

PMO MISAMIS ORIENTAL/ CAGAYAN DE ORO

PHILIPPINE PORTS AUTHORITY

PMO Admin Bldg. 2, Gate 5, Agora Road, Lapasan, Cagayan de Oro City

PORT ADVISORY/BULLETIN/ANNOUCEMENT PSD PABA No. 015 – 2020

DATE: 28 July 2020		No. of pages including this page:
		Fourteen (14) pages
TO:	Cargo Handling Operators; Shipping Line Companies and Agents; Harbor Pilots; Shippers/Consignees; & All Others Concerned	Emails: (None)
FRON	The Port Services Division Manager	Email: ppapmocdo@ppa.com.ph OPM Email: moc_opm@ppa.com.ph PMO Fax: (088) 856-4667
O		

Cc:

SUBJECT: DEPARTMENT OF TRANSPORTATION (DOTr) ISSUANCES

ATTENTION: if you have received this communication with missing, incomplete, garbled or unreadable pages, please notify us at once through **Tel** (088) 856-1264; **Fax:** (088) 856-4667; **email address**: ppapmocdo@ppa.com.ph or moc_psd@ppa.com.ph

MESSAGE:

This has reference to the attached Memorandum dated 26 June 2020 issued by the PPA General Manager regarding the DOTr's Department Orders (DOs) as follows:

DO Number	SUBJECT
DO No. 2020-007	Directive for All Domestic Shipping Lines to Provide Cargo Space
	Allocation for Agricultural and Food Products and Providing for
	Preferential Cargo Rates Therefor
DO No. 2020-008	Establishment and Creation of the Shippers' Protection Office for the
	Protection and Assistance to Shippers, Both International and Domestic,
	Against Unreasonable Fees and Charges Imposed by International and
	Domestic Shipping Lines
DO No. 2020-009	Prescribing a Minimum Free Time Period of Eight (8) Days for cargoes
	Unloaded by International Shipping Lines

For information and guidance.

/// VIT Vγ RUBY MARIA O GUMAPON

(Note: This communication has also digitally scanned and transmitted to your official email addresses. Please be advise this Office of any changes in said addresses, or of alternative addresses.

Email Addresses of port users and stakeholders

JUN 2 9 2020







SUBJECT : CONSTITUTION OF THE SECRETARIAT FOR THE SHIPPERS PROTECTION OFFICE (SPO)

In the exigency and interest of the service, and pursuant to Department of Transportation (DOTr) Department Order (DO) No. 2020-08 dated June 24, 2020 entitled "Establishment and Creation of the Shippers' Protection Office (SPO) for the Protection and Assistance to Shippers, both International and Domestic, against Unreasonable Fees and Charges Imposed by International and Domestic Shipping Lines", the Secretariat of the SPO is hereby constituted, with the following composition and functions:

Composition:

Chairperson

: Atty. M.A. Hiyasmin H. Delos Santos

Manager, POSD

Vice-Chairperson

Atty. Rigel L. Caabay

Acting Manager, LSD

Members

: Atty. Mitchie F. Manatad Attorney V, RDD, LSD

Atty. Hanes M. Alvio

Acting Attorney V, ILD, L\$D

Atty. Carmenez B. Cruz Division Manager, IAD

Atty. Diane Steffi T. Guillamon

Acting Chief, ISAS

Other PPA lawyers (on need basis)

Duties and Responsibilities:

1. Provide administrative, operational and technical support to the SPO

2. Assist in managing the SPO in achieving the objectives for its creation

- 3. Organize and make necessary arrangements for meetings, and prepare minutes and resolutions
- 4. Manage all complaints received from shippers and other concerned stakeholders
- 5. Arrange, attend and document conferences between shippers and shipping lines, or concern government agency/ies
- 6. Act as the central channel of communications with shippers, shipping lines, and other government agencies
- 7. Maintain a database of all complaints received and take custody of all records and documents
- Maintain a dedicated email address, contact numbers and tracking system to facilitate submission, monitoring and feedback
- 9. Monitor the implementation of agreements or resolutions on complaints received
- 10. Consult with relevant stakeholders to better understand shippers and shipping lines' concerns
- 11. Coordinate with concerned agencies and stakeholders in the implementation of DOTr Department Order No. 2020-008
- 12. Perform such other functions as may be necessary and incidental to the attainment of SPO's objectives, or as may be assigned from time to time

A Administrative Support Staff who shall assist the Secretariat in the performance of its duties and responsibilities is also constituted to be composed of the following:

Head

Ms. Catherine R. Esto

Section Chief, TSD, POSD

Members

Atty. Farrah T. Pacia-Marcos

Attorney IV, LSD

Kathy V. Garanzo

Port Operations Specialist, T\$D, POSD

Mia Krystel S. Ambulo Executive Secretary, LSD

The SPO Secretariat shall hold office at POSD.

