit within thirty (30) days after the close of every calendar year an annual report to the Secretary of Trade and Industry and such other reports the latter may require;
- e. Submit an annual budget and such supplemental budgets as may be necessary to the Secretary of Trade and Industry for his consideration and approval;
- f. Enter into any obligation, contract or transaction essential to the Bureau's administrative and operational requirements in accordance with existing laws, rules and regulations;
- g. Receive, in behalf of the Bureau, grants and donations that may be given by foreign or local sources;
- h. Appoint personnel in the Bureau in accordance with existing laws, rules and regulations;
- i. Exercise disciplinary action over all personnel in the Bureau in accordance with the Civil Service law, rules and regulations; and
- j. Perform such other functions as may be directed by the Secretary of Trade and Industry.

The Assistant Director shall have the following powers and functions:

- a. Assist the Director in the exercise of his powers and the performance of his functions;
- b. Act as Director during the Director's absence, sickness or other temporary disability to act as such; and
- c. Perform such other functions as may be directed by the Director or the Secretary of Trade and Industry.

SEC. 5. *New Structure and Pattern.* - Upon the effectivity of this Executive Order, the Executive Director of the Philippine Shippers' Council

shall be the Acting Director of the Bureau pending the appointment of the Director and the Assistant Director by the President of the Philippines. The officers and employees of the Philippine Shippers' Council shall, in a holdover capacity, continue to perform their respective duties and responsibilities and receive their corresponding salaries and benefits unless in the meantime they are separated from the service pursuant to existing laws, rules and regulations.

pa The Secretary of Trade and Industry, upon the recommendation of the Director, shall submit the necessary organizational structure for the Bureau to the Secretary of Budget and Management within ninety (90) days from the effectivity of this Executive Order. The authorized positions created thereunder shall be filled with regular appointments in accordance with existing laws. Those incumbents whose positions are not included therein or who are not reappointed shall be deemed separated from the service. Those separated from the service shall receive the benefits to which they may be entitled under existing laws, rules and regulations. Otherwise, they shall be paid the equivalent of one (1) month basic salary for every year of service in the government, or a fraction thereof, computed on the basis of the highest salary received, but in no case shall such payment exceed the equivalent of twelve (12) months' salary.

SEC. 6. *Transfer of Records and Others.* - The records, equipment, facilities, chooses in action, rights, other assets and personnel of the Philippine Shippers' Council are hereby transferred to the Bureau. The appropriations and funds of the Philippine Shippers' Council, if any, shall revert to the General Fund after reserving the amount necessary to pay the benefits of those separated from the service under Section 5 hereof: *Provided*, That if the appropriations and funds of the Philippine Shippers' Council are not sufficient to pay such benefits, the deficiency shall be satisfied from the savings of the Department of Trade and Industry.

SEC. 7. *Funding.* - The amount necessary to carry out the provisions of this Executive Order shall be charged against the appropriation of the Philippine Shippers' Council under the General Appropriations Act of 1992 and any deficiency shall be taken from the contingent funds under the same Act. Thereafter, the appropriations for the Bureau shall be included in the annual general appropriations bill submitted to Congress.

SEC. 8. *Implementing Authority.* - The Secretary of Trade and Industry shall promulgate such rules, regulations and other issuances as may be necessary to ensure the efficient and effective implementation of this Executive Order.

SEC. 9. *Applicability of References to the Philippine Shippers' Council.* - All references to the Philippine Shippers' Council under existing laws, rules and regulations, as may still be valid and applicable and insofar as consistent with the provisions of this Executive Order, shall henceforth be deemed as reference to the Bureau.

SEC. 10. *Notice or Consent Requirements.* - If any reorganizational change authorized in this Executive Order is of such substance or materiality as to prejudice third persons with rights recognized by law or contract such that notice to or consent of creditors is required to be made or obtained pursuant to any agreement entered into with any such creditors, such notice or consent requirements shall be complied with prior to the implementation of such reorganizational change.

SEC. 11. *Separability.* - Any portion or provision of this Executive Order that may subsequently be declared unconstitutional or invalid shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portions or provisions can still subsist and be given effect in their entirety.

SEC. 12. *Repeal.* - Presidential Decrees Nos. 165 and 833 and all other laws, rules and regulations inconsistent with this Executive Order are hereby repealed or amended accordingly.

SEC. 13. *Effectivity.* - This Executive Order shall take effect after fifteen (15) days from its publication in a newspaper of general circulation or in the Official Gazette.

DONE in the City of Manila, this 26th day of March in the year of Our Lord, nineteen hundred and ninety-two.

Corason B. Aquino

By the President:

Franklin M. Drilon
FRANKLIN M. DRILON
Executive Secretary

Franklin M. Drilon

3/21/92