

13 June 2022

**MR. PATRICK G. RONAS**

President  
Association of International Shipping Lines (AISL)  
Heritage Building, Vasquez St.  
Malate, Manila

Dear **Mr. Ronas**:

The issue of container deposit refunds is a longstanding issue that the private sector has been raising to the Department of Trade and Industry (DTI) for the past years. We recognize the purpose of requiring a container deposit which is to cover for loss, damages, demurrage, or detention of containers. However, the much-delayed refund of these deposits to consignees or customs brokers is estimated to be reaching an average of three (3) months or longer, resulting in unreturned container deposits reaching millions of pesos. Hence, the constrained cash flow is a serious concern affecting the competitiveness of stakeholders, especially small and medium enterprises (SMEs).

During the courtesy call made by the Container Ledger Account Phils., Inc. to the DTI last 08 April 2022, we were presented with an alternative option for container deposits called Container Ledger Account or CLA. This is a voluntary solution already established and used in Malaysia. It was recently introduced in the Philippines during the last quarter of 2021 and it has already onboarded 9 shipping lines/NVOCC, 23 consignees/freight forwarders, and 33 brokers/CFS operators/warehouse operators. With CLA, Philippine shippers will have two choices: (1) deposit ledger wherein refund can be made within three days, or (2) cash ledger wherein shippers will only pay for one time with no more deposits.

In the same meeting, the executives of CLA Phils. Inc. and several international shipping lines requested the Department's endorsement of CLA. Meanwhile, several logistics associations sent letters to DTI also asking to support CLA. These groups include the Association of International Shipping Lines (AISL), Association of Off-Dock CFS Operators of the Phils. (ACOP), Confederation of Truckers Association of the Philippines (CTAP), Philippine Liner Shipping Association (PLSA), Philippine Multimodal Transport and Logistics Association, Inc. (PMTLAI), Port Users Confederation of the Philippines (PUCP), and the Supply Chain Management Associations of the Philippines (SCMAP).

The Department believes that the CLA is a viable option in addressing the issue of container deposits. There will be many positive benefits to stakeholders as it will drastically reduce procedures, time, and cost as well as improve the competitiveness of SMEs.

We therefore strongly urge the shipping line members of AISL to subscribe to the CLA System Portal as an alternative to address the issue of container deposits.

Thank you.

Very truly yours,



**RAMON M. LOPEZ**  
Secretary



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