


FOURTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES)
Second Regular Session

8 AUG -5 P5:01

RECEIVED BY: 

SENATE

S. No. 2518

Introduced by Senator Manny Villar

EXPLANATORY NOTE


The competitiveness and efficiency in facilitating an expedient entry and departure of ships in its port of origin and destination is a role played by ship agents.

The term "ship agent" as held by Supreme Court in its long line of decisions, is broad enough to include the ship owner. Pursuant to Articles 586 and 587 of the Code of Commerce, both the ship owner and ship agent are civilly and directly liable for the indemnities in favor of third persons, which may arise from the conduct of the captain in the care of goods transported, as well as for the safety of passengers transported. In other words, it expresses the universal principle of limited liability under maritime law.

However, other kinds of ship agents who are known as "tramp or port agents" are appointed by tramp operators for a particular voyage only and are merely responsible in providing assistance to facilitate the vessel's entry into, stay and departure from the port.

Thus, it is necessary to update the antiquated provisions of the Code of Commerce by providing among others, a clear definition of a tramp service and a tramp agent as well as to delimit the cargo liability of a tramp agent.

The early enactment of this legislation is earnestly sought.


MANNY VILLAR

FOURTEENTH CONGRESS OF THE
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**AN ACT DEFINING THE LIABILITY OF SHIP AGENTS IN THE TRAMP
SERVICE, AMENDING FOR THIS PURPOSE ARTICLE 586 OF
THE CODE OF COMMERCE AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and House of Representatives of the Philippines in
Congress assembled:*

SECTION 1. Article 586 of the Code of Commerce is hereby amended to
read as follows:

"ARTICLE 586. The shipowner and the ship agent shall be civilly
liable for the acts of the captain and for the obligations contracted by the
latter to repair, equip, and provision the vessel, provided the creditor
proves that the amount claimed was invested for the benefit of the same.

"By ship agent is understood the person entrusted with provisioning
or representing the vessel in the port in which it may be found. **SHIP
AGENT MAY ALSO MEAN A TRAMP AGENT APPOINTED BY THE
SHIPOWNER, CHARTERER OR CARRIER IN A TRAMP SERVICE FOR
ONE PARTICULAR VOYAGE WHOSE AUTHORITY IS LIMITED TO
THE CUSTOMARY AND USUAL PROCEDURES AND FORMALITIES
REQUIRED FOR THE FACILITATION OF THE VESSEL'S ENTRY,
STAY AND DEPARTURE IN THE PORT.**

"**TRAMP SERVICE IS THE OPERATION OF A CARRIER WHICH
HAS NO REGULAR AND FIXED ROUTES BUT ACCEPTS CARGO AT
ANY TIME AS AGREED UPON BETWEEN THE SHIPOWNER AND THE
SHIPPERS AND IS HIRED ON A CONTRACTUAL OR CHARTERED
BASIS UNDER MUTUALLY AGREED TERMS, AND USUALLY
ARRIES BULK OR BREAK BULK CARGOES.**

"**THE LIABILITY OF THE SHIP AGENT OR A TRAMP AGENT IN
A TRAMP SERVICE SHALL NOT EXTEND TO THE OBLIGATIONS
ASSUMED BY THE SHIPOWNER, CHARTERER OR CARRIER WITH
THE SHIPPER OR RECEIVER OF THE GOODS CARRIED BY THE
SHIP: PROVIDED, THAT IT IS THE DUTY OF THE TRAMP AGENT TO
ASSIST THE SHIPPER OR RECEIVER IN MAKING CARGO LIABILITY
CLAIMS AGAINST THE SHIPOWNER, CHARTERER OR CARRIER:
PROVIDED, FURTHER, THAT FAILURE OR INACTION TO ASSIST
THE SHIPPER OR RECEIVER SHALL SUBJECT THE TRAMP AGENT
TO APPLICABLE ADMINISTRATIVE SANCTIONS IMPOSED BY
APPROPRIATE GOVERNMENT AGENCIES."**

SEC. 2. All laws, presidential decrees, executive orders, rules and regulations or parts thereof contrary to or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SEC. 3. This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,