

**NMM**

**NAGUE MALIC MAGNAWA & ASSOCIATES**  
Customs Brokers

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COMPLIANCE BEYOND BORDERS

# CUSTOMS GAZETTE

**Updates on Customs-Related Matters**

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# In Brief

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# CAO 03-2019

Issue Date: April 1, 2019

## *Scope*

- All importations and export shipments suspected to be violative of the CMTA and related laws
- Suspected smuggled goods and prohibited importation and goods intended for exportation, found anywhere in the Philippines
- Carriers and persons suspected to be in possession of smuggled goods and prohibited importation and exportation

## *Objectives*

- Clarify the extent and limits of the exercise of customs jurisdiction and police authority, including border protection and the prevention and suppression of smuggling and other customs fraud
- Implement a clear and effective system in the exercise of customs jurisdictional control from the moment imported goods enter customs jurisdiction and after release from customs custody, including the exportation of goods
- Establish transparent procedures in the deputization of members of National Law Enforcement Agencies (NLEAs) and regulate their exercise of police authority
- Provide conditions for the exercise of police authority by Customs Officers or deputized officers in the apprehension of smuggled or prohibited goods, including those in Free Zones

## *Definition of Terms*

**Agents** - Customs Officers under the Customs Intelligence and Investigation Service (CIIS)

**Controlled Delivery** – the investigative technique of allowing an unlawful or suspect consignment of any prohibited or regulated articles to enter into, pass through or exit out of the country under the supervision of an authorized officer, with the view to

gather evidence aimed at identifying any person involved in smuggling-related offenses, and to facilitate the prosecution of the offender

cf Section 3 (g) RA 9165

**Customs Jurisdiction** – the Bureau’s exercise of jurisdiction over all seas within Philippine territory and all lands, coasts, ports, airports, harbors, bays, rivers and inland waters whether navigable or not from the sea and any means of conveyance

CMTA, Title III, Chapter 2, Section 300

**Customs Officer** – as distinguished from clerk or employee, refers to a person whose duty, not being clerical or manual in nature, involves the exercise of discretion in performing the functions of the Bureau. It may also refer to an employee authorized to perform a specific function of the Bureau

CMTA, Title I, Chapter 2, Section 102 (p)

**Customs Premises** – includes customs offices, facilities, warehouses, ports, airports, wharves, infrastructures and other areas within the customs districts over which the Bureau shall have exclusive control, direction and management for customs purposes

CMTA, Title III, Chapter 2, Section 303

**Deputization Order** – refers to the written order signed by the Commissioner of Customs authorizing named officers or members of the Armed Forces of the Philippines or other selected national law enforcement agencies, to assist in the exercise of customs police authority particularly the power to search, seize, and arrest in specified areas outside of customs premises

**Diversion of Goods** – refers to an act of bringing bonded articles to some place other than its intended destination without prior authority from the Bureau. This also covers imported goods for admission into Free Zones and other similar schemes such as goods under local transit for immediate exportation, which are illegally introduced into domestic market without compliance with customs formalities or without payment of duties and taxes.

**Dwelling House** – refers to any building or structure exclusively devoted to rest and comfort, as distinguished from places devoted to business or offices

People vs. Inventor, 07695-Cr, May 19, 1971

**Free Zones** – refers to special economic zones registered with the Philippine Economic Zone Authority (PEZA) under Republic Act No. 7916, as amended, duly chartered or legislated special economic zones and freeports such as Clark Freeport Zone; Poro Point Freeport Zone; John Hay Special Economic Zone and Subic

CMTA, Title I, Chapter 2, Section 102 (w)

Bay Freeport Zone under Republic Act No. 7227, as amended by Republic Act No. 9400; the Aurora Special Economic Zone under Republic Act No. 9490, as amended; the Cagayan Special Economic Zone and Freeport under Republic Act No. 7922; the Zamboanga City Special Economic Zone under Republic Act No. 7903; the Freeport Area of Bataan under Republic Act No. 9728; and such other freeports as established or may be created by law

**Letter of Authority (LOA)** – refers to a written authorization signed by the Commissioner of Customs in the exercise of the power to visit and inspect premises and goods, identifying the Customs Officers authorized to demand evidence of payment of duties and taxes on imported goods openly offered for sale or kept in storage

cf CMTA, Title II, Chapter 3, Section 224

**Mission Order (MO)** – refers to the written directive of order issued by the Commissioner of Customs or other Customs Officer authorized in writing by the Commissioner, to carry out specific instructions given to any Customs Officer, or any deputized officer who must be a government employee holding regular plantilla position.

