

Logistics Philippine Archipelago

PISA/PLSA March 2026

Philippine Interisland Shipping Association - PISA



- Established in 1977
- PISA is the umbrella organization of the various sectors in the domestic shipping industry with membership from owners/operators – as regular members – of liners, tankers, RoRos, lighterage, harbor tugs,
- Associate members – are marines related companies such as Insurance, Class, ship building and ship repair, suppliers, etc.



Geographical and Economic Factors Shaping Logistics

Archipelago

The Philippine Archipelago of over 7,000 islands requires intermodal travel to reach far flung locations.

Economic Center

Metro Manila and its surrounding provinces are the economic center of the Philippines. Low critical mass at islands affect mode of transport

Trade Routes Influence

Goods are distributed originating mainly from Manila creating an Imbalance in cargo flows.

Infrastructure Influence

Port and Road Infrastructure impact the mode of transportation

The Philippines Archipelago Shaping Intermodal Logistics

Archipelagic Geography

The Philippines consists of over 7,000 islands, creating complex transport and connectivity challenges across the nation.

Logistical Barriers

Geographical fragmentation leads to difficulties in movement of goods and people, impacting trade and daily life.

Role of Shipping

99% of all Interisland trade reaches its destination through ships.

Intermodal

Nautical Highway is an intermodal play

North-South Door-to-Door shipment shipments are intermodal Road-Ship-Road





Economic Center

GDP Distribution

Luzon – 69%

Visayas – 13-14%

Mindanao 17-18%

Population

Luzon – 58%

Visayas – 19%

Mindanao 23%

Share of Manufacturing Output

Luzon – 76%

Visayas – 11%

Mindanao 13%

Impact

Lack of scale / smaller lot size favours Roro Trucks

Higher unit cost to serve smaller ports

Imbalance



Trade Routes

Cargo Flow

The Headhaul trade is Southbound with most ships sailing out of Manila with high utilisation. This is the same for the trucks on the Nautical Highway.

Imbalance

With most manufacturing and importation in Manila and surrounding provinces, we have an imbalance ratio of 3 is to 1.

Mode of delivery

Approximately 50% of domestic cargo move on a door-to-door basis with lines or forwarders.

Transportation Model

Cargo owners have a choice of moving cargo via Container ships on the North-South Sea route or on trucks moving on RORO vessels on the Nautical Highways.



Infrastructure

Port

Lack of crane/cargo handling equipment affects vessel turnaround.
Berths are shared between Passengers, Container and Bulk cargo ships affecting schedules.

Road

Cargo routing is affected by the condition of the roads as well as capacity constraints.
e.g. Maharlika Highways and Manila truck ban

Bridges

Bridge maintenance impact load bearing capacity.
e.g. San Juanico bridge rehab severely impacted the Nautical Highways and affect supplies to Samar.

Good News

DPWH is taking over the Maharlika Highway rehabilitation.

Sea Routes

North – South Trades

- Connects Cargo and Passengers directly with Manila



Nautical Highways

- Road RORO systems which seamlessly connects roads and ports providing an efficient means of connecting Luzon, Visayas an Mindanao.



Nautical Highways





- Connects Cargo and Passengers directly with Manila
- Direct and in some cases non-stop services
- Larger vessel with economies of scale
- Liquid or bulk commodities may originate from Mariveles or Batangas
- Mainly a LOLO service with one RORO for dry cargo.
- Weekly / Cargo Closing time
- 200-1000 TEU
- 50% moves on a Door-to-Door basis

North – South



Nautical Highways

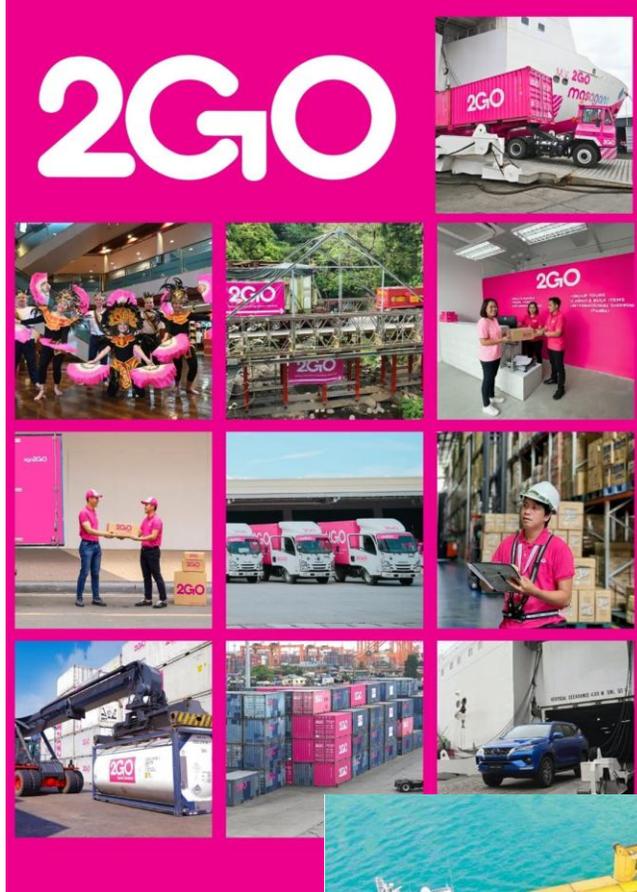
- Western Nautical Highway
 - Batangas City – Roxas - Calapan-
Dumangas, Bacolod- Dumaguete-
Dapitan
- Central Nautical Highway
 - Pilar - Aroroy – Cawayan –
Daanbantayan – Tubigon – Jagna –
Mambajao – Benoni – Balingoan
- Eastern Nautical Highway (Pan
Philippine Highway)
 - Matnog – Allen – Liloan - Lipata



- **No Closing time**
- **Bypass the truck ban**
- **No extra handling**
- **Time definite**

- **More expensive 2X**
- **Not for fragile cargo**

Nautical Highways



- Archipelago
- Economic Center
- Trade Routes Influence
- Infrastructure Influence



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