

PHILIPPINE
PORTS
AUTHORITY



ANNUAL REPORT 2022

PORT MANAGEMENT OFFICE OF SURIGAO



rebuild.

ABOUT US

Established on August 1, 1977, the Port Management Office of Surigao (PMO Surigao) was created by the Philippine Ports Authority (PPA) with the objective of efficiently managing and overseeing port operations in Surigao City. Taking over the responsibilities of port operations, maintenance, and related functions from the Bureau of Customs and the former Bureau of Public Works, PMO Surigao has since played a crucial role in facilitating maritime activities in the region.

With jurisdiction extending over a diverse range of ports, PMO Surigao oversees operations in the provinces of Surigao Del Norte, including the captivating Siargao and Bucas Grande Islands, as well as Surigao del Sur and the Province of Dinagat Islands. Notably, the Port of Surigao serves as a pivotal maritime gateway in the Caraga Region, catering to the transportation needs of passengers and cargoes not only from Southern Leyte but also from Agusan Del Sur and Norte.



Lipata Ferry Terminal, Mindanao's premiere RORO Gateway

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The year 2022 unveiled formidable trials for the Port Management Office (PMO) of Surigao. Undaunted, the PMO embraced a resolute mission—to rejuvenate and rebound from the ruinous embrace of Typhoon Odette.

The cover design of the 2022 Annual Report of PMO Surigao encapsulates the very essence of PMO Surigao's restoration endeavor. A vivid portrayal of unwavering determination to reclaim solid ground, regain its footing and seize the abundant opportunities that lie ahead.

OUR VISION

“By 2030, the Philippine Ports Authority, as part of an integrated transport and logistics system, shall have provided port facilities and services at par with global best practices and a port regulatory environment conducive to national development.”



OUR MISSION

- Provide modern, sustainable and resilient port infrastructures and facilities.
- Provide responsive, reliable, and efficient port services.
- Promote a regulatory framework that is transparent, fair, and relevant to the needs of all stakeholders in pursuit of a national port development program.

OUR CORE VALUES

The Philippine Ports Authority (PPA) stands as a model of unwavering commitment to its core values: transparency, reliability, innovation, professionalism, sustainability, and social responsibility.

TRANSPARENCY is the foundation of building trust among stakeholders through open financial reporting and project updates.

RELIABILITY forms the bedrock upon which the PPA builds its reputation as a dependable partner in trade and commerce. By placing reliability at the forefront, the PPA offers a sense of certainty to businesses, bolstering their confidence in the port infrastructure and facilitating their growth.

INNOVATION drives progress as the PPA adopts emerging technologies and global best practices and fosters a culture of innovation within its workforce. It encourages its employees to think creatively, and to propose novel solutions.

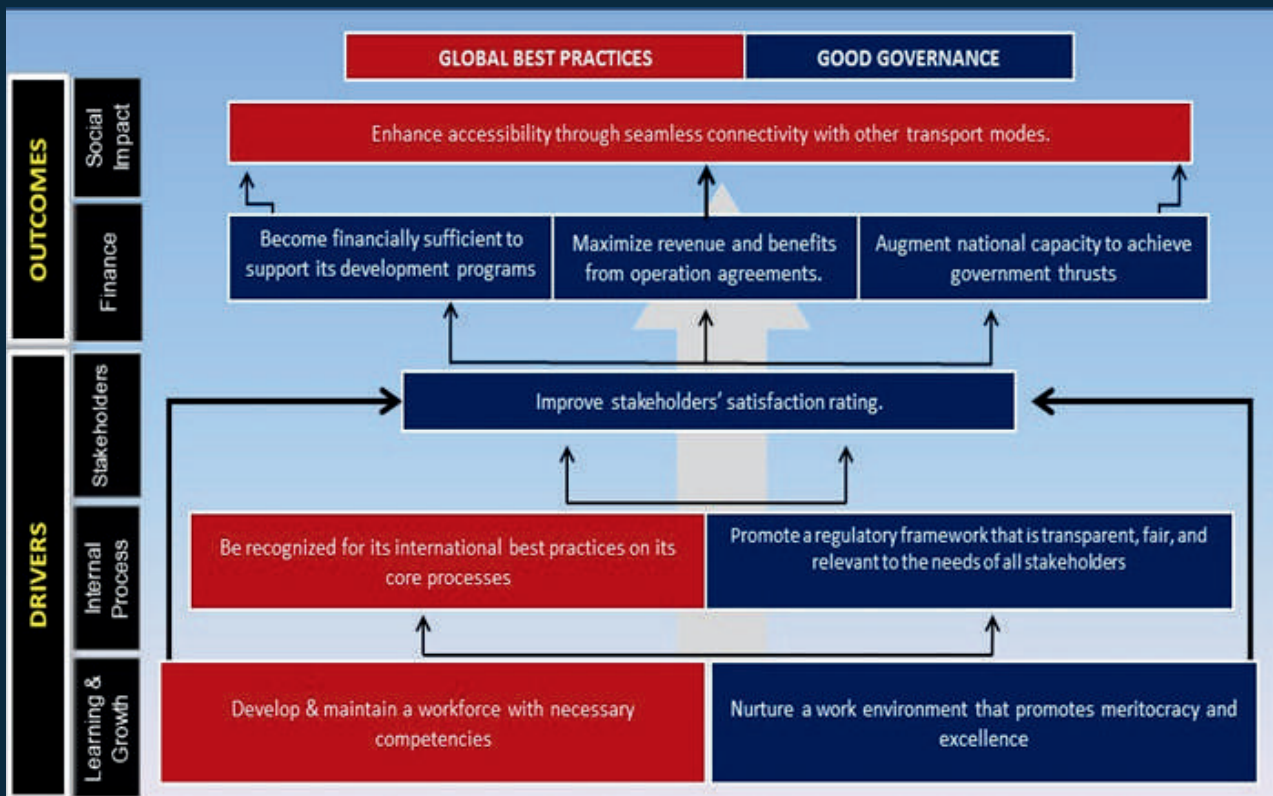
PROFESSIONALISM, a cornerstone of the PPA's operations, underpins its commitment to excellence in every facet of its work, ensuring that its employees possess the knowledge and skills necessary to tackle any challenge.