**National Law Enforcement Agencies (NLEAs)** – refers to agencies responsible for enforcing the law, particularly the activities of prevention, detection, and investigation of crimes and the apprehension of the criminals or offenders

**Philippine Territory** – comprises the Philippine Archipelago, with all the islands and waters embraced therein, and all other territories over which the Philippines has sovereignty or jurisdiction, consisting of its terrestrial, fluvial and aerial domains, including its territorial sea, the seabed, the subsoil, the insular shelves, and other submarine areas. The waters around, between and connecting the islands of the archipelago, regardless of their breadth and dimensions, form part of the internal waters of the Philippines

1987 Constitution, Article I

**Police Authority** – refers to the authority granted to specific regular government employees, to effect search, seizure, and arrest in places where the authority may be exercised arising from the implementation of the CMTA and other related laws

cf CMTA, Title II, Chapter 3, Section 214

**Police Officers** – refers to customs officers under the Enforcement and Security Service (ESS)

**Probable Cause** – refers to the reasonable ground of suspicion, supported by circumstances sufficiently strong in themselves to warrant a cautious person in the belief that the person accused is guilty of the offense with which he is charged. It may also refer to the existence of such facts and circumstances which could lead a reasonably discreet and prudent person to believe that an offense has been committed and the items or objects sought in connection with said offense or subject to seizure and destruction by law is in the place to be searched

People vs. Valdez, G.R. No. 127801.  
March 3, 1999

**Reasonable Cause** – refers to that which an ordinary person of average intelligence and sound mind would believe

Black's Law Dictionary

**Search Warrant** – refers to an order in writing, issued in the name of the People of the Philippines, signed by a judge of a competent court and directed to a peace officer, commanding him or her to search for certain personal property and bring it before the Court

Rules of Court, Rule 126, Section 1

**Seizure** – refer to the act of taking possession of property for violations of the CMTA and other related laws. It implies taking or removal of something from the possession, actual or constructive, of another person or persons

cf Black's Law Dictionary, 5th Edition

**Smuggling** – refers to the fraudulent act of importing goods into the Philippines, or the act of assisting in receiving, concealing, buying, selling, disposing or transporting such goods, with full knowledge that the same has been fraudulently imported, or the fraudulent exportation of goods

cf CMTA, Title I, Chapter 2, Section 102  
(nn)

**Warrant of Seizure and Detention (WSD)** – refers to an order in writing, issued in the name of the Republic of the Philippines and signed by the Collector of Customs, directing a Customs Officer to seize and detain any vessel, aircraft, cargo, goods, animal or any other movable property when the same is subject to forfeiture pursuant to Section 1113, Chapter 4, Title XI of the CMTA

## **General Provisions**

### **Persons Authorized to Exercise Police Authority**

cf CMTA, Title II, Chapter 3, Section 214

- Officials of the Bureau, District Collectors, Deputy District Collectors, Police Officers, Agents, Inspectors and Guards of the Bureau
- Upon authorization of the Commissioner, specifically named organic officers and members of the Armed Forces of the Philippines (AFP) and National Law Enforcement Agencies (NLEAs)
- Officials of the Bureau of Internal Revenue on all cases falling within the regular performance of their duties, when payment of internal revenue taxes is involved

### **Places Where Authority may be Exercised**

- All premises used for customs purposes
- All lands, seas, and air within Philippine Territory
- Free Zones

The Bureau shall enter into appropriate memoranda of agreement (MOA) with the agencies concerned for the effective performance of their respective mandates, including unhampered access to the premises given to authorized Customs Officers

