



REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
CONSTITUTION HILLS, QUEZON CITY

TWENTIETH CONGRESS
First Regular Session

House Bill No. **3339**



Introduced by Representative SHIRLYN L. BAÑAS-NOGRALES

EXPLANATORY NOTE

The Sub-Port of Dadiangas in General Santos City has long been the gateway of the Soccsksargen Region and a vital hub of the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA). As the country’s leading producer of tuna and other high-value commodities, General Santos City handles significant volumes of both domestic and international trade through this sub-port.

The Sub-Port of Dadiangas, named after the former seat of government of the Municipality of Buayan – which has since become the City of General Santos – currently operates under the administrative control and supervision of Customs Collection District No. XII – Port of Davao in Region XI, as there is no Bureau of Customs Port District in Region XII.

Historically, Republic Act No. 5425, enacted on June 15, 1968, designated the Sub-Port of Dadiangas, then located in the Municipality of General Santos, South Cotabato, as a port of entry in the Philippines. It amended Section 701 of Republic Act No. 1937 enacted on June 22, 1957, or the old “*Tariff and Customs Code of the Philippines*”, by adding Dadiangas to the list of designated ports. Later, Republic Act No. 10863, or the “*Customs Modernization and Tariff Act (CMTA)*”, which took effect on May 30, 2016, repealed R.A. 1937 and now governs the establishment, closure, and designation of ports of entry.

Despite this subordinate arrangement, the Sub-Port of Dadiangas has consistently posted strong revenue performance from 2017 to 2024, even surpassing several existing principal ports of entry¹. This record underscores its operational capacity and readiness to be elevated into an independent Customs Collection District.

Upgrading the Sub-Port of Dadiangas into a principal Port of Entry, to be known as the Port of General Santos, will not only affirm the city’s and the region’s strategic role in trade and commerce but also ensure more efficient and expedited trade facilitation. This includes faster review and valuation of cargoes by reducing bureaucratic layers and transmitting documents directly to the Bureau of Customs

¹ Source: BOC 2021 Annual Accomplishment Report; 2017-2024 Accomplishment Reports of BOC Port of Davao & BOC Sub-Port of Dadiangas.

central office, instead of routing them through the Port of Davao. Such reforms will eliminate additional storage fees, demurrage charges, and other unnecessary expenses, thereby lowering commodity prices and minimizing economic losses. The upgrade will also allow for better resource allocation, an expanded personnel complement, and accelerated infrastructure development. Ultimately, this measure will strengthen supply chain connectivity, enhance regional competitiveness, and contribute significantly to national economic growth.

The proposal to upgrade the Sub-Port of Dadiangas has garnered broad support from Local Government Units, business chambers, the Philippine Ports Authority – Port Management Office (PPA-PMO) Socsargen, as well as the Regional Development Councils of Region XII and other regions across the country.²

Accordingly, the passage of this Bill necessitates the amendment of Paragraph 2, Section 207 of Republic Act No. 10863, otherwise known as the “*Customs Modernization and Tariff Act*”, to also designate the Port of General Santos as one of the country’s principal ports of entry.

In view of the foregoing, the approval of this Bill is earnestly sought.


SHIRLYN L. BANAS-NOGRALES

² Source: Resolutions from Local Government Units, Chambers of Commerce, the Philippine Ports Authority – Port Management Office (PPA-PMO) Socsargen, as well as the Regional Development Councils of Region XII and other regions across the country.



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AN ACT

SEPARATING THE SUB-PORT OF DADIANGAS FROM CUSTOMS COLLECTION DISTRICT NO. XII – PORT OF DAVAO, AND UPGRADING IT INTO AN INDEPENDENT CUSTOMS COLLECTION DISTRICT TO BE KNOWN AS THE PORT OF GENERAL SANTOS, DESIGNATING IT AS ONE OF THE PRINCIPAL PORTS OF ENTRY OF THE COUNTRY, AMENDING PARAGRAPH 2, SECTION 207 OF REPUBLIC ACT NO. 10863, OTHERWISE KNOWN AS THE “CUSTOMS MODERNIZATION AND TARIFF ACT”, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as the “*Port of General Santos Act.*”

SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of the State to promote and strengthen trade facilitation, supply chain connectivity, and regional competitiveness by ensuring that ports of entry are strategically developed and efficiently administered. Toward this end, the State recognizes the vital role of General Santos City and the SOCCSKSARGEN Region as a major hub of domestic and international commerce, particularly under the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA). The upgrading of the Sub-Port of Dadiangas into an independent Customs Collection District, to be known as the Port of General Santos, is thus deemed essential to optimize resource utilization, improve administrative efficiency, reduce trade costs, and contribute significantly to national economic growth.

SECTION 3. *Establishment of Customs Collection District in General Santos City.* – The Sub-Port of Dadiangas, currently under the administrative jurisdiction of Customs Collection District No. XII – Port of Davao, is hereby separated and upgraded into an independent Customs Collection District to be known as the “Port of General Santos”.

SECTION 4. *Amendment to the Customs Modernization and Tariff Act.* – Paragraph 2, Section 207 of Republic Act No. 10863, otherwise known as the “*Customs Modernization and Tariff Act*”, is hereby amended to read as follows:

“The principal ports of entry shall be located in Aparri, San Fernando, Manila, Manila International Container Port, Ninoy Aquino International Airport, Subic, Clark, Batangas, Legaspi, Iloilo, Cebu, Tacloban, Surigao, Cagayan de Oro, Zamboanga, Davao, Limay, **GENERAL SANTOS**, and such other ports that may be created pursuant to this Act.”

SECTION 5. *Appropriations.* – The Department of Finance shall immediately include in the Department’s program the operationalization of the Port of General Santos, the initial funding of which shall be charged against the current year’s appropriation of the existing Sub-Port of Dadiangas. Thereafter, such sums as may be necessary for the efficient operation of the Port of General Santos shall be included in the annual General Appropriations Act.

SECTION 6. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the Secretary of Finance, through the Commissioner of Customs, shall promulgate the necessary rules and regulations for its effective implementation.

SECTION 7. *Separability Clause.* – If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.

SECTION 8. *Repealing Clause.* – Paragraph 2, Section 207 of Republic Act No. 10863, all laws, decrees, executive orders, rules and regulations inconsistent with this Act are hereby repealed, amended, or modified accordingly.

SECTION 9. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,