



# CUSTOMS GAZETTE

**Updates on Customs-Related Matters**

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# CMO 09-2021

Issue Date: March 18, 2021

## Objectives

- To provide guidelines in the accreditation of Air Express Cargo Operators (AECO);
- To provide guidelines in the clearance of express shipments carried as cargo under a Master Air Waybill (MAWB) consigned to AECO consistent with World Customs Organization (WCO) Immediate Release Guidelines and Article 7.8 of the World Trade Organization (WTO) Agreement on Trade Facilitation;
- To ensure the uniform application of all rules and regulations in the transport, documentation and clearance of express shipments;
- To implement risk-based control procedures through a systematic methodology and application of various techniques and tools such that low risk shipments may benefit greater facilitation as opposed to shipments that require higher levels of control; and
- To define the duties and responsibilities of personnel in the performance of clearance formalities of express shipments.

## Definition of Terms

**Air Express Cargo Operator (AECO)** — shall refer to a company which provides and arranges fast and rapid transport and delivery of express shipments, by order and in the interest of shippers or consignors, either as a direct common carrier or an indirect air carrier, and as such issues its own air waybill to shippers or consignors of shipments under its solicitation.

**Air Waybill (AWB)** — shall refer to a transport document for airfreight used by airlines and international freight forwarders which specifies the holder or consignee of the bill who has the right to claim delivery of the goods when they arrive at the port of destination. It is a contract of carriage that includes carrier conditions, such as limits of liability and claims procedures. In addition, it contains transport instructions to airlines and carriers, a description of goods, and applicable transportation charges. AWBs are categorized as follows:

CAO No. 05-2020, Section 3.2

Customs Modernization and Tariff Act (CMTA), Title I, Chapter 2, Section 102 (d).

- **Master Air Waybill (MAWB)** — shall refer to an air waybill issued by an air carrier to an international air freight forwarder or consolidator
- **House Air Waybill (HAWB)** — shall refer to an air waybill covering a single, individual shipment or consignment issued by the freight forwarder or consolidator to a consignor or sender containing the names and addresses, respectively, of both the consignor or sender and the consignee or receiver and the detailed, specific description of good shipped by air.

CAO No. 5-2020, Section 3.11

CAO No. 5-2020, Section 3.10.

**Bureau** — shall refer to the Bureau of Customs.

**Cargo Manifest** — shall refer to the detailed list of cargo (freight) on board a vessel or aircraft giving the commercial particulars of the goods, such as transport document numbers, consignors, consignees, marks and numbers, number and kind of packages, weight, descriptions, quantities of the goods and destination.

Cargo Manifest includes the following:

- **Inward Foreign Cargo Manifest (IFCM)** — shall refer to the Cargo Manifest of all shipments destined and intended to be unloaded at a port entry in the Philippines for consumption, admission, or warehousing. In electronic format, it is also known as e-IFCM.
- **Consolidated Inward Foreign Cargo Manifest (CIFCM)** — shall refer to a true and accurate manifest, of all the individual shipments in the consolidation destined and intended to be unloaded at a port entry in the Philippines, submitted as rider to the inward foreign manifest of the carrying vessel or aircraft. In electronic format, it is also known as e-CIFCM.
- **Outward Foreign Cargo Manifest (OFCM)** — shall refer to the list of House Airway Bills and/or Master Airway Bills which contain information about a transshipment cargo departing on a flight. In electronic format, it is also known as e-OFCM.
- **Transshipment Foreign Cargo Manifest (TFCM)** — shall refer to Cargo Manifest of all shipments intended to be temporarily unloaded at a port entry in the Philippines subject to re-exportation to its destination to countries other than the Philippines.

cf. WCO Glossary of International Terms.

cf. <http://www.farrow.com/article-what-is-emanifest>

cf. CAO No. 01-2016.

WCO Glossary of Customs International Terms

cf <http://www.farrow.com/article-what-is-emanifest>

**Clearance** — shall refer to the completion of customs and other government formalities necessary to allow goods to enter for importation or exportation. The following are the customs clearance procedures:

- **Admission** — shall refer to the act of bringing imported Goods directly or through Transit into a Free Zone,

CMTA, Title I, Chapter 2, Section 102.

CMTA, Title 1, Chapter 2, Section 102 (c);  
CAO No. 11-2019, Section 3.1.

- **Consumption** — shall refer to goods entered for domestic or local use,
- **Transit** — shall refer to the customs procedure under which goods, in its original form, are transported under customs control from one customs office to another, or to a free zone,
- **Transshipment** — shall refer to the customs procedure under which goods are transferred under customs control from the importing means of transport to the exporting means of transport within the area of one customs office, which is the office of both importation and exportation. For purposes of this Order, it also includes transit of transshipment goods from port of entry to another port of entry as exit point for outright exportation.

CAO No. 09-2020, Section 3.29.

CMTA, Title 1, Chapter 2, Section 102 (rr); c.AO No. 15-2019, Section 3.8.

CMTA, Title 1, Chapter 2, Section 102 (ss); CAO No. 12-2019, Section 3.18

Goods subject to transshipment may cover the following movement or processes:

- Transfer — shall refer to the transit of transshipment goods under customs control from one port of entry to another port of entry for onward shipment to a destination outside of the Philippines
- Transhold — shall refer to the arrival and departure of shipments in the same port of entry on the same transporting vessel or aircraft without unloading or sortation
- Transload - shall refer to the process of transferring a shipment from one mode of transportation to another within the same port of entry.
- Transsort — shall refer to the unloading, sortation, and reloading of goods, in one continuous process within the same port of entry.
- **Warehousing** — shall refer to the customs procedure under which goods are entered and stored under security in an accredited Customs Bonded Warehouse (CBW).

cf. Revised Kyoto Convention, Specific Annex D, Chapter 1, EI/F1; CAO No. 13-2019.

**De Minimis Value** — shall refer to the value of goods for which no duty or tax is collected.

CAO No. 02-2016, section 3.2.

**Express Shipments** — shall refer to consolidated air shipments of goods which are time-sensitive in character, usually under a door-to-door service arrangement with on-time delivery commitment, which are shipped under a MAWB consigned to an AECO.

cf CAO No. 5-2020, Section 3.6

**Free Zones** — shall refer 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, Clark Special Economic Zone, Clark Green City; Poro Point Freeport Zone; John Hay Special Economic Zone and Subic Bay Freeport Zone under Republic Act No. 7227, as amended by Republic Act No. 9400; the Aurora Pacific Economic Zone and Freeport Authority under Republic Act No. 9490, as amended by Republic Act 10083; the Cagayan Special Economic Zone and Freeport under Republic Act No. 7922; the Zamboanga City Special Economic Zone Authority 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.

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

**High-Value Shipments** — shall refer to goods of a commercial nature with FOB or FCA value of Fifty Thousand Pesos (Php50,000.00) or over

cf. CMTA, Title IV, Chapter 1, Section 402

**International Commercial Terms (Incoterms)** — shall refer to a set of internationally recognized rules which define the responsibility of sellers and buyers. It specifies who is responsible for paying for and managing the shipment, insurance, documentation, customs clearance, and other logistical activities. The following are two (2) of the commonly used Incoterms, among others:

US Department of Commerce  
International Trade Administration  
([trade.gov/know-your-incoterms](https://www.trade.gov/know-your-incoterms))

- **Free Carrier (FCA)** — shall refer to an international commercial term which means that the seller delivers the goods to the carrier or another person nominated by the buyer at the seller's premises or another named place. The parties of this type of sale should specify clearly as possible the point within the named place of delivery, as the risk passes to the buyer at that point.
- **Free On-Board (FOB)** — shall refer to an international commercial term which means that the seller delivers the goods on board the vessel nominated by the buyer at the named port of shipment or procures the goods already delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel, and the buyer bears all costs from the moment onwards.

International Commercial Terms 2010

**Low-Value, Dutiable Shipments** — shall refer to goods of a commercial nature with FOB or FCA value of more than ten thousand pesos (Php10,000.00) but less than fifty thousand pesos (Php50,000.00)

International Commercial Terms 2010

CMTA, Title IV, Chapter 1, Section 402

**Low-Value, Non-Dutiable** — shall refer to the value of goods with an FOB or FCA value of ten thousand pesos (Php10,000.00) or below for which no duty or tax is collected.

CMTA, Title IV, Chapter 3, Section 423.

**Package** — shall refer to a closed receptacle (i.e. box, carton or envelope) or covering in which the contents of a consignment is packed, ready for shipment or transport.

CMO No. 46-98 Section 3.1.4

**Prohibited Goods** — shall refer to the following goods, the importation and exportation of which are prohibited:

- Written or printed goods in any form containing any matter advocating or inciting treason, rebellion, insurrection, sedition against the government of the Philippines, or forcible resistance to any law of the Philippines, or written or printed goods containing any threat to take the life of, or inflict bodily harm upon any person in the Philippines;
- Goods, instruments, drugs and substances designed, intended or adapted for producing unlawful abortion, or any printed matter which advertises, describes or gives direct or indirect information where, how or by whom unlawful abortion is committed;
- Written or printed goods, negatives or cinematographic films, photographs, engravings, lithographs, objects, paintings, drawings or other representation of an obscene or immoral character;
- Any goods manufactured in whole or in part of gold, silver or other precious metals or alloys and the stamp, brand or mark does not indicate the actual fineness of quality of the metals or alloy;
- Any adulterated or misbranded food or goods for human consumption or any adulterated or misbranded drug in violation of relevant laws and regulations;
- Infringing goods as defined under the Intellectual Property Code and related laws; and
- All other goods or parts thereof which importation are explicitly prohibited by law or rules and regulations issued by the competent authority.

cf. CMTA, Title 1, Chapter 3, Section 118

**Regulated Goods** — shall refer to goods, the importation and exportation of which are subject to regulation and shall only be allowed after securing the necessary clearances, licenses, and any other requirements, prior to importation or exportation. In case of importation, submission of requirements after arrival of the goods but prior to release from customs custody shall be allowed but only in cases provided for by governing laws or regulations.

cf CMTA, Title I, Chapter 3, Section 117.