### **Extent of Police Authority Exercised by Customs Officers and Deputized Officers, When Duly Authorized**

- Exercise of Power of Seizure – any person exercising Police Authority under the CMTA has the power and duty to seize any vessel, aircraft, cargo, goods, animal or any other movable property when the same is subject to forfeiture or when they are the subject of a fine imposed under the CMTA
- Authority to Require Assistance and Information – any person exercising Police Authority may demand the assistance of and request information from the Philippine National Police (PNP), the AFP and other NLEAs when necessary to effect any search, seizure, or arrest
- Authority to Enter Properties – any person exercising Police Authority may, at any time, enter, pass through, and search any land, enclosure, warehouse, store, building or other structures not principally used as a Dwelling House
- Authority to Search Dwelling House – a Dwelling House may be entered and searched only upon warrant issued by the Judge of a competent court, the sworn application thereon showing probable cause and particularly describing the place to be searched and the goods to be seized

CMTA, Title II, Chapter 3, Section 216

CMTA, Title II, Chapter 3, Section 219

CMTA, Title II, Chapter 3, Section 220

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CMTA, Title II, Chapter 3, Section 216

CMTA, Title II, Chapter 3, Section 219

CMTA, Title II, Chapter 3, Section 220



delivery/receipt order) for shipping lines and/or their agents to load their empty containers, and the importer, broker, or trucker signified their intention to return the same to the shipping lines and/or their agents within the detention-free period

- Authority to Search Vessels or Aircrafts and Persons or Goods Conveyed Therein – any person exercising Police Authority may board, inspect, search and examine a vessel or aircraft and any container, trunk, package, box or envelope found on board, and physically search and examine any person thereon. Such power to search includes removal of any false bottom, partition, bulkhead, or any other obstruction for the purpose of uncovering any concealed dutiable or forfeitable goods
- Non-Liability for Damages – the duly authorized search of vessels or aircrafts and persons or goods conveyed therein shall not give rise to any claim for damage caused to the goods, vessel or aircraft, unless there is gross negligence or abuse of authority in the exercise thereof
- Authority to Search Vehicles, Other Carriers, Persons and Animals – upon reasonable cause based on profiling or derogatory information received, any person exercising Police Authority may open and examine any box, trunk, envelope, or other container for purposes of determining the presence of dutiable or prohibited goods
- Authority to Search Persons Arriving from Foreign Countries – upon reasonable cause based on profiling or derogatory information received, travelers arriving from foreign countries may be subjected to search and detention by the Customs Officers. Female Inspectors may be employed for the examination and search of persons of their own sex
- Customs Control Over Goods – all goods, including means of transport, entering or leaving the Customs Territory, regardless of whether they are liable to duties and taxes, shall be subject to Customs Control to ensure compliance with the CMTA
- Special Surveillance for Protection of Customs Revenue and Prevention of Smuggling – the Bureau shall conduct surveillance on vessels or aircrafts entering Philippine territory and on imported goods entering the customs office. The Bureau's authority to conduct surveillance over imported goods shall extend to transshipments and other foreign goods passing through customs jurisdiction.
- Trespass or Obstruction of Customs Premises – no person shall enter or obstruct a customs office, warehouse, port, airport,

CMTA, Title II, Chapter 3, Section 221

cf CMTA, Title II, Chapter 3, Section 221

CMTA, Title III, Chapter 1, Section 305

wharf, or other premises under the control of the Bureau without prior authority, including the streets or alleys where these facilities are located

### ***Deputization Order***

- Who May Issue - may only be issued by the Commissioner of Customs
- Purpose of the Deputization Order – authorizes specific officers or members of NLEAs to assist Customs Officers operating outside of the Customs Premises in the exercise of Police Authority
- Who may be Deputized – officers and members of the following NLEAs may be deputized when necessary to assist the Bureau in the exercise of Police Authority:
  - Armed Forces of the Philippines (AFP)
  - Bureau of Fisheries and Aquatic Resources (BFAR)
  - National Bureau of Investigation (NBI)
  - Philippine Coast Guard (PCG)
  - Philippine Drug Enforcement Agency (PDEA)
  - Philippine National Police (PNP)
  - Any other law enforcement agency which the Commissioner may hereafter deputize
- Duties and Responsibilities of Deputized Officers – deputized officers have the following duties and responsibilities:
  - Report to the Bureau suspicious movements of sea crafts and aircrafts into Philippine Territory gathered through their operational resources
  - Report immediately to the Bureau any apprehension of suspected smuggled goods through the fastest means of communication available, e.g. by phone or short messaging system (SMS)
  - Submit an Affidavit of Apprehension upon turn-over of the confiscated goods to the Collector or their duly represented authorized representative
  - Immediately physically turn-over to the Bureau all goods seized, unless otherwise provided under existing laws, rules and regulations
  - Any other duties and responsibilities specified by the Mission Order as may be issued by the Commissioner of Customs