SUSTAINABILITY guides efforts to create a greener future and combat climate change. By prioritizing sustainability, the PPA not only contributes to global efforts to combat climate change but also ensures a brighter and healthier future for generations to come.

SOCIAL RESPONSIBILITY is embraced through community initiatives that uplift lives and promote inclusivity.



PPA STRATEGY MAP



PPA CORPORATE RESPONSIBILITY (CSR) STATEMENT

As a leading GOCC, the PPA continues to work towards upholding the highest standards of corporate governance by simply being a responsible corporate citizen. This entails (1) developing and operating ports that cater to the needs of local and/or global clients in accordance with best practices and state-of-the-art technologies, (2) promoting the growth of communities by linking them to the mainstream of economic activities, (3) establishing fair and equitable business relationships which are beneficial to both port stakeholders and the government, and (4) uplifting the lives of its employees by giving them a work environment that is conducive and offers opportunities for career advancement.

YEAR IN REVIEW

Message of the Port Manager



The year 2022 posed immense challenges for the Port Management Office (PMO) of Surigao as it embarked on a courageous mission to rebuild and recover in the wake of the devastating Typhoon Odette. This destructive storm unleashed its fury upon the three provinces under the PMO's jurisdiction, leaving behind a trail of destruction and despair.

Undoubtedly, the impact of Typhoon Odette presented significant obstacles in the arduous task of reconstructing the damaged physical infrastructure, as well as the subsequent decline in revenue collections. Despite these formidable challenges, the PMO managed to collect over PhP600 million in revenue for CY 2022. Although this amount represented a modest decline of approximately 5.28% compared to the previous year, the total collections of PhP615,659,000 in 2022 highlighted the resilience and unwavering determination of the PMO in the face of adversity.



Bulk Carrier Loading Nickel Ore on Anchorage

The mining sector, a vital contributor to the region's economy, encountered its own set of challenges. Rising production costs due to inflation, particularly in fuel expenses, coupled with reduced output caused by adverse weather conditions hindered mining operations and subsequently impacted the exportation of mineral products. Nevertheless, PMO Surigao remained steadfast in its commitment to overcoming these obstacles and persevered in its efforts to revitalize the industry.

Amidst the financial hardships, performance indicators revealed a remarkable improvement in the operations of the ports under PMO Surigao in 2022 compared to the previous year. This positive development served as a testament to the unwavering commitment and hard work of the dedicated men and women of PMO Surigao.



Looking ahead, PMO Surigao expressed utmost confidence in the continuous growth and significance of the maritime industry in the provinces of Surigao del Norte, Surigao del Sur and Dinagat Islands. The region's flourishing economy, abundant natural resources, and strategic location were identified as the driving forces behind this anticipated growth. With an indomitable spirit and resolute determination, the PMO Surigao gradually regained its footing and aimed to seize the abundant opportunities that lie ahead.

In the face of the challenges that lie before us, the men and women of PMO Surigao have much to celebrate. We stand ready and prepared to overcome any obstacles that may come our way, embracing the future with renewed vigor and unwavering resolve. Together, we shall rise, rebuild, and help propel the Philippine maritime industry towards a brighter and more prosperous future.

