

**[ DTI DEPARTMENT ADMINISTRATIVE ORDER NO.  
5, S. 1995, May 22, 1995 ]**

**RULES AND REGULATIONS GOVERNING  
REGISTRATION/ACCREDITATION OF DOMESTIC FREIGHT  
FORWARDERS**

Pursuant to Section 4(c) of Executive Order No. 514, the following rules governing the registration/accreditation of domestic freight forwarders are hereby promulgated:

**Rule I  
Objectives**

It shall be the policy of the state to promote and professionalize the domestic freight forwarding industry through a system of registration and accreditation; and establish an environment conducive to the growth of the industry.

**Rule II  
Coverage**

All persons or entities engaged in domestic freight forwarding services as defined in this MOU; provided that the registration and accreditation of all persons or entities engaged in domestic air freight forwarding services shall remain vested with the CAB.

**Rule III  
Definition of Terms**

1. **Memorandum of Understanding (MOU)** - refers to the MOU entered into by and among the Philippine Ports Authority (PPA), the Maritime Industry Authority (MARINA), the Civil Aeronautics Board (CAB), the Philippine Shippers' Bureau (PSB), and the Philippine Domestic Freight Forwarders Association, Inc. (PHIDOFFA).
2. **Registration and Accreditation** - a process whereby the applicant/entity is shown to have complied with the basic requirements as may be imposed by the implementing agency of the government, the PSB.
3. **Certificate of Registration and Accreditation** - document issued by the PSB certifying to the registration and accreditation of an entity for the purpose of transacting business as a domestic freight forwarder.
4. **Domestic Freight Forwarder** - cargo intermediary enterprise which facilitates the transport of goods on behalf of its customer and performs any or a combination of the domestic freight forwarding services as defined in these Rules.

5. **Domestic Freight Forwarding Services** - shall include but not limited to the following: acceptance of cargo for delivery to domestic destination, documentation and processing, booking cargo space, negotiating freight rates, advancing freight payments, providing trucking and warehousing, packing/crating and other related undertakings.
6. **Shipper** - means the person whose name appears in the Airwaybill, Bill of Lading or other transport documents as the party contracting with the carrier for the carriage of goods.
7. **Consignee** - the person whose name appears in the Airwaybill, Bill of Lading or other transport documents as the party to whom the goods are to be delivered by the carrier.
8. **Registration and Monitoring Committee (RMC)** - a committee composed of duly designated government representatives from the PPA, MARINA, CAB, and the PSB as permanent members; and duly designated private representatives from the PHIDOFFA, and two (2) industry experts and by the Secretariat whose members shall be appointed by the PSB Director.
9. **Philippine Shippers' Bureau (PSB)** - the lead agency in the implementation of the MOU.

#### **Rule IV** **Requirements for Registration/Accreditation**

1. Articles of Incorporation/partnership or business name registration;
2. Biodata (with 2 passport size pictures) of the applicant's operations manager or chief operating officer who must have at least two (2) years experience in shipping, freight forwarding or other related fields of specialization;
3. Latest audited financial statements;
4. Certificate of paid-up capital issued by the Securities and Exchange Commission, which must show a total of at least P250,000.00. In lieu thereof, a single proprietorship shall submit bank certification as to its cash balance or certificate of ownership of other tangible properties;
5. Specimen of Bill of Lading, Waybill or any equivalent transport document;
6. Inventory of transport equipment or contract with a trucking company;
7. Insurance with minimum coverage of at least P100,000.00 or equivalent to an amount to be determined by the RMC based on the nature of usual cargo handled by the applicant; and
8. Authority to inspect offices/warehouse.
9. Permit to operate (PTO) issued by the PPA as applicable.

#### **Rule V** **Processing of Application**

**SECTION 1. When Application for Registration/Accreditation is Considered Filed** - An application for registration/accreditation shall be considered filed only,

upon submission of all documentary requirements and payment of filing and processing fee in the amount of P3,000.00 per application.

**SECTION 2. Action on the Application** - Within fifteen (15) working days from receipt of the application, the PSB Registration and Accreditation Division shall evaluate pertinent documents and inspect the offices and equipment of the applicant.

**SECTION 3. Inspection Procedures** -

1. Inspection shall be conducted by a team of at least two (2) members of the PSB Registration and Accreditation Division staff or its duly authorized representative, upon written instruction of the PSB Director.
2. Inspection shall be conducted in the presence of the manager or any officer of the company-applicant.
3. Inspection report (in accordance with the format herein appended\*) shall be submitted to the PSB Director within twenty-four (24) hours after the inspection.

**SECTION 4. Approval of Application** - All applications for registration/accreditation shall be submitted to the Registration and Monitoring Committee (RMC) for approval.

**SECTION 5. Issuance of Registration/Accreditation Certificate and RMC ID** - The RMC, through the PSB Director, shall issue the corresponding registration/accreditation certificate and RMC ID after the applicant's satisfactory compliance with the requirements set forth in these Rules.

**Rule VI**  
**Reglementary Periods**

**SECTION 1. Validity of Certificate of Registration/Accreditation** - The Certificate of Registration/Accreditation issued pursuant to these Rules, shall be valid for two (2) years from the date of issue, unless sooner canceled or suspended by the Committee, upon recommendation by the PSB for violation of these Rules or non-compliance with certain requirements set forth in these Rules.

**SECTION 2. Renewal of Registration** - Forty-five (45) calendar days before the expiry date of the certificate, all covered entities shall submit an application for the renewal thereof, to the PSB Registration and Accreditation Division; such application shall be supported by a minimum requirement to be determined by the RMC. Renewal applications filed not later than fifteen (15) working days expiry date shall be charged P4,500.00; those applications filed after fifteen (15) days before expiry date and applications of entities which were previously delisted, shall be charged P6,000.00, instead of the usual P3,000.00 filing and processing fee.

**SECTION 3. Automatic Registration/Accreditation** - All applications for registration/accreditation, whether original or renewal, shall be processed within a period of twenty-one (21) working days, reckoned from the date of filing; after the lapse of the said period and no action has been taken on the application or the processing thereof has not been completed, the application shall be deemed approved and the applicant shall be entitled to the issuance of certificate of registration/accreditation.