This Order takes effect immediately and shall remain valid and enforceable unless sooner revoke or otherwise amended.

For compliance.

JAY DAWIEL R. SANTIAGO General/Manager

PHILIPPINE PORTS AUTHORITY
CERTIFIED TRUE COPY.
FROM THE ORIGINAL

June 26, 2020





MEMORANDUM

TO

All Port Managers

Port Terminal Operators

Cargo Handling Operators and Other Service Providers

All concerned

FROM

The General Manager

SUBJECT

DEPARTMENT OF TRANSPORTATION (DOTR) ISSUANCES

Please be informed that the DOTr has issued the following Department Orders (DOs) all dated June 24, 2020:

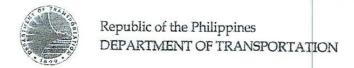
Number	Subject
2020-007	DIRECTIVE FOR ALL DOMESTIC SHIPPING LINES TO PROVIDE CARGO SPACE ALLOCATION FOR AGRICULTURAL AND FOOD PRODUCTS AND PROVIDING FOR PREFERENTIAL CARGO RATES THEREFOR
2020-008	ESTABLISHMENT AND CREATION OF THE SHIPPERS' PROTECTION OFFICE FOR THE PROTECTION AND ASSISTANCE TO SHIPPERS, BOTH INTERNATIONAL AND DOMESTIC, AGAINST UNREASONABLE FEES AND CHARGES IMPOSED BY INTERNATIONAL AND DOMESTIC SHIPPING LINES
2020-009	PRESCRIBING A MINIMUM FREE TIME PERIOD OF EIGHT (8) DAYS FOR CARGOES UNLOADED BY INTERNATIONAL SHIPPING LINES

You are enjoined to assist in carrying out and giving effect to these DOTr issuances in accordance with their provisions and the guidelines to be issued for their effective implementation.

JAY DANIEL R. SANTIAGO

JUN30 2020 15:27

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DEPARTMENT ORDER NO. 2020 - 007

Subject:

DIRECTIVE FOR ALL DOMESTIC SHIPPING LINES TO PROVIDE CARGO SPACE ALLOCATION FOR AGRICULTURAL AND FOOD PRODUCTS AND PROVIDING FOR PREFERENTIAL CARGO RATES THEREFOR

Date:

24 JUNE 2020

WHEREAS, it is the policy of the Government, especially during this COVID-19 pandemic, to ensure food availability and affordability, boost domestic agricultural production and food processing; and ensure that their movements shall remain unhampered;

WHEREAS, pursuant to Inter-Agency Task Force (IATF) Resolution No. 46, series of 2020, all domestic shipping lines are enjoined to allocate a percentage of cargo space every voyage exclusively to agricultural and food products and to charge preferential rates on such agricultural and food products;

WHEREAS, Republic Act No. 9295 and its Implementing Rules and Regulations (IRR) provide that every domestic ship operator shall have the right to fix its own passenger or cargo rates, or both, following certain guidelines, but the Maritime Industry Authority (MARINA) shall intervene under any of the identified circumstances against the ship owner relative to rates charged and/or services rendered; and/or rates charged that are excessive or unreasonable; and that MARINA shall monitor all shipping operations and exercise regulatory intervention where it is established after due process that public interest needs to be protected and safeguarded;

WHEREAS, under RA No. 9295, the MARINA is authorized to impose fines and penalties against domestic shippers for acts which the MARINA shall determine, after due notice and hearing, to be detrimental or prejudicial to the stability and integrity of domestic shipping;

WHEREAS, Republic Act (RA) No. 11469 states that "in view of the declaration of State of National Emergency throughout the Philippines, the President, pursuant

to Article VI, Section 23 (2) of the Constitution, is empowered to adopt the temporary emergency measures to respond to crisis brought by the pandemic such as, but not limited to, enforcing measures to protect people from pernicious practices affecting the supply, distribution and movement of essential goods whether imported or locally produced or manufactured";