**Restricted Goods** — shall refer to the following goods, the importation and exportation of which are prohibited, except when authorized by law or regulation:

- Dynamite, gunpowder, ammunitions and other explosives, firearms and weapons of war, or parts thereof;
- Roulette wheels, gambling outfits, loaded dice, marked cards, machines, apparatus or mechanical devices used in gambling or the distribution of money, cigars, cigarettes or other goods when such distribution is dependent on chance, including jackpot and pinball machines or similar contrivances, or parts thereof;
- Lottery and sweepstakes tickets, except advertisements thereof and lists of drawings therein;
- Marijuana, opium, poppies, coca leaves, heroin or other narcotics or synthetic drugs which are or may hereafter be declared habit forming by the President of the Philippines, or any compound, manufactured salt, derivative, or preparation thereof, except when imported by the government of the Philippines or any person duly authorized by the Dangerous Drugs Board, for medicinal purposes;
- Opium pipes or parts thereof, of whatever material;
- Weapons of Mass Destruction and goods included in the National Strategic Goods List (NSGL) as provided under Republic Act No. 10697 or the Strategic Trade Management Act (STMA);
- Toxic and hazardous goods under Republic Act No. 6969 or the "Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990"; and
- Any other goods whose importation and exportation are restricted.

The restriction to import or export the above stated goods shall include the restriction on their transit.

**Transfer Note** — shall refer to a document that accompanies the transfer of transshipment cargoes to a Customs Facilities and Warehouse (CFW) and serves as proof of delivery or receipt of the articles at its intended destination duly acknowledged on its face by the Collector of Customs or his duly authorized representative. It is also commonly referred to as a "Boat Note".

cf. CMTA, Title 1, Chapter 3, Section 119;  
CAO 6-2016.

cf CMTA, Title I, Chapter 3, Section 117.

## ***Customs Control Over Express Shipments***

Nothing in this Order shall affect the right of a Bureau to examine, detain, seize, confiscate or refuse entry of goods, or to carry out post-clearance audits, including the use of risk management systems. Further, nothing in this Order shall prevent the Bureau from requiring, as a condition for release, the submission of additional information and the fulfilment of additional regulatory requirements.

WTO Agreement on Trade Facilitation,  
Article 7, par. 8.3.

## **Customs Control Over Express Shipments**

### ***Accreditation of AECO***

The AECO shall be accredited with the Bureau before it can avail of the privileges for handling Air Express Shipments.

- **Compliance with Documentary and Systems Requirements**
  - **Accreditation by the Bureau as an Importer.** The Bureau shall change the current Nature of Accreditation from being Freight Forwarder to AECO. The change of nature shall be done by Accounts Management Office (AMO). If the current status of the AECO is active, AMO shall automatically change the nature. However, if the AECO is not active, AECO must comply with the requirements to be accredited.
  - **Accreditation by the Bureau as a Customs Facility Warehouse (CFW) Operator.** The Bureau shall require all AECO to be accredited as a CFW Operator. If AECO is operating a Customs Bonded Warehouse (CBW) under the old regime, the Bureau shall approve the conversion of accreditation from CBW to CFW.

The Bureau may allow the AECO to use an existing CBW facility where AECO may operate. Provided that AECO must present proof of existing contract with the CBW. Provided further that the existing CBW shall also convert to a CFW.

- **Accreditation as a Freight Forwarder with the Civil Aeronautics Board (CAB).** The Bureau shall require AECO to provide updated accreditation from the Civil Aeronautics Board. If AECO is not accredited, it cannot avail of a simplified clearance procedure until such time that the AECO shall have secured the CAB accreditation.

- **Accreditation as a Freight Forwarder with the Civil Aeronautics Board (CAB).** The Bureau shall require AECO to provide updated accreditation from the Civil Aeronautics Board. If AECO is not accredited, it cannot avail of a simplified clearance procedure until such time that the AECO shall have secured the CAB accreditation.
- **Proof of Membership to a Recognized Existing International Organization for Air Express Operators, e.g. Conference of Asia Pacific Express Carriers (CAPEC).** The Bureau shall require an affidavit of undertaking signed by the highest officer or authorized officer of AECO, duly supported with a Board Resolution, that the AECO is a member of an existing international organization.
- **Certification as an Operator of a Global or Regional Hub for Handling of Express Shipments.** The Bureau shall require an affidavit of undertaking signed by the highest officer or authorized officer of AECO, duly supported with a Board Resolution, that AECO has existing global and regional hubs in handling of Express Shipments.
- **Dedicated Air Carrier for their Use as an AECO.** The Bureau shall require an affidavit of undertaking signed by the highest officer or authorized officer of AECO, duly supported with a Board Resolution, that AECO has a dedicated air carrier for its use as an Air Express Operator. The Bureau also shall recognize other commercial flights being used by the AECO to augment their network to meet their time sensitive delivery commitments, subject to prior approval by the Commissioner of Customs.
- **Integrated End-to-End Tracking System.** The Bureau shall require an affidavit of undertaking signed by the highest officer or authorized officer of AECO, duly supported with a Board Resolution, that the AECO has an existing integrated end-to-end tracking system that provides real time update to its clients.
- **IT System Capable of Interfacing with the Bureau's Automated System.** The Bureau shall require the AECO an IT system capable of interfacing with the Bureau's automated system provided that the AECO shall follow the requirements to be determined by Management Information System and Technology Group (MISTG).
- **Filing of Application for Accreditation**
  - The application shall be submitted both in hard copy and in electronic Portable Document Format (PDF) to the AMO through the Customer Care Center (CCC) of the port which has jurisdiction over the Customs Facility and Warehouse (CFW) owned and operated by the AECO.

- The hard copies of the application and supporting documents must be placed in a long brown envelope properly labeled using size 16 Arial font with the following details, all in capital letters:
  - SUBJECT: APPLICATION AS ACCREDITED AIR EXPRESS CARGO OPERATOR (AECO)
  - FOR: THE ACCOUNT MANAGEMENT OFFICE (AMO)
  - Date (ex. SEPTEMBER 18, 2020);
  - Name of Applicant (ex. INTERNATIONAL LOCAL AIR EXPRESS INC);
  - Applicant's Email address (ex. ilti@gmail.com);
  - Authorized Representative (ex. JOSE DE LA CRUZ);
  - Authorized Representative's email address (ex. jdlic@gmail.com);
  - List of Documents submitted separated by Comma (ex. APPLICATION FORM, CERTIFICATE OF ACCREDIATION AS IMPORTER, CERTIFICATE OF ACCREDIATION AS CFW OPERATOR, CERTIFICATE OF ACCREDIATION AS FREIGHT FORWARDER, PROOF OF MEMBERSHIP TO A RECOGNIZED EXISTING INTERNATIONAL ORGANIZATION FOR AIR EXPRESS OPERATORS, CERTIFICATION AS AN OPERATOR OF A GLOBAL OR REGIONAL HUB FOR HANDLING OF EXPRESS SHIPMENTS, AFFIDAVIT OF COMPLIANCE WITH SECTIONS 12.6. TO 12.8. OF CAO 5-2020, ETC.); and
  - TICKET NO. if scanned copy is submitted online
- In case of electronic copies, the same may be submitted online or through Flash Drive (USB). Only PDF file type shall be accepted and each document should be submitted as a separate file. The resolution of the electronic documents shall be at least 600dpi. The file name format shall be as follows:
  - AECO APPLICATION FORM
  - AECO CERTIFICATE OF ACCREDIATION AS IMPORTER
  - AECO CERTIFICATE OF ACCREDIATION AS CFW OPERATOR
  - AECO CERTIFICATE OF ACCREDIATION AS FREIGHT FORWARDER
  - AECO PROOF OF MEMBERSHIP TO A RECOGNIZED EXISTING INTERNATIONAL ORGANIZATION FOR AIR EXPRESS OPERATORS
  - AECO CERTIFICATION AS AN OPERATOR OF A GLOBAL OR REGIONAL HUB FOR HANDLING OF EXPRESS SHIPMENTS
  - AECO AFFIDAVIT OF COMPLIANCE WITH SECTIONS 12.6. TO 12.8. OF CAO 5-2020

The same template shall be applied in case there are other documents to be submitted.

- **Evaluation of Application.** The AMO shall act on the application within seven (7) working days from receipt of the application and the complete documentary requirements and after the conduct of inspection of its IT systems.

## ***Establishment of a Customs Office inside the AECO Facility***

- **Customs Office.** A customs office shall be established in all international airports where AECO have established offices or hubs.

The customs office shall be located within the facility of the AECO. The necessary office and IT equipment, office furniture, and other implements shall be provided by the AECO.