- Conditions and Requirements for Deputization
  - Validity Period – the Deputization Order shall specify the period of its validity, which shall not exceed one (1) year from issuance unless revoked. When the purpose for which it was issued has ceased to exist or when the deputized officers are recalled by the head of their agency, the deputization is deemed automatically revoked. The renewal of the Deputization Order shall retroact to the date of expiration of the original or earlier Deputization Order.
  - Basis and Grounds for the Issuance of a Deputization Order
    - When there is lack of sufficient manpower, expertise and logistical resources on the part of the Bureau
    - When the risk of security and safety is high in the area of operation
  - Customs Orientation – no officer or member of any NLEA shall be deputized without first undergoing at least a one (1) day orientation seminar by the Bureau on relevant provisions of the CMTA
- Limitations on the Exercise of Police Authority for Customs Control by Deputized Officers
  - The Deputization Order shall be valid for not more than one (1) year, unless revoked, or renewed accordingly
  - It shall only be exercised in areas outside the customs premises
  - In all cases, it shall be covered by a Mission Order clearly indicating the specific names of the deputized officers, the tasks to be carried out, and the particular area covered. Any anti-smuggling operation outside customs premises not covered by a Mission Order shall be deemed illegal.
  - It shall not include the exercise of the power to visit and inspect, as provided under Section 224 of the CMTA, unless their assistance is expressly requested by the Bureau
  - Before any operation is initiated, deputized officers shall see to it that proper coordination is done with the District Collector having jurisdiction over the area of operation

### ***Issuance of Mission Order***

- Who May Issue - shall be issued by the Commissioner of Customs, or other Customs Officer authorized in writing by the Commissioner, and shall bear the Commissioner's original signature or that of the authorized Customs Officer as the case may be, and the official seal of the Bureau

- Purpose of Issuance of Mission Order – to ensure that the operation is duly authorized by the Bureau and that the Customs Officers or deputized officers tasked to assist in carrying it out are properly identified
- Basis and Conditions for the Issuance of a Mission Order
  - When there is a need to operate outside the Customs Premises
  - When there is a need for a coordinated effort to avoid duplication and ensure the success of an anti-smuggling operation outside Customs Premises
  - Every request for issuance of Mission Order must be accompanied by a corresponding EXEPLAN (Execution Plan) emanating from the requesting agency other than the Bureau, on the basis of a verified intelligence report
- Duration – Mission Order shall be valid for not more than thirty (30) calendar days from the date of its issuance. The date of expiration shall be likewise specified in the Mission Order
- Termination of Mission Order – accomplishment or completion of the operation automatically terminates the Mission Order
- Grounds for Revocation – Mission Order may be revoked by the issuing authority even before its implementation or completion on the following grounds:
  - When the mission becomes legally or physically impossible to achieve, as determined by the issuing authority
  - Inaction, ineffective execution, or abuse of authority in the implementation of the Mission Order, as determined by the issuing authority
  - In cases where the Mission order is issued to deputized officers and the Bureau being the lead agency in anti-smuggling operations takes over the operation from the deputized officers
  - In any other instance where the Commissioner or issuing authority deems it necessary to revoke the Mission Order

### ***Letter of Authority (LOA)***

- Who May Issue – the Commissioner shall issue an LOA pursuant to the exercise of the power to visit and inspect under Section 224, Chapter 3, Title II of the CMTA
- Purpose of the Issuance of a Letter of Authority – to authorize Customs Officers to inspect, visit, and when necessary, demand evidence of payment of duties and taxes on imported goods openly offered for sale or kept in storage