WHEREAS, Proclamation No. 922, series of 2020, enjoins all government agencies and local government units to render full assistance and cooperation and mobilize the necessary resources to undertake critical, urgent and appropriate response and measures in a timely manner to curtain and eliminate the COVID-19 threat;

WHEREAS, RA No. 11469 authorizes the President to regulate and limit the operation of all sectors of transportation through land, sea or air, whether private or public;

WHEREAS, Executive Order No. 292 mandates the Department of Transportation (DOTr) to be the primary policy, planning, programming, coordinating, implementing and administrative entity of the executive branch of the Government on the promotion, development and regulation of a dependable and coordinated network of transportation, as well as in the fast, safe, efficient and reliable transportation services;

WHEREAS, the DOTr is empowered to call upon any agency, corporation or organization, whether public or private, whose development programs include transportation as integral parts thereof, to participate and assist in the preparation and implementation of a comprehensive and integrated programs for transportation;

WHEREAS, under Presidential Decree (PD) No. 857, the Philippine Ports Authority (PPA) is mandated to supervise, control and regulate facilities and services that are necessary in the ports that are under its jurisdiction;

WHEREAS, PD No. 857 also authorizes the PPA to prescribe rules and regulations, procedures and guidelines governing the operation of all other ports, including private ports in the country;

WHEREAS, under EO No. 513, series of 1978, the PPA is authorized to perform such acts as may be deemed proper or necessary to carry out and implement the provisions of PD No. 857, including the adoption of necessary measures to remedy congestion in any government ports;

WHEREAS, EO No. 513 grants the PPA police authority within the ports administered by it as may be necessary to carry out its powers and functions and attain its purposes and objectives;

NOW, THEREFORE, I, ARTHUR P. TUGADE, Secretary of the Department of Transportation, by virtue of the powers vested in me by law, hereby orders all domestic shipping lines to provide for cargo space allocation for agricultural and food products and for such domestic shipping lines to provide preferential shipping rates for such cargoes.

Section 1 COVERAGE

This Department Order (DO) shall apply to all domestic shipping lines throughout the Philippines.

Section 2 PURPOSE

The purpose of this DO shall be to help ensure the viability of food production and delivery thereof in line with the Government's mandate to provide food security for the people.

Section 3 CARGO SPACE ALLOCATION

For this purpose, all domestic shipping lines are hereby enjoined to allocate no less than twelve percent (12%) of a vessel's cargo capacity per voyage for the exclusive accommodation of agricultural and food products. "Agricultural and food products" shall mean any product or commodity, raw or processed, that is marketed for human.consumption (excluding water, salt and additives). Animal feeds shall not be considered as "agricultural and food products" for purposes of this DO.

This DO shall cover cargoes of agricultural and food products shipped in whatever manner or form, such as, but not limited to, roll-on/roll-off (RORO) cargoes and conventional cargoes (whether loose or bulk).

Section 4 PREFERENTIAL CARGO CHARGES FOR AGRICULTURAL AND FOOD PRODUCTS

All domestic shipping lines are enjoined to extend a discount of no less than forty percent (40%) from their published shipping rates for all cargoes of agricultural and food products covered by this Department Order. Nothing herein shall prevent domestic shipping lines from extending discounts more than the discount provided for herein.

Section 5

MONITORING AND REPORTORIAL REQUIREMENTS

MARINA shall issue guidelines to implement this DO within thirty (30) days from the effectivity hereof. The Philippine Ports Authority (PPA) is hereby tasked to implement, closely monitor and ensure that domestic shipping companies comply with the requirements set forth herein, and impose sanctions for non-compliance.

The PPA shall regularly submit on a monthly basis to the DOTr and the MARINA a report on the status of compliance by shipping lines, the issues encountered, and recommendations to further promote the objectives of this DO.

Section 6 SEPARABILITY CLAUSE

If any part or provision of this Order is held unconstitutional or invalid, other parts or provisions which are not affected shall continue to remain in full force and effect.

Section 7 REPEALING CLAUSE

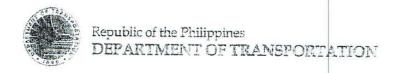
All other Department Orders, Circulars, Special Orders, Office Orders and/or other issuances inconsistent herewith are hereby superseded and/or modified accordingly.