- **Personnel Complement at the Customs Office.** The District Collector shall ensure that the operations of AECO is fully complemented with the required number of personnel to complete the clearance process.

The AECO shall provide transport service to Customs personnel from the main office of the Port to the facility or office of the AECO to ensure safety of Customs personnel and prevent delay of delivery of service by the Customs personnel. However, in lieu thereof, the AECO may provide transportation allowance to Customs personnel assigned at the Customs Office.

- **Working Hours.** The operating hours shall be determined by the AECO and may be changed based on the volume, time of arrival and departure of the shipments and schedule of deliveries of cleared shipments to ultimate consignees. Overtime services will be provided by the Bureau as the need arises.
- **Overtime Pay**
  - The AECO shall pay the Bureau service fees for services rendered in accordance with Sections 1211, 1300 and 1508 of the CMTA.
  - The overtime pay shall be given to customs personnel who rendered more than eight (8) hours of a regular work day, on rest days and during holidays or nonworking days.
  - The personnel rendering overtime services shall be entitled of overtime pay by the hour. The hourly rate is computed using this formula:

Monthly Salary/22days/8hrs = Hourly rate

- o The overtime pay shall be computed as follows:
  - Regular work day: Hourly rate plus 25% of the hourly rate; and
  - Rest day, holiday or non-working day: Hourly rate plus 50% of the hourly rate.

The monthly salary is based on the salary of the position being designated.

## ***Security Deposit***

In case of Low-value, Dutiable and/or Taxable Express Shipments, the AECO shall deposit and maintain in AAB the amount of not less than Five Million Pesos (Php5,000,000.00) specifically to guaranty immediate payment by the bank upon demand by the Bureau.

The AECO shall increase the security deposit if the duties, taxes and other charges due on the shipments exceed Five Million Pesos (Php5,000,000.00). Otherwise the District Collector shall not allow the release of the shipments not covered by the security deposit.

In case of default on the part of the AECO to pay the assessed customs duties, taxes, and other charges due on shipments that were released under Section 16 of this Order, the Bureau shall deduct the security deposit the payment of the duties, taxes and other charges.

The security likewise covers mis-sorted or misrouted shipments being returned to the shipper. In case of failure to show proof of landing or evidence of re-exportation or that the said shipment was not re-exported within twenty-four (24) hours from arrival, the amount of duties and taxes which should have been collected shall be deducted from the security by way of penalty.

## ***Operational Provisions***

### ***Operational Provisions***

Express shipments shall be cleared based on the following category of the shipments:

- Correspondence and documents;
- De-Minimis or low value, non-dutiable shipments;

- Low value, dutiable and/or taxable shipments; and
- High value shipments.

## **Pre-Clearance**

### ***Submission of Cargo Manifest***

- **Submission of e-IFCM.** A true and complete copy of the IFCM shall be sent electronically by the AECO within the following cutoff period:
  - From Asia - at least one (1) hour before the arrival of the aircraft; and
  - From continents other than Asia — at least four (4) hours before arrival of the aircraft.
- **Submission of e-CIFCM.** For the purpose of identifying the individual shipments consigned to the ultimate consignees, the electronic copy of the CIFCM shall also be submitted as a rider to the e-CIFCM with the following information:
  - Flight Number;
  - MAWB Number;
  - HAWB Number;
  - Shipper Name;
  - Shipper Address;
  - Consignee Name;
  - Consignee Address;
  - Number of packages;
  - Description of goods;
  - Declared Value;
  - Gross Weight;
  - Registry Number;
  - Marks and numbers of cartons, drums, boxes, crates and other forms of protective packaging;
  - Kinds of packages (cartons, boxes, crates, drums, etc.);
  - Country of origin; and
  - Notify Party.
- The cut-off time for the submission of the e-CIFCM are as follows:
  - If the e-IFCM is submitted within the prescribed period, the submission of the e-CIFCM shall be one (1) hour after the arrival of the aircraft.
  - If the e-IFCM is submitted late, the e-CIFCM shall be accepted without penalty provided that the submission in the customs systems shall not exceed twenty-four (24) hours after the e-CIFCM is registered with the Office of the Deputy Collector for Operations. This same privilege shall apply in case the e-IFCMs are not validated on time (e.g., due to system errors).

- **Submission of Supplemental IFCM.** Cargoes not listed in the IFCM shall be duly covered by a supplemental manifest which shall be submitted within six (6) hours upon arrival of the aircraft.
- Supplemental IFCM shall be submitted in hard copies and electronic form within the prescribed period mentioned above. Otherwise, the shipments subject of the supplemental IFCM shall be considered unmanifested and subject to seizure proceedings.
- Unmanifested goods shall be subject to the penalties of the applicable Customs Order.

## ***Requirements for Pre-clearance of Express Shipments***

Only Express Shipments that met the following requirements shall be pre-cleared:

- Shipments that are manifested according to category and the CIFCM and IFCM as rider were transmitted through the system of the AECO at least two (2) hours before the departure of the aircraft from the country of origin;
- Shipments that do not require import permit from concerned regulatory agency;
- Shipments that are not subject to Alert Order or with derogatory information.

## **Clearance Procedures**

### ***General Conditions for Release of Express Shipments***

- All shipments shall undergo non-intrusive scanning prior to clearance.
- In all cases, the rules and regulations for Regulated, Restricted and Prohibited Goods shall apply.
- In case of technical or non-technical problems where manual processing of the shipment is conducted, the provisions under existing rules and regulations shall apply. During this period, preclearance and other measures to expedite the shipment shall be suspended.

The following are deemed technical problems:

- Computer systems breakdown;
- Power failure (which renders the computer system non operational); or



- The Payment System of the Philippine Clearing House/Authorized Agent Bank is offline.
- The following are considered non-technical problems, insofar as applicable to air shipments:
  - The declared location of goods is incorrect, but the arrastre/transit shed facility confirmed ownership even if the goods is not in their facility;
  - The declared location of the goods is correct, but the arrastre/transit shed facility denied ownership and misrouted the goods; or
  - Release message not created/transmitted yet even if the importation is already tagged paid, with print-out Statement of Settlement of Duties and Taxes (SSDT) as proof of payment from BOC Assessment.

### ***Clearance Procedures Entered under Correspondence and Documents Process***

The detailed CIFCM for all Correspondence and Documents shall serve as the goods declaration.

- The document processor shall review the CIFCM to ensure that only correspondence and documents are included therein.
- If the CIFCM are all correspondence and documents, the document processor shall forward the same to the examiner for processing.
- Any non-correspondence and non-document or carrier media shall be segregated from Correspondence and Documents for a separate filing.
- The CIFCM which includes non-correspondence and non-document, or carrier media shall be returned to the AECO for amendment by the AECO.
- The customs examiner shall only proceed with the clearance upon receipt of the approved amendment of the CIFCM.
- The amendment shall be approved by the customs appraiser upon the recommendation by the customs examiner who witnessed the non-intrusive scanning of the sealed green courier bag containing Correspondence and Documents.
- If the result of the non-intrusive scanning is negative of suspicious object, the examiner shall open the sealed green courier bag in the presence of the representative of the AECO for physical count to ensure that the number stated in the CIFCM matches with the actual number in the green courier bag and that the consignees' names appearing in the detailed CIFCM match with the consignees' names written in the correspondence or documents. In lieu of manual matching,

the AECO may provide the Bureau with a practical and automated system to tally items that are sorted and processed.

- If there is a suspicious object, the sealed green courier bag shall be opened, and the tagged Correspondence or Document shall be segregated for physical inspection by the examiner in the presence of the representative of the AECO.
- If the result of the physical examination is negative, the examiner shall proceed with the matching of the actual number in the green courier bag against the number reflected in the CIFCM and that the consignees' names appearing in the detailed CIFCM match with the consignees' names in the correspondence and documents. In lieu of manual matching, the AECO may provide the Bureau with a practical and automated system to tally items that are sorted and processed.
- Upon completion of the matching, the processing for the clearance and release, using the detailed CIFCM as the Goods Declaration shall be approved by the customs appraiser after the customs examiner has fully completed the assessment process.
- When the result of the physical examination is positive, the customs examiner shall segregate the particular Correspondence or Document and shall return the detailed CIFCM to the AECO for amendment through the document processor. However, the customs examiner shall allow the continuation of the processing and release of the cleared Correspondence or Document upon receipt of the application for amendment of the CIFCM.
- The amendment shall cover the splitting of the CIFCM as follows: one (1) CIFCM for cleared Correspondence or Document, and another CIFCM for segregated shipment/s. The Bureau shall process and approve the same within twenty-four (24) hours from receipt of the application.
- The examiner and the concerned representatives shall proceed with the applicable procedures, including further examination, inventory, and preparation of report or for issuance of WSD. If eventually the subject Correspondence or Document will be released by the Bureau, the AECO shall file the goods declaration using the individual Air Waybill thereof.
- Upon receipt of the amended detailed CIFCM from the AECO thru the document processor, the examiner shall proceed with the processing of the clearance and release of the shipments using the amended detailed CIFCM as the Goods Declaration.

## ***Clearance Procedures Entered under De-Minimis or Low-value, Non-Dutiable Shipments***

The detailed CIFCM for all De-Minimis shall serve as the Goods Declaration. However, Regulated Goods of De-Minimis value shall be declared separately per House Air Waybill.

