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Solons bat for review of 'high' RORO fees

By Jasper Y. Arcalas - February 15, 2019

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LAWMAKERS on Thursday pushed for the review of the business models of roll-on, roll-off (Roro) operators as they found that the system is more expensive compared to direct shipping.

House Committee on Transportation Technical Working Group (TWG) Chairman Rep. Manuel Zubiri of the Third District of Bukidnon said it is more costly to deliver goods from Mindanao to Metro Manila via Roro.

In his presentation, Zubiri said it would cost about P88,800 to P138,000 to transport goods from Bukidnon to Metro Manila through Roro while direct shipping would only cost P65,000 to P138,000.

"I am trying to analyze why. Supposedly the Roro is cheaper, but apparently it is not. I don't understand why this is the cost now, [these] are the quotations I've been receiving from different companies, different entities using the nautical highways and the direct shipping," Zubiri said during the TWG meeting.

"Using the Western Nautical Highway and Eastern Nautical Highway, it seems that the Western Nautical Highway is cheaper than the Eastern Nautical Highway as of today, but still quite expensive or prohibitive," he said.

Rep. Bayani Fernando of the First District of Marikina City said Roro operators should consider "calibrating" their earning scheme. Fernando told Roro operators to rely more on passenger fares for revenues than cargo transport.

"They say it is expensive because of economies of scale. I presume in many areas it's more of passenger service that is getting more money or is the bulk of the earnings, of the revenue," he said.

"The bulk of the revenue could be passengers. And most of them can survive just simply with revenue from passengers. Cargo shipments would just be additional income," Fernando added.

The government implemented the Roro policy in 2003 to establish a "seamless" inter-island connectivity between Luzon, the Visayas and Mindanao to spur local trade and boost tourism, according to a study by the Philippine Institute for Development Studies.

Vehicles directly board Roro vessels without unloading their cargo and are transferred from one island to another through the Roro ferry terminal system.