- Who May Implement the Letter of Authority – only Customs Officers authorized in writing by the Commissioner may implement the LOA
- Duration and Termination – the validity of the LOA shall commence upon issuance and shall be deemed terminated upon completion of the mission
- Manner of Implementation – the following rules shall be strictly observed:
  - A Mission Order must be issued authorizing the implementation of the LOA
  - An LOA signed by the Commissioner shall identify the Customs Officers authorized to implement the same, the stores, stalls, exhibition places, warehouses, and enclosures where the imported articles are openly offered for sale or kept in storage, to be visited and inspected. The LOA must be shown or exhibited immediately at the start of the exercise thereof.
  - The duly authorized Customs Officer shall:
    - Enter the premises where the smuggled goods are suspected to be stored in the presence of the lawful occupant or any person in possession of the goods, or in their absence, any two (2) witnesses who are residents of the same locality, or barangay officials or any representative from the building management or other responsible officers
    - Conduct an inventory of the foreign goods if upon demand no evidence of payment is produced. The inventory shall be conducted in the presence of the owner, occupant, or person in possession of the goods, as witnessed by any Customs Officer authorized to implement the LOA
    - Prepare and sign the Inventory Report reflecting in detail the description and quantity of the goods. The Inventory Report must be signed by the owner, occupant or person in possession of the goods, as well as witnesses.
    - Furnish a copy of the Inventory Report to the owner, occupant, or person in possession of the goods, who must acknowledge the receipt thereof. In case of refusal to receive and acknowledge the Report, a copy thereof shall be posted in any conspicuous space in the building or premises. Upon failure of the interested party to produce evidence of payment of duties and taxes within fifteen (15) days the goods may be seized and subjected to forfeiture proceedings.

cf CMO 10-2006, Sections 5, 6, 7, 8 & 9

- In cases of restricted or regulated goods wanting in government permits and clearances, immediately conduct inventory and recommend the issuance of WSD.
- If during the service of the LOA prohibited articles are discovered, the same shall be confiscated under the "plain view doctrine."
- The owner of the goods or his or her representative shall execute an Undertaking stating that the goods will not be removed, sold, or disposed of without prior authority from the Bureau. If the owner, occupant or person in possession of the goods refuses to cooperate, the premises where the goods are stored shall be padlocked or sealed by the duly authorized Customs Officer and continuously guarded by the Bureau.
- Pending presentation of proof of payment of duties and taxes, the goods shall be deemed to be under constructive customs custody.
- In case of seizure, the duly authorized Customs Officer shall witness the delivery of the items seized into the custody of the Collector of Customs which has jurisdiction over the area within twenty-four (24) hours from service of WSD
- The duly authorized Customs Officer is duty-bound to adopt all reasonable measures deemed necessary to effectively implement the LOA.
- The Commissioner of Customs or any Customs Officer exercising the power to visit and inspect shall tap or utilize transport facilities for the transfer of the seized goods, and suitable warehouses or storage areas, constituting the same as virtual customs warehouses for this purpose. The expenses shall be taken from the Forfeiture Fund.
- Special Customs Area – for security, safety and economic reasons, the Commissioner may constitute the premises upon which foreign goods are openly offered for sale or kept in storage as a special customs area for the duration of the exercise of the power to visit or other related proceedings
  - The Bureau may conduct inventory, examination, appraisal, assessment and/or collection of duties and taxes due on the foreign goods in such special customs area
  - The goods are deemed, for all intents and purposes, in customs custody.

A Customs Officer III (COO III) shall be designated in the Special Customs Area for purposes of valuation and computation of taxes and duties.

cf CMTA, Title II, Chapter 3, Section 224

cf G.R. Nos. 1332545-55, April 19, 2001

cf CMTA, Title XI, Chapter 10, Section 1151 (b.)

**Application of Search Warrant**

- Who May Issue - may only be issued by the Commissioner of Customs
- Implementation of Search Warrant – a duly issued warrant to search a Dwelling House may be implemented by Customs Officers and deputized officers.
  - In the service of the Search Warrant, the Customs Officers and deputized officers shall present their Deputization and Mission Orders, as applicable.
  - Service of the warrant shall be made in the daytime, unless the affidavit asserts that the property is on the person nor in the place ordered to be searched, in which case a direction may be inserted that it be served at any time of the day or night. If the warrant cannot be served during the night time, perimeter guarding shall be conducted until such time that service can be effected.
- Turnover of Apprehended Goods by Virtue of Search Warrant – the Bureau shall inform the Court through a manifestation that such is for the purpose of taking physical possession of the goods preparatory to the institution of seizure proceedings for violation of the CMTA, and other related customs laws.