- The AECO shall submit the detailed CIFCM of all De Minimis Shipments with FOB or FCA value of Ten Thousand Pesos or less, two (2) hours before the departure of the aircraft at the country of origin for pre-clearance.
- The document processor shall review the detailed CIFCM to ensure that all information required for each shipment to be indicated in the detailed CIFCM are complete. If the information is complete, the document processor shall forward the CIFCM to the examiner for review. If the information is not complete, the document processor shall inform the AECO for amendment.
- If the CIFCM does not include shipments with value of more than Php10,000.00 or non-regulated, the document processor shall forward the detailed CIFCM to the examiner for clearance.
- If the CIFCM includes shipments with value of more than Php10,000.00 or includes regulated goods, the document processor shall forward the detailed CIFCM to the AECO for amendment and shall inform the examiner of the same.
- Upon receipt of the detailed original or amended detailed CIFCM, the examiner shall check the detailed CIFCM against the packages to ensure that the information in the detailed CIFCM match with the information appearing in the package.
- Once verification is completed, the examiner shall request the BOC-XIP for the scanning of the shipments indicated in the detailed original/amended CIFCM.
- If the result of the scanning is negative of suspicious object, the processing for the clearance and release of the goods shall continue.
- If there is a suspicious object, the tagged shipment shall be segregated for physical inspection.
- If the result of the physical examination is negative, the examiner shall proceed with the matching of the actual number and details of the shipments indicated in the detailed CIFCM to ensure that details appearing the Goods Declaration match.

- When the result of the physical examination is positive, the customs examiner shall segregate the particular shipment and shall return the detailed CIFCM to the AECO for amendment through the document processor. However, the customs examiner shall allow the continuation of the processing and release of the cleared packages upon receipt of the application for amendment of the CIFCM.
- The amendment shall cover the splitting of the CIFCM as follows: one (1) CIFCM for cleared shipments, and another CIFCM for segregated shipment/s. The Bureau shall process and approve the same within twenty-four (24) hours from receipt of the application.
- The examiner and the concerned representatives shall proceed with the applicable procedures, including further examination, inventory, and preparation of report or for issuance of WSD. If eventually the subject package will be released by the Bureau, the AECO shall file the goods declaration using the individual Air Waybill thereof.

### ***Clearance Procedures for Low Value, Dutiable and/or Taxable Express Shipments***

- Pre-clearance for shipments entered under informal entry process shall be allowed provided e-CIFCM has been submitted by the AECO at least two (2) hours before the departure of the aircraft from the country of origin for purposes of processing information, calculating the amount of duties and taxes payable and for selecting shipments for documentary or physical examination or both.
  - Goods Declarations shall be lodged to the E2M by AECO through VASP by filling up the required information in the Single Administrative Document (SAD) form. The following fields in the SAD shall be filled up as follows:
    - Model of Declaration (Box 1) = IES. Provided that in case of turned over documents to the ultimate consignee, the Model of Declaration shall be filed by the consignee as IE4.31 In such instance, the express shipment facility shall not apply;
    - Customs Value (Box 22) = value must be above P10,000.00 but below P50,000.00;
    - Financial and Banking Data (Box 28) payment options:
      - Project Abstract Secure Version System 5 (PASS5) = 01 (basic) or A1 (letter of credit);
      - For pre-payment (Authorized only for AECO) = B0; or
      - In cash through in-house bank or BOC cashier = B9

- Procedure Code (Box 37) = 4500 (Informal Entry Commercial Goods); and
- Extended Procedure Code (Box 37) = 000 unless availing of tax exemption, in which case, the applicable extended procedure code shall be entered.
- E2M will validate and register the Goods Declaration, and apply appropriate risk management selectivity thereon.
- Upon receipt of the hard copy, the examiner and appraiser shall check if there are findings or discrepancies on the Goods Declaration. The examiner and the appraiser is only given a period of six (6) hours from lodgement to review the Goods Declaration.
- If the examiner has no negative findings and the appraiser approves the declaration, the same shall be automatically assessed by the system after lapse of six (6) hours from lodgement. The appraiser may also immediately reroute selected Green status to assessed status.
- If there is a negative finding, the examiner shall update the SAD and enter his/her findings in the Inspection Act in the E2M. Based on the findings of the examiner, the appraiser shall re-route the selectivity color to:
  - Yellow, if additional permits, licenses or clearances from other regulatory agencies are required; or
  - Red, if physical examination will be conducted.

The same procedure shall apply if, upon review of the documents by the appraiser, there is a need to re-route the selectivity color to Yellow or Red.

- The appraiser returns the Goods Declaration with attachment to the examiner with his/her findings/comments.
- If the Goods Declaration is re-routed to Yellow, the examiner shall require the AECO to submit the required permits, licenses or clearances. Upon compliance, the examiner shall update the Inspection Act and shall forward the documents to the appraiser for rerouting of the Goods Declaration to Green for further processing.

If the declarant fails to submit the required documents, the examiner shall recommend for the issuance of Warrant of Seizure and Detention (WSD).

- If the Goods Declaration is re-routed to Red, the examiner shall notify the AECO to segregate the particular bag or receptacle containing the re-routed shipment and ensure that the same can be easily retrieved for the physical examination.

The result of the non-intrusive inspection shall be used to facilitate the conduct of physical examination.

If the actual value of the goods is higher than the declared value, the examiner shall update the SAD and shall forward the documents to the appraiser for rerouting of the Goods Declaration to Green for further processing without prejudice to the application of Section 1400 of the CMTA.

If no prohibited item has been found during the physical examination, the examiner shall update the Inspection Act and shall forward the documents to the appraiser for rerouting of the Goods Declaration to Green for further processing.

If the goods are restricted or regulated, the AECO shall be required to submit the required license, permits or clearances. Otherwise, the same shall be recommended for the issuance of a WSD.

If prohibited items are found during the physical examination, it shall be recommended for the issuance of a WSD.

- **Procedure upon Arrival of the Goods**

- The Warehouseman shall ensure that all shipments under this category shall be placed in a separate area to avoid comingling with shipments of different categories, unless the AECO shall have put in place a system for easy location and retrieval of packages in the warehouse.
- During the conduct of non-intrusive inspection, the following procedure shall apply in case of suspected shipment:
  - If no Goods Declaration has been filed, the XIP Officer shall notify the AECO to segregate the particular bag or receptacle containing the held shipment and ensure that the same can be easily retrieved for the physical examination.

The XIP officer shall also inform the office of the Special Deputy Collector or equivalent office of the need to conduct physical examination of the particular shipment.

- If Goods Declaration has been filed, the goods shall be segregated and the XIP officer shall immediately hold the processing of the SAD by clicking the HOLD button module of the E2M. The HOLD button can be used regardless of the Goods Declaration's status. The XIP

personnel shall mandatorily input the remarks in the 'Examination Findings' tab which serves as the basis for holding the shipment for physical examination.

However, in cases where the physical examination arose from other enforcement action, the assigned customs examiner shall be responsible in clicking the HOLD button module of the E2M to hold the processing of the SAD. The examiner shall input the remarks in the 'Examination Findings' tab.

The XIP personnel/assigned customs examiner, as the case may be, shall notify the AECO to segregate the particular bag or receptacle containing the held shipment and ensure that the same can be easily retrieved for the physical examination.

The result of the non-intrusive inspection shall be used to facilitate the conduct of physical examination.

If no suspected item was found, the appraiser must click the LIFT button in the SAD module of the E2M to allow the continuous processing of the shipment, regardless of whether the physical examination was conducted within or beyond six (6) hours from lodgement.

If the examination was conducted within six (6) hours from lodgement and no suspected item was found, the examiner may update the SAD and shall forward the documents to the appraiser for rerouting of the Goods Declaration to Green for further processing and payment.

If the actual value of the goods is higher than the declared value, the examiner shall update the SAD and shall forward the documents to the appraiser for further processing.

## ***Clearance Procedures for High Value Shipments***

High value shipments shall be processed under the regular customs cargo clearance procedures.

## **Payment and Release for Low Value, Dutiable and/or Taxable Express Shipments**

Once the payment has been confirmed, the Bureau shall electronically transmit the release instruction message to the respective Customs facilities/ Customs Warehouses for the release of the goods to the proper party.

### ***Release Prior to Payment***

Low-Value, Dutiable and/or Taxable Express Shipments with value of less than Php50,000.00 may be released prior to the payment of the assessed customs duty, tax and other charges subject to the posting by the AECO of a bank guaranty which shall act as the security deposit as provided under Section 6 of this Order and provided further that the following are present:

- The informal entry for Express Shipments sought to be released shall have been duly filed and processed;
- The documentary and/or physical examination of the cargo, if necessary, has been completed, and the duties, taxes and other charges due on the consignment have been properly determined by the Bureau;
- Only such number of shipments with aggregate assessed duties, taxes and other charges not exceeding the amount guaranteed by an Accredited Agent Bank (AAB) shall be allowed to be released;
- The shipments sought to be released is not subject to any alert or hold order issued by the authorized Alerting Unit of the Bureau; and
- The AECO shall submit to the District Collector a notarized written commitment executed by an AAB, guaranteeing to pay the Bureau upon demand whatever customs duties, taxes and other charges assessed on any import not paid by the AECO.