FROILAN UICATURLA

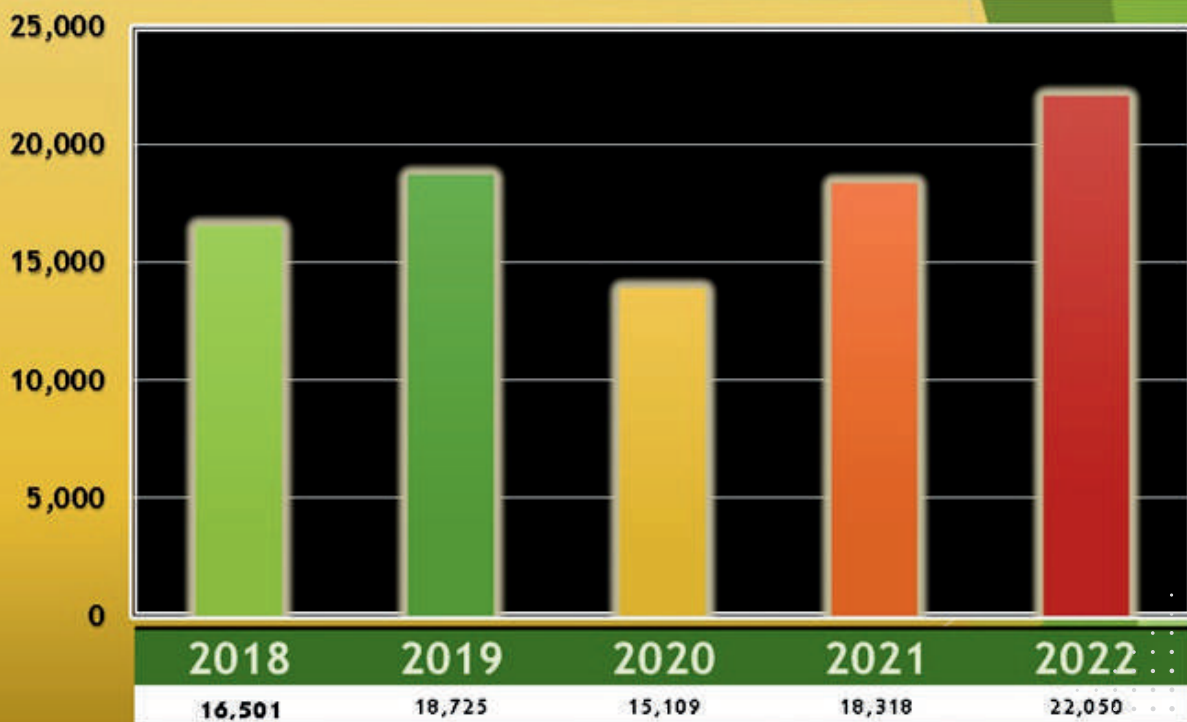
Acting Port Manager

Shipping and Trade PERFORMANCE

With the gradual reopening of the economy and the lifting of COVID-19 restrictions on personal movement, there has been a significant surge in domestic ship calls at ports under the Port Management Office (PMO) Surigao. Compared to the previous year, there has been an impressive increase of approximately 19% in ship calls.

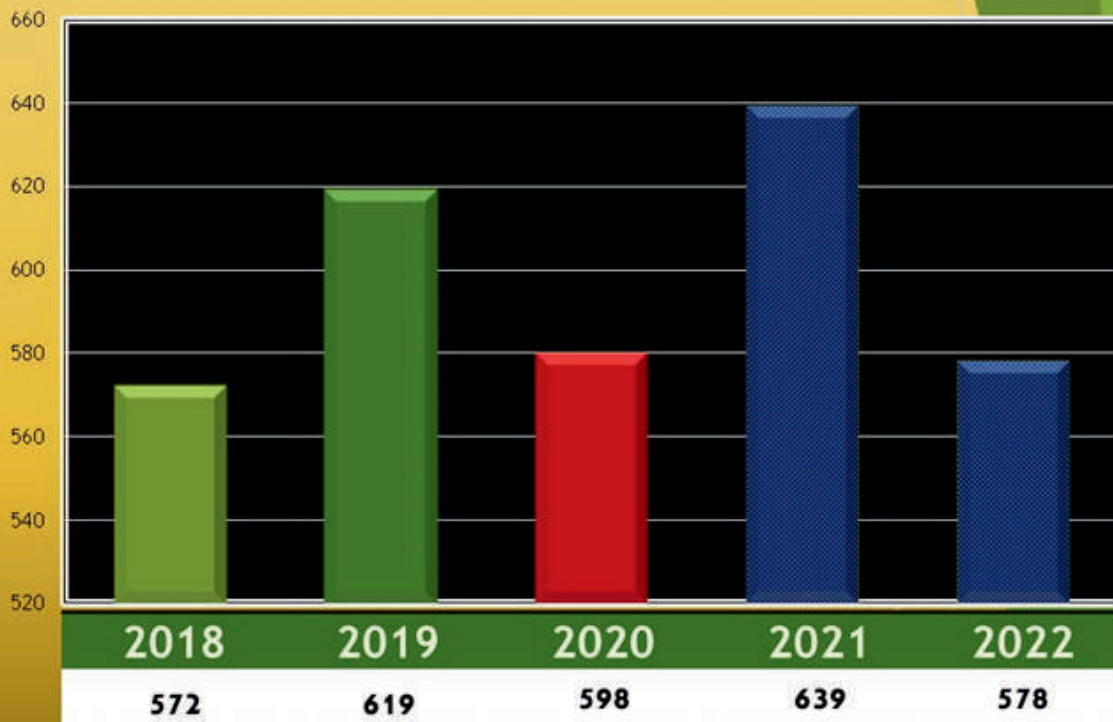
However, it's important to note that the Lipata Ferry Terminal experienced a decrease in vessel calls. This decline can be attributed to the limited docking space caused by the damage inflicted by typhoon Odette on certain berthing facilities at the terminal. Despite this setback, the overall growth in ship calls at PMO Surigao has been remarkable.