Rules of Court, Rule 126, Section 9

**Controlled Delivery**

- Nature and Purpose – an investigative technique allowing an unlawful or suspect consignment of any prohibited or regulated articles, or property believed to be derived directly or indirectly from any offense, to enter into, pass through or exit out of the country under the supervision of an authorized officer, for the purpose of gathering evidence to identify the person involved in smuggling-related offenses, preparatory to the prosecution of the offender
- Who May Participate – Customs Officers and Deputized Officers covered by duly-issued Mission Order
- When Conducted – may be allowed by the Commissioner for the following:
  - Importation of dangerous drugs, controlled precursors, and essential chemicals as well as instruments, paraphernalia and laboratory equipment used for the manufacture of dangerous goods
  - Importation of firearms, parts, ammunition, and explosives, without the necessary permits or clearances from the Philippine National Police
  - Importation or exportation of other articles which the Commissioner may deem necessary for Controlled Delivery

The Bureau shall enter into agreement with the other government agencies concerned to ensure the accomplishment of the purpose for which the controlled delivery is being undertaken.

### ***Periodic Review***

Unless otherwise provided, this CAO shall be reviewed not later than every three (3) years, and be amended or revised, if necessary.

### ***Repealing Clause***

This CAO repeals and/or modifies CMO 1-2006, CMO 13-1994, CMO 52-1993, CMO 79-1991 and all other rules and regulations or parts thereof which are inconsistent herewith.

### ***Effectivity***

This CAO shall take effect thirty (30) days after its publication at the Official Gazette or a newspaper of national circulation.



# CMO 17-2019

Issue Date: April 15, 2019

## Objective

- Provide guidelines on resolving a Motion to Recall/Lift/Reconsider/Set Aside any Order/Decree of Abandonment issued by the District Collector having jurisdiction over the goods/shipments

## Guidelines

- The District Collector shall strictly observe/comply with the implementation of Section 1129 of the CMTA (*Abandonment, Kinds and Effects of*) in relation to Section 408 (*Goods Declaration and Period of Filing*) thereof
- District Collector may initiate and decide abandonment proceedings that may result in the issuance of an Order/Decree/Decision of abandonment upon strict compliance with the notices under Sections 1129 and 407 of the CMTA and Customs Memorandum No. 16-2019 (*Guidelines on The Sending of Notice under Section 1129 (Abandonment, Kinds and Effects)*) dated 18 March 2019
- The aggrieved party may file a written Motion to Recall/Lift/Reconsider/Set Aside with the District Office that issued an Order/Decree/Decision of Abandonment within a period of fifteen (15) days from receipt thereof. The motion shall specifically state the grounds relied upon and the timeliness of the filing thereof.
- District Collector shall have the authority to resolve any Motion within a period of five (5) working days from its filing. Thereafter, the District Collector shall transmit to the Office of the Commissioner for confirmation of his/her Decision within two (2) days from promulgation/issuance thereof.
- The Decision of the District Collector duly confirmed by the Commissioner shall become final and executory within fifteen (15) days from receipt by the owner/importer/consignee of the questioned Order/Decree/Decision unless appealed to the Commissioner in the manner and time specified in Section 114 of the CMTA

- The appeal shall set forth new/specific arguments/grounds not raised in the Motion. Aside any Order/Decree/Decision of Abandonment and with arguments which were simply glossed over, overlooked and/or not treated at all in the appealed Decision.
- In the absence of specific provision on APPEAL to the Commissioner in abandonment proceedings (*Chapter 6 of the CMTA*), Section 114 of the CMTA shall apply.
- Once the Order/Decree/Decision becomes final and executory, the subject shipments shall be immediately disposed by the concerned District Collector pursuant to Section 1141 of the CMTA
- In case of public auction, District Collector shall comply with the mandatory requirement of publication prescribed in Section 1141 of the CMTA, and shall furthermore strictly comply with CMO No. 02-2019 (*Guidelines in the Conduct of Public Auction and in Setting the Floor Price of Goods Subject thereto*).