Section 8
EFFECTIVITY

This Order shall take effect immediately.

ARTHUR P. TUGADE

DOTROSEC OUTGOING 25-C0756



DEPARTMENT ORDER NO. 2020 - 008

Subject:

ESTABLISHMENT AND CREATION OF THE SHIPPERS' PROTECTION OFFICE FOR THE PROTECTION AND ASSISTANCE TO SHIPPERS, BOTH INTERNATIONAL AND DOMESTIC, AGAINST UNREASONABLE FEES AND CHARGES IMPOSED BY INTERNATIONAL AND

DOMESTIC SHIPPING LINES

Date:

24 JUNE 2020

WHEREAS, Republic Act No. 9295 and its Implementing Rules and Regulations (IRR) provide that very domestic ship operator shall have the right to fix its own passenger or cargo rates, or both, following the certain guidelines, but the Maritime Industry Authority (MARINA) shall intervene under any of the identified circumstances against the shipowner relative to rates charged and/or services rendered; and/or rates charged that are excessive or unreasonable; and that MARINA shall monitor all shipping operations and exercise regulatory intervention where it is established after due process that public interest needs to be protected and safeguarded;

WHEREAS, the issue on the surcharges of international shipping lines heightened during the COVID-19 pandemic, specifically, the charges on demurrage and detention:

WHEREAS, Republic Act (RA) No. 11469 states that "in view of the declaration of State of National Emergency throughout the Philippines, the President, pursuant to Article VI, Section 23 (2) of the Constitution, is empowered to adopt the temporary emergency measures to respond to crisis brought by the pandemic such as, but not limited to, enforcing measures to protect people from pernicious practices affecting the supply, distribution and movement of essential goods whether imported or locally produced or manufactured";

WHEREAS, RA No. 11469 authorizes the President to regulate and limit the operation of all sectors of transportation through land, sea or air, whether private or public;

WHEREAS, Proclamation No. 922, series of 2020, enjoins all government agencies and local government units to render full assistance and cooperation and mobilize the necessary resources to undertake critical, urgent and

appropriate response and measures in a timely manner to curtail and eliminate the COVID-19 threat;

WHEREAS, in accordance with the above laws and issuances, the Department of Transportation (DOTr) aims to establish a mechanism to consolidate all concerns of maritime stakeholders and to coordinate the same with the government agencies with proper jurisdiction for appropriate action;

WHEREAS, Executive Order No. 292 mandates the DOTr to be the primary policy, planning, programming, coordinating, implementing and administrative entity of the executive branch of the Government on the promotion, development and regulation of a dependable and coordinated network of transportation, as well as in the fast, safe, efficient and reliable transportation services;

WHEREAS, the DOTr is empowered to call upon any agency, corporation or organization, whether public or private, whose development programs include transportation as integral parts thereof, to participate and assist in the preparation and implementation of a comprehensive and integrated programs for transportation;

WHEREAS, under Presidential Decree (PD) No. 857, the Philippine Ports Authority (PPA) is mandated to supervise, control and regulate facilities and services that are necessary in the ports that are under its jurisdiction;

WHEREAS, PD No. 857 also authorizes the PPA to prescribe rules and regulations, procedures and guidelines governing the operation of all other ports, including private ports in the country;

WHEREAS, under EO No. 513, series of 1978, the PPA is authorized to perform such acts as may be deemed proper or necessary to carry out and implement the provisions of PD No. 857, including the adoption of necessary measures to remedy congestion in any government port;

WHEREAS, EO No. 513 grants the PPA police authority within the ports administered by it as may be necessary to carry out its powers and functions and attain its purposes and objectives;

WHEREAS, pursuant to Inter-Agency Task Force (IATF) Resolution No. 46, series of 2020, the establishment of a Complaints Office under the PPA, which will be tasked to accept and address all complaints against international shipping lines was approved;

NOW, THEREFORE, I, ARTHUR P. TUGADE, Secretary of the DOTr, by

virtue of the powers vested in me by law, hereby orders the creation and establishment of the Shippers' Protection Office (SPO) for the protection and assistance to shippers, both international and domestic, against unreasonable fees and charges imposed by international and domestic shipping lines.