SHIPPING AND TRADE STATISTICS DOMESTIC SHIPCALLS



SHIPPING AND TRADE STATISTICS

FOREIGN SHIPCALLS

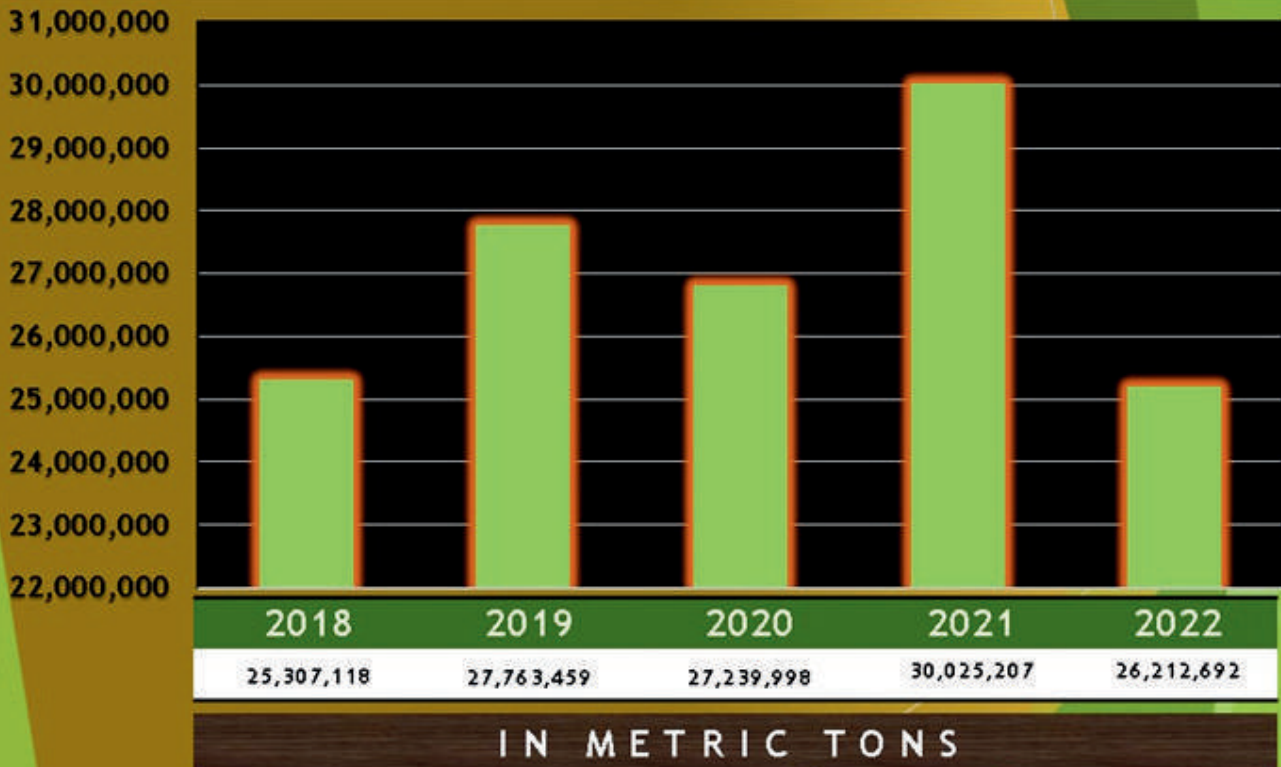


The number of foreign vessel calls experienced a decline from 639 in 2021 to 578 in 2022, representing a decrease of approximately 9%. Several factors played a significant role in this decrease, with two prominent ones being the global economic disruptions resulting from the war in Ukraine and effects of climate change, such as substantial rainfall during the summer months of April, May, and June 2022. It is noteworthy to mention that strict enforcement of moisture content regulations for nickel ore was in place to mitigate the risk of liquefaction during shipment.

The decline in foreign vessel calls from 639 in 2021 to 578 in 2022 signifies a reduction of around 9%. Multiple factors contributed to this decrease, among which the foremost were the global economic disruptions caused by the war in Ukraine and the unusual climate patterns linked to climate change. Specifically, the summer months of April, May, and June 2022 witnessed heavy rainfall, adding to the challenges faced by maritime activities.