# CMO 18-2019

Issue Date: April 29, 2019

## Objective

- Amend the period of lodgement of goods declaration in order to facilitate trade in goods, optimize revenue generation, further ease port congestion, streamline processes and protect the interest of stakeholders

## Amendment

- Section 407 of RA 10863 or the Customs Modernization and Tariff Act (CMTA) of 2016 provides:  
“Goods declaration must be lodged within fifteen (15) days from the date of discharge of the last package from the vessel or aircraft. The period to file the goods declaration may, upon request, be extended on valid grounds for another fifteen (15) days: Provided, that the request is made before the expiration of the original period within which to file the goods declaration: ***Provided, however, that the period of the lodgement of the goods declaration may be adjusted by the Commissioner.***”
- Accordingly, the 15-day period to lodge goods declaration is hereby shortened to ***seven (7) days*** from the date of discharge of the last package from the vessel or aircraft.
- District Collectors are directed to immediately examine the goods, when necessary, after the goods declaration has been lodged, pursuant to Section 419 of the CMTA, assess the goods, after which, payment of duties and taxes may be made immediately upon receipt of assessment.

# Memorandum 2019-04-010

Issue Date: April 12, 2019

## ***Objective***

- Decentralize the renewal of accreditation of customs brokers and the Client Profile Registration System (CPRS) activation of entities accredited by other government agencies to the level of the District Collectors

## ***Documentary Requirements***

### **A. Customs Brokers (Renewal)**

- Updated Application Form
- Bureau of Customs Official Receipt (BCOR) evidencing payment of renewal fee (Php 1,000)
- Valid PRC card (if the broker retains her maiden name submit marriage contract)
- Updated list of clients with complete addresses and contact details (if the broker has no clients, submit affidavit of no clients using AMO form)
- Updated printed CPRS profile of applicant and updated notification of "STORED" status
- Income tax returns (ITR) for the past three years
- Updated professional profile
- NBI clearance
- Certificate of good standing issued by a PRC-accredited national organization of Customs brokers

### **B. Stakeholders Accredited by Other Government Agencies**

- PEZA – Notification from PEZA or printed CPRS certifying that the company is already accredited, and BCOR
- Shipping Lines – Letter request from shipping agent, Marina Accreditation and Permit to Operate
- CBW Exporter/Importer – Letter request and certification from operator, accreditation of the operator signed by the commissioner
- CBW Operator – Indorsement from AOCG for activation
- BOI – Good standing
- PHILEXPORT – Email notification from the agency

- CDC – Email notification from the agency
- SBMA – Email notification from the agency
- EMB – Email notification from the agency
- AFAB – Email notification from the agency
- CAB – Email notification from the agency
- DDP TAGGING – Email notification from the agency

## ***Accreditation Procedure***

### **A. Customs Brokers**

1. Brokers file application with the CIIS District office at the Collection District nearest their principal place of business. All complete applications are forwarded to the Collection Division.
2. Cashier of Collection Division issues Bureau of Customs Official Receipt (BCOR) for payment of the processing fee and forwards the application to the Office of the District Collector (ODC).
3. District Collector reviewer evaluates the application to ensure completeness of documents and to ensure compliance with accreditation rules and regulations.
4. District Collector concerned approves/disapproves the application based on the recommendations of the evaluator.
5. Collection District forwards the approved applications to AMO thru the CIIS District Office.
6. AMO activates the CPRS of the approved application. AMO forwards the issued Certificate of Accreditation (COR) to the Collection District concerned.

### **B. Stakeholders Accredited by Other Government Agencies**

1. Endorsed officially by the Accrediting Government Agency by official electronic mail or by the official messenger or thru a secured courier service to the Collection District.
2. Activation of CPRS by the District Collector.

All CIIS District Offices are hereby ordered to function as AMO satellite offices to assist the District Collector in processing applications for accreditation.

## **ABOUT US**

Nague Malic Magnawa & Associates Customs Brokers (NMM) is a general professional partnership of customs brokers duly registered by the Securities and Exchange Commission and the Bureau of Customs. As the first general professional partnership of customs brokers registered with SEC and BOC, it complies with RA 9280, or the Customs Brokers Act of 2004. It has offices located in Clark, Subic, Cebu, Davao, Manila, Cagayan de Oro, Batangas, and other major ports and special economic zones in the Philippines.

To learn more about the company, please visit our website at:

**<http://www.nmmcustomsbrokers.com/>**

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