

***DTI cautions public against delinquent sea freight forwarders***

The Department of Trade and Industry (DTI) warns the public particularly the Overseas Filipino Workers (OFWs) and other Filipinos residing abroad against delinquent sea freight forwarding companies, which have been in the Department's complaints list for several months now.

Trade and Industry Secretary Gregory L. Domingo underscores, "The Department cautions the public to refrain from patronizing these sea freight forwarding companies that are operating internationally and locally and have victimized many Overseas Filipino Workers (OFWs) and their families".

"Through its Philippine Shippers' Bureau (PSB), the DTI received more than 500 reports of delivery delay and non-delivery of Balikbayan boxes and pilferage, over charging, loss, and, damaged cargoes since the start of the year", he adds

The DTI notifies the public not to transact with the following sea freight forwarding companies: Ford Cargo International of Hong Kong, Associated Consolidations Express (ACE Cargo) of Northern and Southern California and local counterpart Associated Consolidation Express (ACE) Cargo of Parañaque City; Smooth Express of Dubai; Express Link Cargo Services of United Arab Emirates (UAE); SCRL Cargo of Ireland, NACA Logistics of California and Illinois; Shipping Express of Chicago; and, Dagupan Cargo Packaging Services of UAE.

Based on the DTI's review on the reported cases, the foreign forwarding companies have failed to remit the necessary funds to their local counterparts for deliveries to recipients that resulted to delivery delay if not non-delivery of Balikbayan boxes and worse, abandonment of boxes at the Bureau of Custom's (BOC) warehouse

Consumer Welfare and Trade Regulation Group (CWTRG) Undersecretary Zenaida C. Maglaya reports, "The DTI has issued a cease and desist order to ACE Cargo last January 2011 for engaging in a freight forwarding business without the required PSB accreditation and for abandoning shipments which were subsequently auctioned to the public by the BOC".

"But we are closely working with the BOC on these abandoned boxes and to prevent such incidents to happen again. At this time, we have firmed up our complaints handling procedures on balikbayan boxes and cargoes and made our lines open to receive complaints and to respond to them appropriately", she quips.



DTI-PSB Director Pedro Vicente C. Mendoza explains, "The DTI-PSB alerts the OFWS and their families against the non-accredited local counterparts of these international freight forwarders, such as ACE Cargo, which, aside from being issued the CDO, was also banned from transacting business with the BOC".

Under the PSB Administrative Order Number 06 Series of 2005 or the Revised Rules on Freight Forwarding, the country's international freight forwarders (IFF), the domestic freight forwarders (DFF) and the non-vessel operating common carriers (NVOCC) shall seek accreditation to operate their businesses and ensure the protection of the consumers and the industry as well. As of 22 March 2011, there are 553 PSB-accredited freight forwarding companies in the country.

Rule XI, Section 38 of AO 06 specifies that the unlawful acts of an IFF, DFF and NVOCC include engaging in or transacting business without accreditation, misrepresentation by a firm that is has a subsisting accreditation, overcharging, collecting and charging fees not prescribed by PSB, failure to deliver cargo to its rightful owner, failure to comply with its contractual obligation to shipper, and, delinquent freight forwarders. The administrative penalties for these unlawful acts are the issuance of cease and desist order for the non continuance of operation and a fine of Php 50,000.00; revocation of accreditation certificate; or an imposition of a fine ranging from P2,500.00 to P200,000.00.

Undersecretary Maglaya asserts, "We are also in close coordination with our offices abroad on this issue. In fact, the PHL consulate in Hongkong reported that the owner of FCI was arrested and is now facing charges before the HK tribunal. We also received reports that the Smooth Express in Dubai has ceased operations due to the owner's imprisonment".

Secretary Domingo stresses, "The DTI urges the OFWs and their families to be responsible consumers and be wary in their freight forwarding transactions to prevent any untoward incident".

For the list of PSB-accredited freight forwarding companies, log on to the DTI website - [www.dti.gov.ph](http://www.dti.gov.ph). For more information or to report a complaint, call 750.0384 loc 2212 or 2213.

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