SHIPPING AND TRADE STATISTICS

FOREIGN CARGO THROUGHPUT

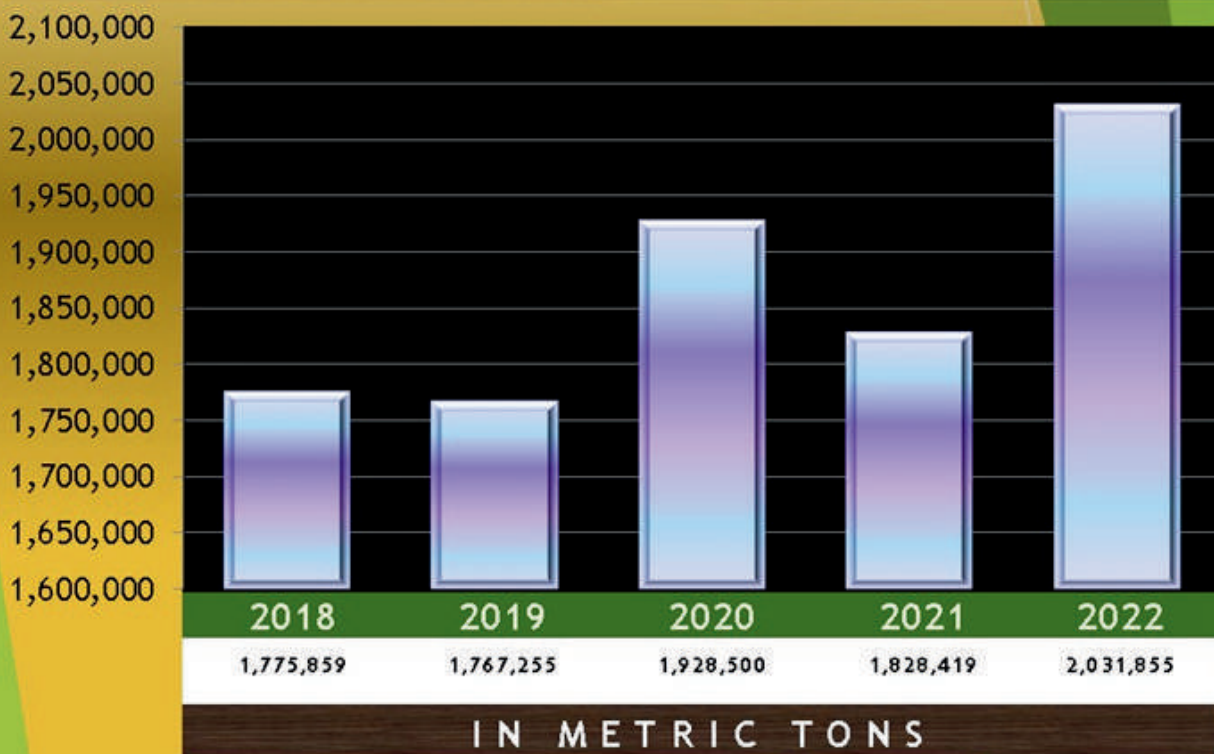


The decrease in foreign ship calls has had a profound impact on the exportation of mineral products, which play a vital role as a key revenue source for PMO Surigao. These mineral products account for approximately 80% of the PMO's annual income, making them a crucial economic driver. However, in the year 2022, the foreign cargo throughput recorded a significant decline, reaching 28,244,547 metric tons. This represents a substantial decrease of 12% compared to the cargo volume from the previous year.

The decline in ship calls and cargo volume has had far-reaching consequences for the PMO's financial performance in 2022. With fewer ships arriving at the port in 2022 compared to the previous year, there has been a considerable reduction in the exportation of mineral products, leading to a notable decrease in revenue generation.

SHIPPING AND TRADE STATISTICS

DOMESTIC CARGO THROUGHPUT



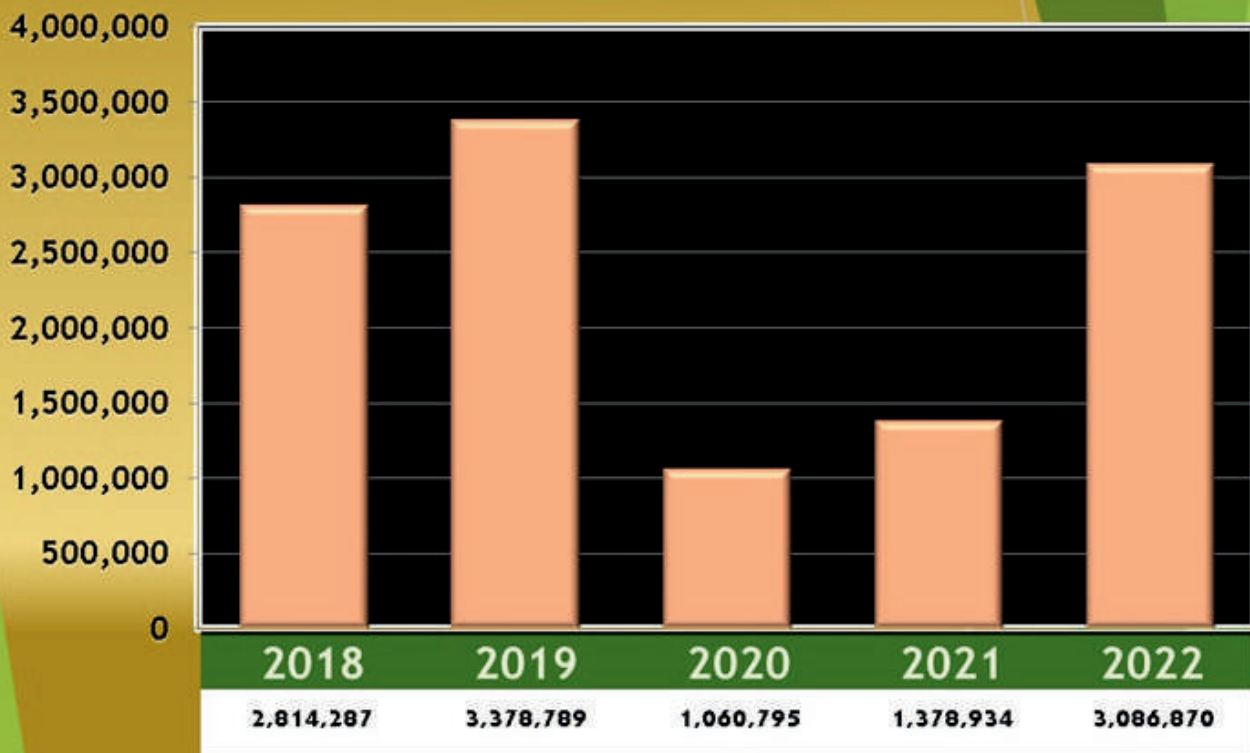
On the other hand, domestic cargo throughput at ports under PMO Surigao witnessed a notable and impressive 11% surge. This growth can be primarily attributed to the increased transportation of essential goods following the government's gradual relaxation of COVID-19 restrictions. As the year progressed, numerous businesses regained momentum and operated at full capacity, especially during the middle of the year.

The surge in domestic cargo throughput at PMO Surigao ports is indicative of a positive economic trend. The lifting of COVID-19 restrictions played a pivotal role in stimulating trade and commerce, leading to heightened shipping activities. The increased shipment of prime commodities illustrates the resilience and adaptability of businesses that swiftly adjusted to the evolving circumstances.

This significant upturn in cargo transportation is a testament to the recovery and revitalization of various industries. As more businesses resumed operations at full capacity, it not only contributed to economic growth but also fostered job creation and stability in the region. The surge in domestic cargo throughput serves as a promising indicator of the overall progress made in reviving the local economy.

