PHILIPPINE INITIATIVES ON THE
DEVELOPMENT OF DRY PORTS OF
INTERNATIONAL IMPORTANCE

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Background:

- The UNESCAP adopted ESCAP Resolution 69/7 of 01 May 2013 on the Intergovernmental Agreement on Dry Ports.

- Currently, seventeen (17) member States signed in the Agreement with Turkey as the most recent to have signed the Agreement on 15 December 2014.

- Of the 17 member states, 3 have deposited their instrument of ratification, acceptance, approval or accession with the UN Secretary-General and these countries were Korea, Thailand and Vietnam.
Status of Philippine Government participation to the Intergovernmental Agreement on Dry Ports:

- The Philippine Government was part of the initial drafting of the UN-Intergovernmental Agreement on Dry Ports of International Importance in 2011.

- While the country is not yet a signatory to the Agreement, the Philippine Government is now in the process of reviewing the Intergovernmental Agreement on Dry Ports. Comments from concerned government agencies are being secured with the DOTC recommending for the President to sign the Agreement. A ratification process will proceed after the signing of the Agreement.
• The Philippines initially has submitted five (5) potential locations for dry ports development as listed in Annex I of the Agreement. Upon review of the Finalized Draft Intergovernmental Agreement in August 2013, additional two (2) potential locations were recommended by the National Economic Development Authority (NEDA) Board Committee on Infrastructure.

• The additional sites were communicated to the Department of Foreign Affairs in the Philippines for amendment in the Annex I of the Agreement.
• The proposed sites were identified after series of consultations among national government agencies and as proposed by the DOTC and the Philippine Ports Authority based on the requirements of the Agreement.

• The operation of dry port (Inland Container Depot) was previously introduced in the country by the International Container Terminal Services (ICTSI) in Calamba, Laguna in 1997. It ceased operations in 2003 due to some factors that made the operation less viable.
Initiatives of the Private Sector (Terminal Operator):

- In support of the increasing cargo volumes at the Port of Manila, the Laguna Gateway Inland Container Depot (LGICT) at Calamba, Laguna was established in 2015.
  - Serves as an extension of the Manila International Container Terminal (MICT) as a regional logistics hub that is now operational and ready to accept laden containers.
  - It will add 400,000 TEUs to MICT’s annual capacity.
  - Currently working on securing a license from the Bureau of Customs and accreditation from the Philippine Economic Zones Authority to benefit industrial parks and ecozones and companies located at the south of Manila.
- Land Area =21 hectares, Annual Capacity =250,000 TEUs
- Facilities include rubber tired gantry, reach stackers, side lifters and prime movers.

- The Asian Terminals Incorporated (ATI) has a 4-hectare Inland Clearance Depot (ICD) in Calamba City, Laguna as a supply-chain partner for major manufacturers and industrial zones in Cavite, Laguna and Batangas.
  - Operationally connected to Manila South Harbor and Batangas Container Terminal.
  - Includes logistics services (handling of containers, storage, brockerage, and other ancillary services for seamless and hassle-free shipment deliveries).
Benefits of Dry Port Development in the Philippines:

- Promote more efficient movement of import and export cargoes.

- Serve as an important component of an integrated intermodal transport and logistics system, facilitates increased efficiency and reduce transport and logistics costs.

- Can be developed as a logistics center in inland areas and wider hinterlands.

- Provide better opportunities to access technical and financial assistance from dialogue partners and party states on the successful development of dry ports.
Measures Undertaken by the Philippine Government on Dry Ports Development:

- The ASEAN Land Transport Working Group recognized the importance of dry ports along the Asian Highway (AH26) and the list of identified potential sites for dry ports was submitted by the DOTC to the ASEAN Secretariat in 2014.

- The DOTC is pursuing to conduct feasibility studies on the establishment of dry ports on the seven (7) identified locations to assess the viability, institutional requirements, among others, that will provide efficient movement of import and export cargoes in the country. Thus, the Department is exploring for any available funding sources to cover the conduct of the feasibility studies.
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