Section 1 COVERAGE

This Department Order shall apply to all complaints and issues related to the rates, charges, practices and operations of international and domestic shipping lines in the country.

Section 2 PURPOSE

The creation and establishment of the SPO shall be part of the temporary emergency measures undertaken by the Government, during the declaration of State of National Calamity, to protect people from the impact and effects of exorbitant and unreasonable shipping fees resulting in increased prices for domestic consumers. It shall also serve as a repository of all documents, concerns and matters to be addressed with respect to the regulation of international and domestic shipping lines pending resolution of jurisdictional issues between government agencies and the passage of proposed legislations on the foregoing matter. All data and information collected by the SPO may be utilized in the implementation of any law, policy, rules and regulations by the Government in view of rationalizing shipping fees and charges, and to improve logistics services in the Philippines.

Section 3 SHIPPERS' PROTECTION OFFICE

For this purpose, the SPO is hereby constituted and shall be composed of and manned by at least two (2) representatives each from DOTr Maritime, DOTr Legal, Philippine Ports Authority (PPA), Philippine Coast Guard (PCG) and Maritime Industry Authority (MARINA), to be assigned by the respective heads of agencies/offices.

The SPO shall be headed by the General Manager of PPA, or his authorized representative, as Chairperson, and the Administrator of MARINA, or his authorized representative, as Vice Chairperson, and shall conduct its operations at the PPA Head Office in Manila.

Section 4
FUNCTIONS AND RESPONSIBILITIES

- A. The General Manager of PPA, as head of the SPO, is hereby mandated and/or empowered to:
 - Oversee, monitor and evaluate the operations and management of the SPO;
 - Formulate and issue guidelines, rules and regulations relevant to the activities and performance of the SPO;
 - Approve and sign all reports, submissions and other relevant documents and materials concerning the operations of the SPO;
 - Submit regular reports on a monthly basis to the Secretary and recommend measures for improvement, as may be necessary; and
 - Perform other related functions as may be directed or as the need arises.
- B. The SPO and its members shall perform the following duties and functions:
 - Assist the public with matters concerning the operations of, as well as the fees and charges collected by, international and domestic shipping lines;
 - Collect and consolidate all relevant data and information regarding the operation and the fees and charges collected by international and domestic shipping lines;
 - Require domestic and international shipping lines to submit comments or position on complaints/issues raised against them, and to appear before the SPO, as may be necessary;
 - Coordinate with appropriate government agencies having jurisdiction and authority regulate and/or resolve matters communicated with the SPO;
 - Submit reports, information, document and other relevant materials for the approval and consideration of the Chairperson of the SPO; and
 - 6. Perform other related functions as may be directed or as the need arises.

Section 5 SECRETARIAT

To provide administrative support to the SPO, PPA is hereby directed to assign at least (3) employees who shall constitute the SPO Secretariat, specifically having the functions of organizing activities and meetings of the SPO, and assisting the SPO to coordinate with concerned government offices and stakeholders in all aspects of implementation of this Department Order.

FUNDING

The DOTr, PPA, PCG and MARINA are hereby authorized to charge against their current budgetary appropriations and allocations such amounts as may be necessary including, but not limited to, support resources for the effective implementation of this Order, subject to usual government accounting and auditing rules and regulations. In addition, the above-mentioned officials and personnel shall be entitled to reimburse authorized incidental expenses, including, but not limited to, travel and service vehicle costs that may be incurred in relation to the discharge of their functions. These shall be charged against the appropriate funds of their respective agencies, subject to usual accounting and auditing rules and regulations.

Section 7 SEPARABILITY CLAUSE

If any part or provision of this Order is held unconstitutional or invalid, other parts or provisions which are not affected shall continue to remain in full force and effect.

Section 8 REPEALING CLAUSE

All other Department Orders, Circulars, Special Orders, Office Orders and/or other issuances inconsistent herewith are hereby superseded and/or modified accordingly.

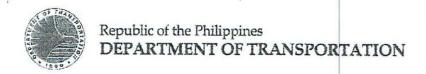
Section 9
EFFECTIVITY

3.

This Order shall take effect immediately.