SHIPPING AND TRADE STATISTICS

PASSENGER TRAFFIC



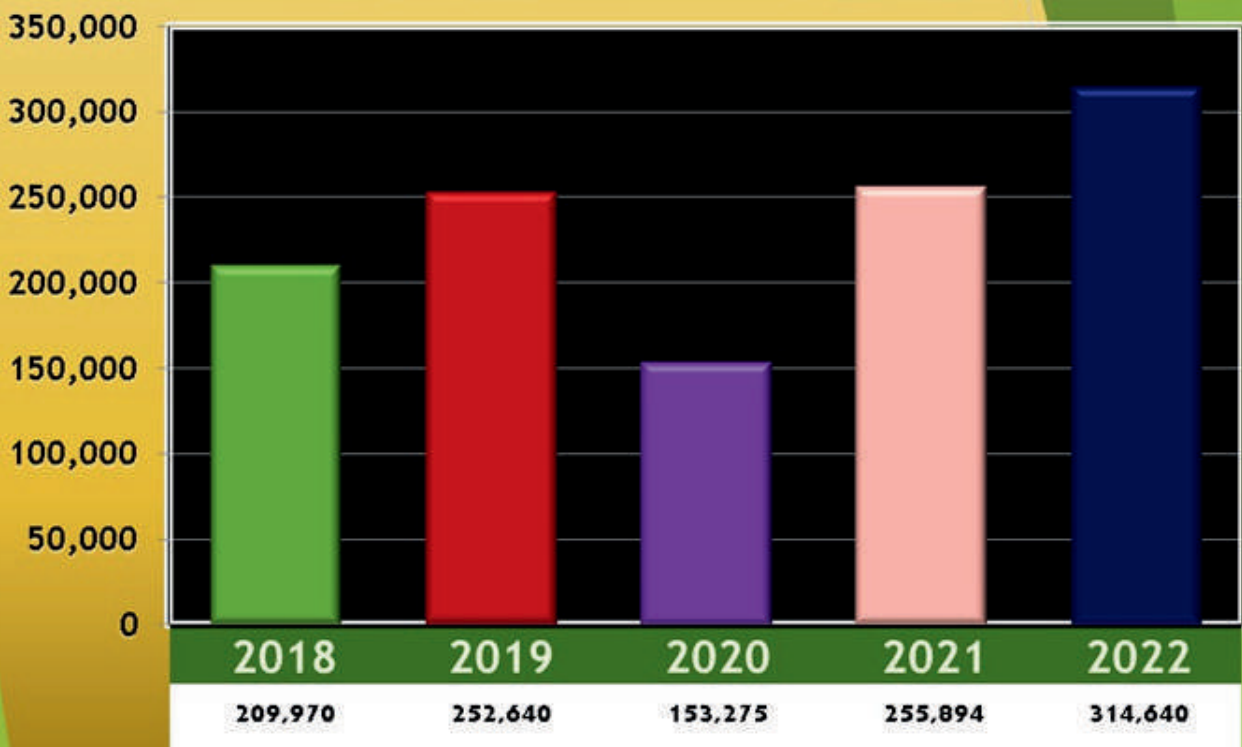
In 2022, the economy experienced a significant boost as travel restrictions were lifted and the nation witnessed the reopening of various sectors. This positive development had a remarkable impact on passenger traffic at ports under the jurisdiction of PMO Surigao. The number of passengers embarking and disembarking at these ports skyrocketed, more than doubling from the previous year.

Specifically, in 2022, an astounding total of 3,086,870 passengers utilized PMO Surigao ports for their maritime journeys. This figure represents a substantial increase of approximately 123% compared to the previous year, when only 1,378,934 individuals commuted via the same ports.

The surge in passenger traffic at PMO Surigao ports can be attributed to the restored freedom of movement and the resumption of economic activities, which led to an increased demand for maritime transportation. These developments facilitated the efficient and convenient movement of people, fostering greater connectivity and supporting the growth of local and regional economies.

SHIPPING AND TRADE STATISTICS

RORO VEHICLES



In 2022, there was a significant increase of approximately 23% in the loading and unloading of RORO (Roll-on/Roll-off) vehicles at ports under PMO Surigao, despite facing limitations in berthing capacity at the Lipata Ferry Terminal. This growth demonstrates the resilience and efficiency of the port operations in handling the rising demand for RORO services.

Moreover, the positive trend in RORO traffic extends beyond the Port of Surigao and the Lipata Ferry Terminal. The tourist port of Dapa, situated in the beautiful Siargao Islands, experienced notable growth in passenger traffic. This indicates the increasing popularity of this destination and the corresponding rise in the number of individuals opting for RORO travel to and from the area. Similarly, the Port of San Jose, located in the scenic Dinagat Islands, also witnessed a surge in RORO traffic, contributing to the overall growth in passenger movements within the region.

These developments highlight the robustness of the RORO industry, as well as the role of these ports in facilitating convenient and efficient transportation for both locals and tourists.



Infrastructure Development AND MAINTENANCE

The year 2022 proved to be a formidable period as PMO Surigao embarked on a remarkable endeavor to restore the physical infrastructure devastated by the powerful Typhoon Odette. Recognizing the profound significance of maritime trade and commerce in a nation still grappling with the adverse effects of the COVID-19 pandemic, the PMO displayed unwavering determination and successfully executed a multitude of repair projects aimed at rehabilitating facilities ravaged by this super typhoon.