## **Export Clearance**

### ***Export Clearance Procedure***

- All shipments intended for export, whether subject to duty or not, shall be covered with an Export Declaration electronically lodged by exporters or authorized representatives to the Bureau's automated system. All export declaration shall be filed after the export consignments have been exported subject however to the following:



- All export manifests must be submitted to the Bureau within twenty-four (24) hours after the actual departure of the aircraft.
  - All clearances, licenses, or permits and other requirements in case of regulated or restricted goods are required prior to exportation.
  - Export goods from Free Zone Registered Enterprises shall however be subjected to the existing rules and regulations of the respective Free Zone Authority.
- **Documentary Requirements.** The duly signed Export Declaration must be submitted to the Export Division or equivalent office or unit by the exporter or authorized representative together with the following documents:
  - Proforma/Commercial Invoice;
  - Packing List; and
  - Documents, as may be required by rules and regulations, such as but not limited to:
    - Certificate of Identification;
    - Certificate of Inspection and Loading;
    - Transfer Note; or
    - Applicable permits or clearances
- **Stuffing.** The AECO shall provide a designated examination area for export shipments.
- **Regulated Goods.** Regulated goods may only be allowed exportation upon submission of clearance, permit and other requirements.

## **Exclusions and Exceptions**

### ***Exclusion from Immediate Release***

The following importations shall not be entitled to immediate release as Express Shipments:

- Importations declared as "without commercial value", "of no commercial value" or with specific amount but qualified by the phrase "for customs purposes" or analogous phrases.

Hence, the sender, importer, consignee, AECO must declare the specific value of the goods supported by available invoice, receipt or equivalent document, if any, except for Correspondences and Documents classified under Category 1 of the WCO Guidelines for the Immediate Release of Consignments by Customs.

- Goods subject to requirements or conditions imposed by the concerned regulatory agency unless for personal use and within the limits allowed by regulations.

Regulated Goods with De Minimis Value shall comply with the requirements of the concerned regulatory agencies. However, when the importations consist of Regulated Goods for personal use and in limited quantity as determined by the implementing regulatory agencies, the same may be processed and released by the Bureau.

- Importations to be entered conditionally free, for warehousing, for transit and/or admission to free zone.

### ***Express Shipment Restrictions***

The following shall not be considered as Express Shipments:

- Prohibited and/or Restricted Goods under the Philippine laws;
- Dangerous Goods and/or Hazardous substances such as explosives and other hazardous chemicals under RA No. 6969;
- Valuable goods such as jewelry, works of art and the like;
- Animals, fishes and fowls (live or frozen);
- Foodstuff and highly perishable articles;
- Human remains or cadavers;
- Money (coins, cash, paper money and negotiable instruments equivalent to cash); and
- Transshipment Goods, unless the goods are reexported within forty-eight (48) hours from arrival.

### ***Exceptional Circumstances and Situations***

The following are deemed exceptional circumstances beyond the control of AECO:

- Flight diversions due to inclement weather, natural calamities or fortuitous events and the aircraft can no longer proceed to its original destination.
- Shut down of port operations due to inclement weather, natural calamities or fortuitous events and customs clearance procedure can no longer be conducted at the port of discharge.

To mitigate delay and ensure continuous processing of Express Shipments during exceptional circumstances and situations, the following options may be undertaken:

- In case of flight diversions, the District Collector who has jurisdiction of the airport where the flight was diverted, shall allow the AECO the option to transfer the goods to the port of destination by air or land. The procedure under the existing regulations on E-TRACC shall be strictly enforced on transfers by land.

The AECO may also opt to request for cancellation of prelodged goods declaration at the port of destination and relodge the same at the port of discharge as long as transfer of goods by land is not possible. Clearance from the Assessment and Operations Coordinating Group (AOCG) for such cancellation shall no longer be required.

- In case of shut down of operations at the port of destination, the District Collector shall allow the AECO to request for cancellation of pre-lodged goods declaration and transfer of the goods to another collection district, subject to existing regulations on E-TRACC on transfers by land.

## **Miscellaneous Provisions**

### ***Transshipment***

Transfer from aircraft to the designated CFW and from the CFW to the aircraft for loading of all Express Shipments destined to countries other than the Philippines shall be subject of supervision by Customs officer, to include other safeguard measures to prevent diversion of goods to domestic market or commingling with other goods destined to the Philippines.

- The following guidelines shall be implemented in the supervision of Express Shipments destined to other countries other than the Philippines:
  - The AECO shall prepare a separate TFCM for transshipment cargoes.

The hard copy of the TFCM shall be submitted upon arrival of the aircraft.

The e-TFCM shall be electronically submitted at within 24 hours upon the arrival of the aircraft.

- All transshipment cargoes shall be subjected to customs underguarding from the aircraft to the CFW and vice versa.
- Customs Officers shall not subject all transshipment cargoes for inspection or physical examination to facilitate cargo movement. However, the assigned customs officer shall have unhampered access to the area where the goods are sorted out in accordance with its final destination.
- An Electronic Outward Foreign Cargo Manifest (e-OFM) shall be submitted twenty-four (24) hours after incoming Transshipment Cargoes have been uplifted to their final destination outside the Philippines. Transshipment

Cargoes not covered under the initial submission maybe included in a supplemental e-OFCM.

- The AECOs shall maintain an electronic database for all TFCMs and OFCMs for three years for Customs' reference.
- The details required for e-TFCM and e-OFCM for Transshipment Cargoes shall be as follows:
  - Master Air Waybill (MAWB) No.
  - House Air Waybill (HAWB) No. of the consignment
  - Name of shipper and address
  - Name of consignee and address
  - Detailed description of commodity
  - Shipment weight in kilograms
  - Declared value of the goods
- Shifting of Transshipment Cargo: (i) from the carrier to the designated Customs Facilities and Warehouses (CFW) and vice versa, (ii) Transfer, (iii) Transhold, (iv) Transload; and (v) Transsort shall be accompanied by the information required under the preceding paragraph in the timeframe provided in Section 21.1.4. and subject to continuous underguarding in case of actual physical movement of the goods.
- Subject to the next section, Express Shipments intended for Transshipment must be exported within forty-eight (48) hours from the date of arrival. The BOC may allow an extension of such period for valid causes such as the following:
  - Flood, storm, earthquake, lightning, or other natural disaster or calamity;
  - Act of public enemy in war, whether international or civil;
  - Act or omission of the shipper or owner of the goods or if the container is damaged or leaked;
  - Legal order or act of competent public authority; and e. Other causes beyond the control of shipper or agent.

In case the AECO fails to export the same within forty-eight (48) hours from the date of arrival, the AECO can no longer avail of the longer timeframe to submit TFCM or OFCM. The AECO shall be deemed to have failed to submit the electronic copy of the TCM on time in relation to Section 5.1 of CAO No. 5-2020 and thus liable for fines under Section 1412 of the CMTA both as a carrier and as a consolidator. For purposes of imposing the penalty, the TCM shall be treated as IFCM.

- For re-exportation of transshipment cargoes through sea, the AECO shall apply for a Permit to Transfer from the port that has jurisdiction over the CFW to the port where the goods will be re-exported, subject to existing regulations on E-TRACC on transfers by land. Upon arrival at the port of destination, the AECO shall apply for a Special Permit to Load prior to loading into the carrying vessel.

For this purpose, the AECO is allowed to re-export the same within ninety-six (96) hours from arrival of the transshipment cargo at the original port of entry. Provided that failure to re-export the same shall be treated in the same manner as in appropriate section hereof.

- For re-exportation of transshipment cargoes through air, the carrier shall secure a Special Permit to Load from the Deputy Collector for Operations of the Port, or authorized representative to allow the loading of cargoes to the aircraft. The request shall clearly indicate the registry number, flight number, date and estimated time of departure of the aircraft, including the reference number of the e-OFCM required and in the timeframe indicated in the appropriate section.
- The AECO shall institute a mechanism to ensure that transshipment cargoes are properly monitored and accounted for particularly for those which did not arrive or were not re-exported at the same time.
- Goods for Transshipment with derogatory information shall be subjected to non-intrusive examination or physical examination, for verification, in the presence of representative from the AECO and concerned regulatory agency, provided that the examination shall be conducted at the CM operated by the carrier. Should land transfer is required for such purpose, strict implementation of the existing regulations on E-TRACC shall be complied with at the expense of the carrier.

The Bureau shall not allow the transshipment of regulated or restricted goods unless necessary clearance, permits or licenses are secured from appropriate regulating agency in the country. Provided further, that transshipment of prohibited goods under the laws, rules and regulations including those covered under international conventions or agreements such as but not limited to nuclear materials, illegal drugs, and firearms and ammunition shall not be allowed, unauthorized transboundary movement of hazardous wastes covered under the Basel Convention

implemented by Republic Act (RA) 6969, and the unauthorized transshipment of strategic goods covered under RA No. 10697, otherwise known as the "Strategic Trade Management Act."

The customs clearance procedure for transshipment of goods which are not considered Express Shipments shall conform with the rules and regulations on Transshipment" and its implementing guidelines, provided that, it must be exported within thirty (30) calendar days from the date of arrival.

### ***Abandoned Express Shipments***

Procedure for the disposition of abandoned air Express Shipments shall be in accordance With CAO No. 3-2020 and its implementing guidelines. Provided that, the ACDD or equivalent unit of the port shall dispose of the goods not later than six (6) months from the issuance of a Decree of Abandonment.

### ***Treatment of Split Consignments***

For shipments with low value but with the same shipper and the same consignee, but with aggregate value of Fifty Thousand Pesos (Php50,000.00) or more at the date of arrival of said shipments shall be treated as a single consignment and shall be filed under the formal entry process.