ARTAUR P. TUGADE Segretary

DOTI-OSEC OUTGOING 20-00750



DEPARTMENT ORDER NO. 2020 - 009

Subject:

PRESCRIBING A MINIMUM FREE TIME PERIOD OF

EIGHT (8) DAYS FOR CARGOES UNLOADED BY

INTERNATIONAL SHIPPING LINES

Date:

24 JUNE 2020

WHEREAS, the issue on the surcharges of international shipping lines heightened during the COVID-19 pandemic, specifically, the charges on demurrage and detention;

WHEREAS, Republic Act (RA) No. 11469 states that "in view of the declaration of State of National Emergency throughout the Philippines, the President, pursuant to Article VI, Section 23 (2) of the Constitution, is empowered to adopt the temporary emergency measures to respond to crisis brought by the pandemic such as, but not limited to, enforcing measures to protect people from pernicious practices affecting the supply, distribution and movement of essential goods whether imported or locally produced or manufactured";

WHEREAS, Proclamation No. 922, series of 2020, enjoins all government agencies and local government units to render full assistance and cooperation and mobilize the necessary resources to undertake critical, urgent and appropriate response and measures in a timely manner to curtain and eliminate the COVID-19 threat;

WHEREAS, RA 11469 authorizes the President to regulate and limit the operation of all sectors of transportation through land, sea or air, whether private or public;

WHEREAS, Executive Order No. 292 mandates the Department of Transportation (DOTr) to be the primary policy, planning, programming, coordinating, implementing and administrative entity of the executive branch of the Government on the promotion, development and regulation of a dependable and coordinated network of transportation, as well as in the fast, safe, efficient and reliable transportation services;

WHEREAS, the DOTr is empowered to call upon any agency, corporation or organization, whether public or private, whose development programs include transportation, as integral parts thereof, to participate and assist in the preparation and implementation of a comprehensive and integrated programs for transportation;

WHEREAS, under Presidential Decree (PD) No. 857, the Philippine Ports Authority (PPA) is mandated to supervise, control and regulate facilities and services that are necessary in the ports that are under its jurisdiction;

WHEREAS, PD No. 857 also authorizes the PPA to prescribe rules and regulations, procedures and guidelines governing the operation of all other ports, including private ports in the country;

WHEREAS, under EO No. 513, series of 1978, the PPA is authorized to perform such acts as may be deemed proper or necessary to carry out and implement the provisions of PD No. 857, including the adoption of necessary measures to remedy congestion in any government port;

WHEREAS, EO No. 513 grants the PPA police authority within the ports administered by it as may be necessary to carry out its powers and functions and attain its purposes and objectives;

WHEREAS, pursuant to Inter-Agency Task Force (IATF) Resolution No. 46, series of 2020, a minimum eight-(8) day free time period per shipping line was prescribed for cargoes unloaded by international shipping lines;

NOW, THEREFORE, I, ARTHUR P. TUGADE, Secretary of the Department of Transportation, by virtue of the powers vested in me by law, hereby orders all international shipping lines unloading cargoes in all ports throughout the Philippines to provide a minimum free time period of at least eight (8) days from date of discharge of the said cargoes.

Section 1 COVERAGE

This Department Order shall apply to all international shipping lines unloading cargoes in any port throughout the Philippines.

Section 2
CARGO FREE TIME PERIOD

For purposes of this Department Order, Free Time Period shall refer to the period of time, reckoned from the discharge of cargoes from the ship to the port, offered by the shipping lines to the consignee free of charge, covering both demurrage period and detention period, beyond which additional charges such as, but not limited to demurrage and detention charges, will be due to the shipping lines.

It is hereby prescribed that a minimum free time period of at least <u>EIGHT</u> (8) DAYS from date of discharge shall be observed by all international shipping lines unloading cargoes in any port throughout the Philippines. International shipping lines, however, are not prevented from granting cargo free time period beyond the minimum eight (8) days provided herein. For cargoes/shipments discharged during the implementation of the Enhanced and Modified Community Quarantine, and prior to the effectivity of this Department Order, international shipping lines are enjoined to apply this 8 days free time.

Section 3 SEPARABILITY CLAUSE

If any part or provision of this Order is held unconstitutional or invalid, other parts or provisions which are not affected shall continue to remain in full force and effect.

Section 4 REPEALING CLAUSE

All other Department Orders, Circulars, Special Orders, Office Orders and/or other issuances inconsistent herewith are hereby superseded and/or modified accordingly.

Section 5
EFFECTIVITY

This Order shall take effect immediately.

THUR P. TUGADE

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