In the face of immense challenges, PMO Surigao spared no effort in reconstructing vital infrastructure facilities. The aftermath of Typhoon Odette demanded urgent attention to ensure the seamless continuity of maritime activities, which are crucial for sustaining trade and commerce. With this in mind, the PMO employed a comprehensive approach, leaving no stone unturned in its mission to revitalize the affected facilities.

Through meticulous planning and execution, PMO Surigao demonstrated its unwavering commitment to addressing the repercussions of this devastating natural disaster. In 2022, the PMO successfully completed a diverse range of repair projects, encompassing a wide array of damaged facilities. Ports, harbors, and other critical maritime infrastructure were meticulously refurbished, restoring their functionality and fortifying its resilience against future calamities.

The expansion of the Lipata Ferry Terminal's Back-up Area and the construction of an additional RORO ramp stand out as one of the most noteworthy infrastructure accomplishments in the final quarter of 2022. The project, which involved an investment of PhP267,839,136.26, entailed the development of a host of essential features. Among them were the construction of a sprawling new back-up area spanning 5,766 square meters, the addition of a RORO ramp, and the installation of an advanced port lighting system.



Expansion of Back-up Area with RORO Ramp at the Lipata Ferry Terminal

Several significant projects were carried out in 2022, aiming to improve the infrastructure and facilities in various locations under the jurisdiction of PMO Surigao. One such endeavor involved the restoration of multiple structures, including the dilapidated RORO ramp, Reinforced Concrete (RC) deck slab, and fendering system at the Port of Surigao.

Additionally, attention was given to addressing the settlement issues in the back-up area caused by a damaged underground drainage system. These repairs were successfully completed, ensuring the proper functioning and safety of the affected areas



Moreover, another notable achievement in 2022 was the successful repair of the Damaged Rock Bulkhead located at the Port of Lawigan in Bislig City, Surigao del Sur.

This crucial project contributed to the restoration and reinforcement of the port's infrastructure, enhancing its resilience and capacity to handle maritime activities effectively.

Overall, these endeavors underscore the commitment to infrastructure development, maintenance, and improvement, ultimately contributing to the overall progress and efficiency of the respective locations.



Safe and Secure PORT FACILITIES

In 2022, PMO Surigao's Port Police Division took proactive measures to ensure port security and protect government installations from potential terror threats. Collaboration with local law enforcement agencies and the Inter-Agency Task Force resulted in the implementation of enhanced security measures and health protocols at sea checkpoints.

Key measures adopted on a 24/7 basis include, among others:

- Implementation of the E-Warrant System in coordination with other law enforcement agencies to enhance monitoring and port security.
- Staffing the "Help Desk Assistance Center" with a dedicated Port Security Composite Team and other government agencies to provide assistance and ensure safety, security, and convenience for all passengers.
- Offering wheelchair assistance for passengers with disabilities, elderly individuals, and those who are sickly.
- Enforcing health and safety protocols for all inbound and outbound passengers, including document submission and security screenings at the PTB Pre-Departure Area, with support from K-9 inspections by PPA, PCG, and PDEA.
- Daily monitoring of vessels at berth through ocular/physical inspection.
- Strengthening coordination with other Law Enforcement Agencies (LEAs) for intelligence sharing and enhanced port security.
- Conducting random harbor security patrols at Baseport in coordination with the Philippine Coast Guard.
- Requesting the deployment of LTO and PNP personnel to manage traffic congestion outside the port gates during passenger disembarkation.



CIDG personnel coordinated with the port police on duty for the apprehension of three (3) individuals suspected of carrying smuggled assorted cigarettes at Port of Surigao



Port Police operatives intercepted 2 wild avian, Guaibero or known with a local name "Butitok", brought by a passenger on the way to Southern Leyte via MV Fastcat.



PD together with Maritime PNP, PCG, and City PNP for the joint entrapment operation at Port of Lipata that resulted the arrest of a suspect.



PPD-Surigao with DENR personnel, PCG, and PNP Maritime apprehended suspects for smuggling forest products at Port of Surigao.



Port Police operatives together with PCG, City PNP, HPG, and Maritime Police apprehended a Green Toyota Vios bearing the plate number of S8R539 for alleged carjacking through joint operation at Port of Lipata.



PPD-Surigao personnel headed by Acting PPD Manager CPPO Elvis Aurelio B Daguman together with the Bureau of Plant Industry personnel apprehended a 10-wheeler carrying imported undocumented cargoes (white onions) bound for Tacloban City.



Green and Sustainable PORT ENVIRONMENT

In 2022, the Port Management office of Surigao initiated a series of remarkable initiatives aimed at promoting the development of sustainable and eco-friendly facilities within the ports under its authority. These endeavors encompassed various activities and strategies focused on ensuring the long-term well-being of the environment while simultaneously supporting the efficient operation of the ports.

PMO Surigao recognized the pressing need to address the environmental challenges associated with port operations and took proactive measures to mitigate their impact. Through careful planning and resource allocation, the PMO implemented comprehensive plans that encompassed several key aspects, including infrastructure, energy usage, waste management, and ecosystem preservation.

USE OF CLEAN ENERGY

Installation of renewable energy - solar-powered streetlamps in the port operational area in the Ports of Surigao, Lipata, San Jose in Dinagat islands, Sta. Monica, Del Carmen and Dapa in Siargao Islands with a total of 297-units.



PMO Surigao also took a commendable step towards implementing PPA Administrative Order No. 14-2020, also known as the Mandatory Tree and/or Mangrove Planting Requirement.