### ***Mis-sorted or Misrouted Shipments***

The AECO shall provide for a secured area for mis-sorted or misrouted shipments.

- Return to the Shipper. Mis-sorted or misrouted shipments may be allowed without payment of duties, taxes and other charges, subject to the following conditions:
  - The Air Waybill (AWB) indicates that the consignee's address is other than the Philippines;
  - The AWB /indicates that the consignee's address is the Philippines, but the labels or markings clearly show that the destination of the shipment is other than the Philippines and the assigned Warehouseman has verified the same;
  - The District Collector is notified prior to the arrival of the shipment and lodgment of Goods Declaration that same is mis-sorted or misrouted;

- The shipment is not subject of an alert order or derogatory information and the same is not regulated, restricted or prohibited upon conduct of non-intrusive inspection; and
- The shipment shall be returned to the shipper within 24 hours from the arrival of the shipments using a Special Permit to Load.
- Submission of Report for Mis-sorted or Misrouted Shipments. The AECO shall also submit electronically a monthly summary of all mis-sorted or misrouted shipments to the Bureau with the following information:
  - Arrival Date into the Philippines;
  - Departure Date from the Philippines;
  - Export AWB Number; 24.2-4. Export Flight Number;
  - Correct Destination; and
  - Document showing proof of landing or other evidence of re-exportation.

For purposes of recording, the Bureau shall compute the duties and taxes that should have been collected from the shipment had it not been mis-sorted or misrouted.

### ***Transitory Provisions***

Pending the establishment of a facility and implementation of an ICT-enabled system under Sections 7 and 9 of CAO No. 05-2020 respectively, the AECO shall implement an automated system to monitor the movement of shipments, with capability to receive and process e-IFCM, e-TFCM, e-CIFCM, and e-OFCM.

Pending the development and implementation of a new customs processing system, the Bureau through the MISTG shall allow, in the interim, the AECO to lodge and clear the Express Shipments using existing customs clearance procedure.

### ***Repealing Clause***

If any part of this Order is declared unconstitutional or contrary to existing laws, the other parts not so declared shall remain in full force and effect.

### ***Effectivity***

This Order shall take effect immediately after publication in a newspaper of general circulation.

The Office of National Administrative Register (ONAR) of the UP Law Center shall be provided three (3) certified copies of this Order.

# CMO 12-2021

Issue Date: March 18, 2021

## ***Introduction***

This CMO shall consolidate the various guidelines and establish the procedure in the imposition of penalties such as warning, suspension, revocation relative to the customs accreditation of importers and brokers, as well the remedial process in relation thereto.

## ***Scope***

This CMO covers the imposition of penalties such as warning, suspension, revocation relative to the customs accreditation of importers and brokers, under the CMTA and other customs rules and regulations.

## ***General Provision***

- The Bureau shall impose the sanctions of warning, suspension, or revocation of customs accreditation for breach of Importer's responsibilities, violation of customs laws, rules and regulations, as well as blacklisting of the importer or broker concerned from further transacting with the Bureau, after due notice and hearing.
- The accreditation of importer or broker may be preliminary suspended pending proper administrative proceedings to ensure border protection, suppress all forms of smuggling and other frauds committed against collection of lawful revenues.
- All goods imported into the Philippines shall be deemed to be the property of the consignee or holder of the bill of lading, airway bill or other transport documents if duly endorsed by the consignee therein, or if consigned to order, duly endorsed by the consignor.
- A customs broker acting as declarant shall be presumed to be the agent of the consignee or importer and as such may be made accountable and liable for any violation of the CMTA and other related laws.
- The imposition of penalties herein shall be without prejudice to the criminal, civil and other liabilities that may be incurred under the CMTA and other customs laws, rules or regulations.

cf. Section 404, CMTA

cf. Section 4.1, CAO No. 5-2019



## ***Operational Provisions***

- The District Collector shall furnish the Accounts Management Office (AMO); a copy of the Warrant of Seizure and Detention (WSD), or any other notice from the ports or other offices of the Bureau involving violation of the CMTA and other customs laws, rules or regulations, within 24 hours from issuance thereof, to evaluate and determine possible suspension, cancellation or revocation of the customs accreditation of the importer or broker.
- Upon receipt of the copy of the WSD or derogatory information or discovery of breach of importer's or broker's responsibilities, the Chief, AMO shall prepare a Disposition Form, approved by the Deputy Commissioner, IG, with recommendation for issuance of a Charge Sheet for suspension, revocation or cancellation of customs accreditation of the importer or broker, stating the grounds and attaching supporting documentary evidence therefor (WSD, Certificate of Registration, entire importer's or broker's records in AMO, and other pertinent documents), together with a recommendation for Preliminary Suspension of Accreditation for a maximum period of ninety (90) days, when the circumstances so warrant under Section 4 hereof, for approval of the Commissioner of Customs.
- Upon approval of the Commissioner, the Charge Sheet including the entire docket, shall be forwarded to the Legal Service for the conduct of appropriate administrative proceedings, as well as to the AMO for implementation of the Order of Preliminary Suspension, if any. The AMO shall notify the Legal Service the details of the implementation of such Preliminary Suspension, including notice thereof to the importer or broker.
- Upon receipt of the Charge Sheet, the Legal Service, shall immediately issue a notice to the importer or broker, attaching a copy of the approved Charge Sheet and directing the appearance and submission of a verified Position Paper on the scheduled hearing date. The required notice shall be sent to the registered electronic mail address submitted by the importer or broker to the AMO. No other electronic mail address shall be recognized other than those registered with the AMO, unless duly changed, modified and updated by the importer or broker concerned. The notice sent to the registered electronic mail address shall be deemed received upon successful transmittal thereof.

The Director, Legal Service shall assign a Hearing Officer who shall conduct the hearing proper. Additional clarificatory hearings may be scheduled, as may be necessary, to properly thresh out the issues involved but in no case shall the same exceed ninety (90) days from the implementation of the Preliminary Suspension.

Within five (5) days from the termination of the hearing proper, the assigned Hearing Officer shall prepare a Disposition Form with the corresponding recommendations and submit the same for approval of the Director, Legal Service and the Deputy Commissioner, RCMG.

The duly approved Disposition Form with draft Decision shall be forwarded to the Commissioner for final approval. Once approved, the Decision shall be forwarded to AMO for implementation.

### ***Grounds for Preliminary Suspension***

The Bureau shall impose the preliminary suspension against the importer or broker on the following grounds:

- When the importation contains any prohibited or restricted goods without permit or clearance from the regulatory agency, even for the first offense;
- Those whose shipments have been forfeited within the preceding period of one (1) year for violation of the provisions of the CMTA and other customs laws, rules or regulations; and
- Other analogous circumstances, at the discretion of the Commissioner.

cf. CMTA, Title I, Chapter 3, Section 118 and 119

### ***Request for Continuous Processing Relative to Preliminary Suspension***

- The importer or broker whose accreditation has been preliminarily suspended may request for the continuous processing of the shipments which are still in transit or which arrived at the ports prior to the preliminary suspension. The request for continuous processing shall be filed at the Legal Service for resolution, subject to the approval of the Commissioner.

- The importer or broker shall likewise clearly indicate that should the requests be given due course, the 100% physical examination of the goods, regardless of the selectivity screen, shall be conducted on his own account.
- The request for continuous processing shall contain the following:
  - Consignee's name, address and contact number;
  - Bill of lading (BL) or airway bill (AWB);
  - List and description of the shipment; and
  - Clearance or permit from the concerned agency for regulated or restricted goods, if applicable.
- Once approved by the Commissioner, the AMO shall inform the importer or broker concerned through electronic mail and the lodgement shall be allowed only for BLS or AWBs listed in the request.
- Notwithstanding the foregoing, lodgement of goods declaration by the importer or broker other than those approved by the Commissioner shall be deemed unauthorized and subject to penalties under these guidelines.
- The operational guidelines and all other procedures, as may be applicable, indicated in Sections 9 and 10 of this CMO shall likewise be implemented.

cf. CMTA, Title IV, Chapter 2, Section 420 (e).

