

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 5237



Introduced by **Representative AGATHA PAULA "AGAY" A. CRUZ**

EXPLANATORY NOTE

Disasters are no strangers to the Philippines. They are, in fact, frequent visitors. Typhoons, earthquakes, volcanic eruptions, and floods continue to test the resilience of our communities. Time and again, Filipinos have shown solidarity through *padala*, sending relief goods and humanitarian aid to affected areas. The persistent barrier, however, is not the lack of compassion and collaboration, but the logistics of getting these much-needed supplies to the ground quickly, efficiently, and without unnecessary cost.

The proposed Public Assistance in Disaster Aid and Logistics Act (PADALA) seeks to address this recurring bottleneck. At present, relief efforts are sometimes delayed due to freight costs, port and airport charges, and limited access to private sector logistics. By mandating free freight services for accredited relief organizations during a state of calamity, we remove barriers that slow down the delivery of life-saving aid. The bill also ensures that auxiliary charges are waived, so that every peso saved can be redirected to providing more food packs, medicines, or shelter materials.

Through this measure, PADALA is transformed from a familiar practice of goodwill into a concrete symbol of solidarity and survival. It recognizes that in the race to deliver relief, every hour counts, and every barrier removed translates into lives saved. With this measure, we bring government, private sector, and donors onto the same road, literally and figuratively, toward faster and more effective disaster response.

The immediate passage of PADALA is earnestly sought to ensure that *bayanihan* doesn't just load the truck with relief goods, but also guarantees that the truck actually reaches its destination and our *padala* swiftly reaches our *kababayans* in need.


AGATHA PAULA "AGAY" AGUILAR CRUZ
Representative, Fifth Legislative District of Bulacan



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 5237

Introduced by **Representative AGATHA PAULA “AGAY” A. CRUZ**

AN ACT
PROVIDING FOR FREE FREIGHT SERVICES IN THE TRANSPORTATION OF
RELIEF GOODS TO CALAMITY-STRICKEN AREAS

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

1 **Section 1. Short Title.** – This Act shall be known as the “Public Assistance in
2 Disaster Aid and Logistics Act (PADALA).”
3

4 **Section 2. Declaration of Policy.** – It is the policy of the State to strengthen the
5 existing quick response mechanisms to address the needs of the people during disasters
6 and emergencies. To this end, the State shall encourage altruism among citizens, and
7 engage the services of public and private common carriers, freight forwarders, and
8 logistics companies to collect, sort, store, transport, and deliver relief goods donated by
9 international and local donors to areas declared in a state of calamity in the most
10 economical, reliable, speedy, and secure manner.
11

12 **Section 3. Definition of Terms.** – As used in this Act:
13

14 (a) *Airport charges* refer to fees imposed for the use of airport facilities and services,
15 including but not limited to landing and takeoff fees, aircraft parking,
16 navigation charges, and other related charges;
17

18 (b) *Auxiliary costs* refer to the additional fees and charges for supplementary
19 services beyond basic freight rate, including but not limited to customs
20 clearance, terminal handling charges, arrastre, storage, and pilotage;
21

22 (c) *Common carriers*, as defined under Article 1732 of the Civil Code of the
23 Philippines and interpreted under prevailing jurisprudence, refers to persons,
24 corporations, firms or associations engaged in the business of carrying or
25 transporting passengers or goods or both, by land, water, or air, for

1 compensation, offering their services indiscriminately to the general public.

2
3 (d) *Disaster* refers to a severe disruption in the functioning of a community or a
4 society involving widespread human, material, economic, or environmental
5 losses and impacts, which exceeds the ability of the affected population to cope
6 using its own resources;

7
8 (e) *Relief* refers to interventions to alleviate, ease, or mitigate distress or critical
9 situations affecting persons, families, groups or communities;

10
11 (f) *Relief* goods refer to food packs and non-food items such as clothing, mats,
12 blankets, mosquito nets, kitchen wares, water containers, hygiene kits, medical
13 and health-related products, shelter materials, communications equipment,
14 and other essential supplies for victims of a disaster or an emergency; and

15
16 (g) *State of calamity* refers to a condition involving mass casualties or major damage
17 to property and infrastructures, including disruption of livelihood and the
18 normal way of life, caused by natural or human-induced hazards.

19
20 **Section 4. Free Freight Services.** – The Office of Civil Defense (OCD), as lead of the
21 National Disaster Risk Reduction and Management Council (NDRRMC) Logistics
22 Cluster, in coordination with the Department of Transportation (DOTr), and in
23 partnership with the Philippine Postal Corporation (PPC), freight companies, common
24 carriers, private carriers, freight forwarders, and other logistics providers operating in the
25 Philippines, shall provide free freight services exclusively for the transportation of relief
26 goods and donated articles to duly registered and accredited relief organizations and
27 emergency response groups, consigned to areas declared under a state of calamity by the
28 President of the Philippines or by the local *sanggunian* of the concerned LGU.

29
30 When the intended area of destination is rendered inaccessible, the relief goods
31 shall instead be consigned to the local chief executive of the nearest accessible local
32 government unit (LGU) for immediate safekeeping and distribution.