A total of 4,282,988 trees and/or mangroves were planted as part of this initiative. The PMO Surigao worked closely with the Department of Environment and Natural Resources (DENR) - Community Environment and Natural Resources Office (CENRO) in coordinating the issuance of certificates to the deserving individuals and organizations involved in this noble endeavor.

In addition to the PPA's ongoing greening initiatives, PMO Surigao has taken proactive measures to further enhance environmental conservation. The PMO spearheaded a range of activities, including tree planting, street cleaning, and coastal cleanup events, in collaboration with port stakeholders. These efforts align seamlessly with various environmental events and celebrations, reinforcing its commitment to sustainable practices. By engaging the local community and fostering partnerships, PMO Surigao has made significant strides towards a greener and cleaner future in 2022.





Administrative and People **DEVELOPMENT**

Amidst the lingering COVID-19 pandemic in 2022, the Administrative Division (AD) remained steadfast in its commitments.

The year 2022 bore witness to a testament of growth and achievement within the Division. For starters, two individuals saw their dedication and hard work rewarded with promotions, while another was welcomed into the fold as a permanent member of the PMO Surigao family.

A hallmark of the AD's prowess was its pursuit of learning, orchestrating 79 training sessions for 88 Organic Human Resources by December 19, 2022, fostering a capable workforce. During the pandemic, the Administrative Division showed resilience while swift and systematic actions were implemented to safeguard the health and well-being of its members:

- An Online Health Declaration system ensured safe premises entry.
- A Contact Tracing System stood guard digitally.
- Health supplies provision showcased commitment to well-being.

Undoubtedly, the Division's efforts also embraced the winds of technological change as a Modernization Program was birthed, aimed at making administrative services more accessible and streamlined:

- A dedicated domain improved access to administrative services.
- A QR Code for Daily Time Record streamlined processes.

In 2022, the Administrative Division's journey stood as a triumph, displaying dedication, excellence, and resilience. Its indomitable spirit remains an inspiration in challenging times.

In the face of adversity, the Administrative Division's journey through 2022 emerged as a story of triumph against the odds. Its unwavering dedication, commitment to excellence, and resilience in the face of challenges painted a vivid tapestry of a team determined to rise above, no matter the circumstances.



Newly-promoted employees in 2022 take their respective Oath of Offices



Seminars and Workshops facilitated by the Administrative Division in 2022

Financial PERFORMANCE

Typhoon Odette's impact on the financial performance of PMO Surigao was profound, especially regarding the challenges encountered in restoring the physical infrastructure and the decline in revenue collections.

Yet despite facing these obstacles, the revenue collections for CY 2022 remained substantial, surpassing PhP600 million. Although it marked a slight decrease of approximately 5.28% compared to the previous year, the total collections for 2022 reached PhP615,659,000, in contrast to PhP652,299,522.93 collected in 2021.

The mining sector faced amplified production costs due to inflation, particularly in fuel expenses, coupled with diminished output resulting from adverse weather conditions. These factors collectively restrained mining operations and impacted the exportation of mineral products.

Considering that revenues collected from the private ports of the mining companies represent around more than 80% of the total annual income of PMO Surigao, the market conditions and industry trends undoubtedly has a tremendous impact on PMO Surigao's financial position.

Amidst these challenges, the Finance Division demonstrated commendable budget utilization. In 2022, PMO Surigao achieved an impressive 94% utilization rate for personal services and 95% for Maintenance and Other Operating expenses. Notably, the division achieved an outstanding 99.75% collection efficiency rate in 2022, showcasing the Finance Division's commitment to efficiency and effective resource management.

CY 2022 REVENUE PERFORMANCE

RC	ACTUAL	TARGET	VARIANCE	%
Baseport	252,188,198.21	347,909,158.09	(95,720,959.88)	72%
TMO Tandag	211,220,198.01	202,845,150.92	8,375,047.09	104%
TMO Dinagat	120,766,771.62	113,548,601.32	7,218,170.30	106%
TMO Lipata	20,461,599.80	22,543,046.62	(2,081,446.82)	91%
TMO Siargao	11,146,838.00	10,470,499.52	676,338.48	106%
Total	615,783,605.64	697,316,456.58	81,532,850.84	88%

Budget Utilization

Account	Approved Budget	Utilized	Utilization Rate
Personal Services	79,916,119.00	75,160,831.07	94%
Maintenance & Other Operating Expenses	149,298,504.51	142,166,383.12	95%
Total	229,214,623.51	217,327,214.19	95%

Last 3 years Revenue Performance

YEAR	ACTUAL (Php)	TARGET (Php)	PERFORMANCE
2020	630,157,983.48	547,498,579.00	115%
2021	652,299,522.93	677,419,735.49	96.29%
2022	615,783,605.64	697,960,489.84	88.07%

Executive OFFICERS

FROILAN U. CATURLA

YOLANDA F. A. TAN

RAFFY M. LAFUENTE

ROLDAN G. CALEJESAN

LAWRENCE LYLE E. CAGAS

ELVIS AURELIO E. DAGUMAN

Acting Port Manager

Manager, Administrative Division

Manager, Finance Division

Manager, Port Services Division

Manager, Engineering Services Division

Acting Manager, Port Police Division

ALLAN P. YAP

DEBS G. CONSUEGRA

JERK E. COMPARATIVO

EDNA G. PANTILO

Manager, TMO Lipata

Manager, TMO Tandag

Manager, TMO Dinagat

Acting Manager, TMO Siargao



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