## Penalties

cf. Item V, CMC No. 32-2017

The Bureau shall impose the following penalties for importers, after due notice and hearing:

- **Light Infractions** — suspension of customs accreditation privileges for one (1) month to six (6) months:
  - Inadvertent mistake or erroneous information in the submitted documents, not substantial in nature;
  - Failure to report changes in requirements after approval of accreditation as required under existing rules on accreditation;
  - Violation of law or regulation by the accredited importer or customs broker, such as but not limited to the following:
    - Belated submission of import permit/clearance issued by government agency concerned for its shipment;
    - Excusable negligence in protecting e2m/CPRS password from abuse and misuse; and
    - Other analogous circumstances.
- **Less Grave Infractions** — sanctioned with suspension of customs accreditation privileges for six (6) months and one (1) day to twelve (12) months:

- Violation of the sworn undertaking to strictly abide with existing rules and regulations on the Statement of Full Description of Imported Articles covered by entry declarations;
- Material misrepresentation, or submission of false information or document, such as but not limited to:
  - Failure to maintain office operations in the given address;
  - Submission of false identification card;
  - Other analogous circumstances.
- Violation of law or regulation by the accredited Importer or broker, such as, but not limited to:
  - General or inaccurate declaration, misclassification, misdeclaration, undervaluation or intentional over quantity of shipments
  - Lack of import permit/clearance issued by the government agency concerned for its shipment;
  - Inexcusable negligence in protecting e2m/CPRS password from abuse and misuse; and
  - Other analogous circumstances.
- **Grave Infractions** — sanctioned with cancellation or revocation of customs accreditation privileges:
  - Failure to report to the proper customs authorities any fraud upon customs revenue which has come to the importer's or broker's knowledge or cognizance, or knowingly assisting or abetting in the importation or exportation or entry of prohibited or any article in the importation of which is contrary to law;
  - Material misrepresentation, or submission of false information or document, such as, but not limited to:
    - Fictitious applicant or non-existent officer/s;
    - Fictitious BIR Tax Identification Number;
    - Nonexistent office address; and
    - Other analogous circumstances.
  - Violation of law or regulation by the accredited Importer, such as but not limited to:
    - Importation or exportation of absolutely prohibited goods under Section 118 of the CMTA and other customs laws, rules or regulations;
    - Deliberate failure or refusal without justifiable reasons to comply with the duties and responsibilities of an accredited importer or broker;
    - Willful misdeclaration or undervaluation of imported or exported articles that resulted or would have resulted in the loss of government revenues;
    - Other analogous circumstances.

cf. Section 3.5.a, CMO No. 04-2014

cf. Section 3.5.d, CMO No. 04-2014

Justifiable reason as contemplated herein shall mean any and all acts the commission of which shall render him/her liable either administrative or criminally under existing laws, rules or regulations.

In addition to revocation of accreditation privileges, the importer or broker concerned, the declared responsible officers and declarant, if any, may be blacklisted and disqualified from applying for customs accreditation under another business name or entity, or from being declared as such under a new customs accreditation application, and may no longer be allowed to enter customs premises.

For customs brokers, the offenses and the corresponding penalties under CAO 05-2019 shall apply.

## ***Mitigating or Aggravating Circumstances***

cf. Item VI, CMC No. 32-2017

In the determination of the penalty to be imposed, the following attendant mitigating and/or aggravating circumstances are to be appreciated:

- Business track record or standing;
- Educational attainment;
- First time offender;
- Good faith or lack of malice;
- Admission of the infraction;
- Habituality
- Actual or material loss to the government;
- Wanton disregard of customs laws, rules and regulations;
- Remorse or the lack thereof; and
- Other analogous circumstances.

## ***Motion for Reconsideration***

The importer or broker may file a Motion for Reconsideration with the Commissioner within fifteen (15) calendar days from receipt of notice of suspension, revocation and/or blacklisting.

## ***Request for Continuous Processing***

- When the penalty of suspension of accreditation has been imposed, a request for continuous processing may be submitted to the Account Management Office (AMO) and shall contain the following:
  - Consignee's name, address and contact number;
  - Consignee's TIN;
  - Bill of Lading or Airway Bill;
  - List and description of the shipment; and
  - Clearance or permit from the concerned agency for regulated or restricted goods, if applicable.
- AMO shall forward the request to the Legal Service in cases where a request for reconsideration or re-application for accreditation is pending before the said office.
- The AMO or the Legal Service, as the case may be, shall make a recommendation on the request, and transmit the same along with all supporting documents, to the Office of the Commissioner for approval.
- The importer or broker shall likewise clearly indicate that should the requests be given due course, the 100% physical examination of the goods, regardless of the selectivity screen, shall be conducted on his own account.
- The continuous processing, as approved by the Commissioner, shall be applicable only to the Bill/s of Lading indicated in the request. The onetime activation of the CPRS, as provided in previous rules and regulations, shall no longer be applicable.

cf. CMTA, Title IV, Chapter 2, Section 420 (e)

## ***Operational Guidelines for Continuous Processing***

- After the request has been approved by the Commissioner, the approval shall be forwarded to the Office of the Deputy Commissioner, MISTG and the Risk Management Office for their appropriate action.
- The Office of the Deputy Commissioner, MISTG shall forward the docket to a dedicated MISTG personnel who shall encode the Port Code, Registry Nos., Bill of Lading, Importer's TIN, Approval Date, Inserted Date, and Updated Date in an E2M Database Table based on the details provided in the Resolution.

- Once encoded, the pending Import Single Administrative Document (SAD) relative to the request for lifting may now be continuously processed.
- The AMO is responsible for informing the importer of the continuous processing of the importations subject of the request.

### ***Transitory Provision***

All pending requests or motion for reactivation with the AMO prior to effectivity of this Order, shall be turned over to the Legal Service, for resolution under the provisions hereof.

### ***Repealing Clause***

All orders, memoranda, circulars and issuances inconsistent herewith are hereby repealed and/or deemed modified accordingly.

### ***Separability Clause***

If any part or provision of this Order is later declared invalid or illegal, the remaining portion shall remain valid and enforceable.

### ***Effectivity***

This Order shall take effect on March 18, 2021.

# CMO 14-2021

Date Issued: March 14, 2021

As provided under the Department of Trade and Industry (DTI)  
DAO No. 2101

Annex 1: DAO 21-01 (Series of 2021) entitled, "Amending DAO No. 20-11 on the Preliminary Determination of the Safeguard Measures Case on the Importation of Motor Vehicles from Various Countries (AHTN Codes 8703 (Passenger Cars), 8704.21.19 and 8704.21.29 (Light Commercial Vehicles) (Safeguard Measures Case No, SG01-2020)"

series of 2021, dated 19 February 2021 and pursuant to the directive dated 15 March 2021 from the Secretary of Finance, the Bureau hereby amends CMO No. 062021 to comply with Rule 8.8 of the Implementing Rules and Regulations of Republic Act No. 8800 and Article 9.1 of the World Trade Organization Agreement on Safeguards insofar as excluding from safeguard measures the importations of motor vehicles under AHTN Codes 8703 (Passenger cars), 870421.19 and 870421.29 (Light Commercial Vehicles) originating from developing countries with de-minimis volume, quoted hereunder as follows:

Annex 2

xxx

WHEREAS, the Department reviewed the aforementioned Annexes and noted that countries/economies generally considered as developing have certain qualities, such as low to lower middle income and have low, medium, to high human development;

WHEREAS, the Department also notes that many developed countries are members of an international organization comprised mainly of high-income economies such as the Organization for Economic Co-operation and Development;

**WHEREAS, in view of the foregoing, there is a need to amend the List of Developing Countries under Annexes A and B of DAO 20-11 taking into consideration the abovementioned attributes."**

xxx

Thus, Developing Countries and Separate Customs Territories listed in Annexes A and B of DAO No. 21-01 shall be exempt from the imposition of provisional safeguard duties on imported vehicles in the form of a cash bond.

DAO 21-02, supra note 1.



All other provisions of CMO No. 06-2021 except as herein expressly modified, shall remain in full force and effect.

For records purposes, all District and Sub-Port Collectors, and all others concerned are directed to confirm the dissemination of this Order throughout your offices within five (5) days from receipt thereof.

This Order shall take effect immediately.

# OCOM MEMO NO. 49-2021

Issue Date: March 12, 2021

In order not to affect the delivery of imported materials to PEZA-registered enterprises due to errors encountered in the tagging of "RELEASE" in the system for transit shipments thus causing delays in the tagging of shipments upon their arrival at the PEZA zones, the implementation of the Automated Bonds Management System (ABMS) for Transit Shipment under CMO 30-2020 is hereby suspended from March 15, 2021 up to April 4, 2021 to address some technical and administrative issues encountered.

While the implementation is suspended, processing and charging against the GTSBs shall be done manually by the Ports.

Tagging "ARRIVED" is still mandatory to enable the flow-back/crediting of the balance of the GTSB whether manually or under the ABMS.

All District/Port Collectors are further directed to ensure that there is enough personnel tasked to do the tagging upon arrival of transit shipments at the PEZA zones.

For strict compliance.

# AOCG MEMO NO. 107-2021

Issue Date: March 5, 2021

We refer to our memorandum issued on 25 November 2020 regarding the ban on the importation of domestic and wild birds and their products including poultry meat, day old chicks, eggs, and semen from H5N8 Highly Pathogenic Avian Influenza (HPAI) countries.

The countries affected by HPAI now includes the Russian Federation.

All Districts Collectors and Sub-port Collectors and all others concerned are directed to coordinate with DA-BAI personnel should there be any importation of domestic and wild birds their products including poultry meat, day old chicks, eggs, and semen from HPAI affected countries.

For strict and immediate compliance.