33
34 All auxiliary shipping costs and other port and airport charges shall be waived by
35 the concerned port and airport authorities: *Provided*, That in the implementation of this
36 provision, the container van costs, turnaround time, and volume of cargo transported free
37 of charge shall be duly considered to mitigate undue losses to the private sector.

38
39 **Section 5. Vigilance over Relief Goods.** – The National and Regional Disaster Risk
40 Reduction Management Councils, through their Response Clusters, shall ensure the
41 expeditious movement of people, goods, and equipment to the affected populations and
42 responding agencies in coordination with local law enforcement agencies, port and
43 airport authorities, and organizations with similar mandates and responsibilities.

1 The NDRRMC shall serve as the primary policy and coordinating body, while the
2 OCD shall act as the implementing arm. In case of conflict between the mandates of
3 government agencies under this Act, the policy and coordination authority of the
4 NDRRMC shall prevail.
5

6 **Section 6. Release of Relief Goods.** – The release of donated relief goods and
7 articles intended for distribution to areas under a state of calamity shall comply with the
8 existing rules and procedures of responsible government agencies, including the
9 Department of Social Welfare and Development (DSWD), Bureau of Customs (BOC),
10 Department of Education, Department of Health, concerned LGUs, and other government
11 agencies authorized to distribute the relief goods and articles, and shall likewise take into
12 account prevailing policies of freight service and logistics companies and carriers:
13 *Provided,* That the provisions of Republic Act No. 10863, otherwise known as the
14 “Customs Modernization and Tariff Act,” and other special laws on relief consignments
15 shall apply suppletorily.
16

17 **Section 7. Tax Deduction.** – Common carriers, private carriers, and other logistics
18 companies mandated to provide free freight services for the transportation of relief goods
19 under Section 4 of this Act shall be entitled to an additional deduction from gross income
20 equivalent to one hundred percent (100%) of the costs incurred for such services,
21 including the actual cost of salaries and allowances of personnel directly involved in
22 transporting the relief goods, subject to the rules and limitations prescribed under the
23 National Internal Revenue Code of 1997, as amended, and other applicable laws, rules
24 and regulations: *Provided,* That to avail of the additional deduction, common carriers,
25 private carriers, and other logistics companies shall secure proper certification from the
26 appropriate government agency that the expenses claimed as deduction relate specifically
27 to the transportation of relief goods as contemplated in this Act. Such availment shall be
28 without prejudice to the conduct of post-audit by the Bureau of Internal Revenue.
29

30 The availment of this tax incentive shall preclude the concerned common carriers
31 and logistics companies from claiming any similar incentives granted under other general
32 or special laws, rules, or regulations for the same services.
33

34 **Section 8. Oversight and Monitoring.** – The OCD and the DOTr, through the Civil
35 Aeronautics Board (CAB), Maritime Industry Authority (MARINA), and Land
36 Transportation Franchising and Regulatory Board (LTFRB), shall monitor and oversee the
37 compliance of freight service companies, common and private carriers, and other logistics
38 companies in the provision of free freight services as mandated under Section 4 of this
39 Act.
40

41 The NDRRMC shall provide overall strategic policy direction, while the OCD shall
42 serve as the lead implementing agency. The NDRRMC shall submit to Congress an annual
43 report on the implementation of this Act, including data on free freight services rendered,
44 beneficiaries served, and challenges encountered.

1
2 **Section 9. Penalties.** – Any common carrier, freight forwarder, or logistics
3 company that, without justifiable cause, refuses or fails to provide the free freight services
4 mandated under this Act shall be liable to a fine of not less than Two Hundred Thousand
5 Pesos (PhP 200,000.00) but not more than One Million Pesos (PhP 1,000,000.00), and/or
6 suspension or revocation of franchise, license, or permit, at the discretion of the
7 appropriate regulatory agency.
8

9 **Section 10. Appropriations.** – The amount necessary for the initial implementation
10 of this Act shall be charged against the National Disaster Risk Reduction and Management
11 Fund. Thereafter, such sums as may be necessary shall be included in the annual General
12 Appropriations Act.
13

14 **Section 11. Implementing Rules and Regulations.** – Within sixty (60) days from the
15 effectivity of this Act, the Administrator of OCD shall, in coordination with the heads of
16 CAB, MARINA, LTFRB, BOC, PHLPost, DSWD, Philippine Ports Authority, Philippine
17 Coast Guard, and the associations or authorized representatives of freight service
18 companies and freight forwarders, common and private carriers, and other logistics
19 companies, issue the necessary rules and regulations for the effective implementation of
20 this Act.
21

22 **Section 12. Suppletory Application.** – The provisions of Republic Act No. 10121,
23 otherwise known as the “Philippine Disaster Risk Reduction and Management Act of
24 2010,” and other relevant laws shall apply suppletorily to this Act.
25

26 **Section 13. Separability Clause.** – If any part or provision of this Act is held
27 unconstitutional or invalid, the remainder thereof not otherwise affected shall remain in
28 full force and effect.
29

30 **Section 14. Repealing Clause.** – All laws, decrees, executive orders, rules, and
31 regulations, or parts thereof inconsistent with the provisions of this Act are hereby
32 repealed or modified accordingly.
33

34 **Section 15. Effectivity.** – This Act shall take effect fifteen (15) days following the
35 completion of its publication in the *Official Gazette* or in a newspaper of general circulation.
36

37 *Approved,*