# AOCG MEMO NO. 108-2021

Issue Date: March 2, 2021

Pursuant to the provisions of Section 1603 (f) of the Customs Modernization and Tariff Act (Republic Act 10863) and Section 4.9 of Commission Order No. 2017-1 (Procedure on Application for an Advance Ruling on Tariff Classification related to Importation of Goods), the Tariff Commission furnished copies of the Advance Ruling (AR) on Tariff Classification with Tariff Classification Circulars (TCC/AR) issued on 17 February 2021 and the same having been reviewed and summarized as follows:

TCC NO.	DESCRIPTION OF ARTICLES	2017 AHTN CODE	2021 RATES OF DUTY
21-007	"EXXONMOBIL EXCEED™ 2012MA PERFORMANCE POLYMER"	3901.40.00	MFN - 3% Ad Valorem
21-015	"QAMAR® FC21HS"	3901.40.00	MFN - 3% Ad Valorem
<b><i>*Subject to submission of their corresponding CERTIFICATE OF ORIGIN (CO).</i></b>			

# AOCG MEMO NO. 109-2021

Issue Date: March 2, 2021

Pursuant to the provisions of Section 1603 (f) of the Customs Modernization and Tariff Act (Republic Act 10863) and Section 4.9 of Commission Order No. 2017-1 (Procedure on Application for an Advance Ruling on Tariff Classification related to Importation of Goods), the Tariff Commission furnished copy of the Advance Ruling (AR) on Tariff Classification with Tariff Classification Circular (TCC/AR) issued on 19 February 2021 and the same having been reviewed and summarized as follows:

TCC NO.	DESCRIPTION OF ARTICLES	2017 AHTN CODE	2020 RATES OF DUTY
20-274	"POPSOCKETS POPGRIP SLIDE STRETCH"	3926.90.99B	MFN - 15% Ad Valorem ACFTA - Zero*
<i>*Subject to submission of their corresponding CERTIFICATE OF ORIGIN (CO).</i>			

# AOCG MEMO NO. 110-2021

Issue Date: March 2, 2021

Pursuant to the provisions of Section 1603 (f) of the Customs Modernization and Tariff Act (Republic Act 10863) and Section 4.9 of Commission Order No. 2017-1 (Procedure on Application for an Advance Ruling on Tariff Classification related to Importation of Goods), the Tariff Commission furnished copies of the Advance Ruling (AR) on Tariff Classification with Tariff Classification Circulars (TCC/AR) issued on 18 February 2021 and the same having been reviewed and summarized as follows:

TCC NO.	DESCRIPTION OF ARTICLES	2017 AHTN CODE	2021 RATES OF DUTY
20-012	"PERLOC® 850"	0404.10.10	MFN - Zero
21-009	"VAN HOUTEN PROFESSIONAL™ INTENSE DARK COMPOUND"	1806.90.10	MFN - 7% Ad Valorem ATIGA - Zero*
21-011	"PIAGGIO APE CITY FI	8703.21.90	MFN - 30% Ad Valorem AFTA - 30% Ad Valorem
<b><i>*Subject to submission of their corresponding CERTIFICATE OF ORIGIN (CO).</i></b>			

# AOCG MEMO NO. 117-2021

Issue Date: March 8, 2021

The current implementation of the Automated Bounds Management System (ABMS) is highly dependent on the timely tagging of all shipments covered by GTSB arriving in your respective PEZA and satellite PEZA offices.

In this connection, you are hereby advised to augment the customs personnel assigned in your respective PEZA offices to ensure the **immediate tagging** of all shipments **arriving** in their jurisdiction.

For immediate compliance.

# AOCG MEMO NO. 118-2021

Issue Date: March 2, 2021

Pursuant to the provisions of Section 1603 (f) of the Customs Modernization and Tariff Act (Republic Act 10863) and Section 4.9 of Commission Order No. 2017-1 (Procedure on Application for an Advance Ruling on Tariff Classification related to Importation of Goods), the Tariff Commission furnished copies of the Advance Ruling (AR) on Tariff Classification with Tariff Classification Circulars (TCC/AR) issued on 26 February 2021 and the same having been reviewed and summarized as follows:

TCC NO.	DESCRIPTION OF ARTICLES	2017 AHTN CODE	2021 RATES OF DUTY
20-269	"DXN HONG T POWDER"	1211.90.16B	MFN - 3% Ad Valorem ATIGA - Zero (Except for KH and LA)*
20-249	"S-440"	3214.10.00	MFN - 5% Ad Valorem PJEPA - Zero* AJCEPA - Zero*
20-272	"POPSOCKETS POPWALLET+"	3926.90.99B	MFN - 15% Ad Valorem ACFTA - Zero*
<b><i>*Subject to submission of their corresponding CERTIFICATE OF ORIGIN (CO).</i></b>			



# AOCG MEMO NO. 119-2021

Issue Date: March 3, 2021

Pursuant to the provisions of Section 1603 (f) of the Customs Modernization and Tariff Act (Republic Act 10863) and Section 4.9 of Commission Order No. 2017-1 (Procedure on Application for an Advance Ruling on Tariff Classification related to Importation of Goods), the Tariff Commission furnished copy of the Advance Ruling (AR) on Tariff Classification with Tariff Classification Circular (TCC/AR) issued on 01 March 2021 and the same having been reviewed and summarized as follows:

TCC NO.	DESCRIPTION OF ARTICLES	2017 AHTN CODE	2021 RATES OF DUTY
20-250	"THAMOL-HR-1449"	3907.20.90	MFN - 3% Ad Valorem ATIGA - Zero*
<b><i>*Subject to submission of their corresponding CERTIFICATE OF ORIGIN (CO).</i></b>			

# AOCG MEMO NO. 120-2021

Issue Date: March 8, 2021

In view of the hearing conducted by the Committee on Ways and Means of the House of Representatives on smuggling of agricultural products, you are directed to conduct inspection and inventory of CBWs engaged in the importation and processing of all agricultural products.

# AOCG MEMO NO. 121-2021

Issue Date: March 10, 2021

We refer to our memorandum issued on 5 March 2021 regarding the ban on the importation of domestic and wild birds and their products including poultry meat, day old chicks, eggs, and semen from H5N8 Highly Pathogenic Avian Influenza (HPAI) countries.

The countries affected by HPAI now includes the United Kingdom.

All Districts Collectors and Sub-port Collectors and all others concerned are directed to coordinate with DA-BAI personnel should there be any importation of domestic and wild birds their products including poultry meat, day old chicks, eggs, and semen from HPAI affected countries.

For strict and immediate compliance.

# AOCG MEMO NO. 132-2021

Issue Date: March 10, 2021

Pursuant to Customs Administrative Order (CAO) No. 8-2007 (Description of Imported Articles in Tariff Terms) and Customs Memorandum Order (CMO) No. 28-2007 (Implementing CAO No. 8-2007 entitled: Description of Imported Articles in Tariff Terms), you are hereby directed to observe the prescribed guidelines using the below sample format, for all garments and textile products falling under a specified tariff heading in the ASEAN Harmonized Tariff Nomenclature (AHTN):

Applicable Format: (Pursuant to CAO No. 8-2007 and CMO 28-2007)

Generic Description / Specific Description / Make or Brand / Quality / Grade or Process / Retail or Packaging

Tariff Heading 5001.00.00

Commodity: Silk Fiber

Correct Description Format: Silk Fiber – Mulberry Silk Worm Cocoon ABC Brand 100% Natural (5kg/bag)

Tariff Heading 5106.10.00

Commodity: Wool Yarn

Correct Description Format: Wool Yarn - Merino Sheep Wool ABC Brand 100% Wool Carded (1kg/roll)

Tariff Heading 5208.12.00

Commodity: Cotton Fabrics

Correct Description Format: Cotton Fabrics- Woven Cotton Fabrics ABC Brand 100% Cotton and Weight of 160g/m<sup>2</sup> Unbleached Plain Weave (25kg/box)

Tariff Heading 6204.32.90

Commodity: Women's Unknitted Jacket

Correct Description Format: Women's Unknitted Jacket ABC Brand 100% Organic Cotton (30pcs/box)

Further, failure to strictly enforce this Order shall constitute a ground for the imposition of administrative penalties pursuant to existing rules and regulations.

For strict implementation.

# AOCG MEMO NO. 136-2021

Issue Date: March 9, 2021

Pursuant to Sections No. 4, 5 and 7 of Customs Administrative Order (CAO) No. 01-2015, you are hereby directed to submit a soft copy of the report of above mentioned empty containers via email thru [pocd@customs.gov.ph](mailto:pocd@customs.gov.ph) using the appropriate template with subject title (Report on Empty Containers – Port of Discharged/Date [underscored items are to be filled out appropriately]).

For your strict compliance.

# AOCG MEMO NO. 137-2021

Issue Date: March 17, 2021

Pursuant to the provisions of Section 1603 (f) of the Customs Modernization and Tariff Act (Republic Act 10863) and Section 4.9 of Commission Order No. 2017-1 (Procedure on Application for an Advance Ruling on Tariff Classification related to Importation of Goods), the Tariff Commission furnished copy of the Advance Ruling (AR) on Tariff Classification with Tariff Classification Circular (TCC/AR) issued on 05 January 2021 and the same having been reviewed and summarized as follows:

TCC NO.	DESCRIPTION OF ARTICLES	2017 AHTN CODE	2021 RATES OF DUTY
20-268	"DXN CIN-G"	2106.90.99	MFN - 7% Ad Valorem ATIGA - Zero*
<b><i>*Subject to submission of their corresponding CERTIFICATE OF ORIGIN (CO).</i></b>			

# AOCG MEMO NO. 138-2021

Issue Date: March 17, 2021

Pursuant to the provisions of Section 1603 (f) of the Customs Modernization and Tariff Act (Republic Act 10863) and Section 4.9 of Commission Order No. 2017-1 (Procedure on Application for an Advance Ruling on Tariff Classification related to Importation of Goods), the Tariff Commission furnished copies of the Advance Ruling (AR) on Tariff Classification with Tariff Classification Circulars (TCC/AR) issued on 10 March 2021 and the same having been reviewed and summarized as follows:

TCC NO.	DESCRIPTION OF ARTICLES	2017 AHTN CODE	2021 RATES OF DUTY
20-277	"POPSOCKETS POPMOUNT 2 MULTI-SURFACE"	3926.90.99B	MFN - 7% Ad Valorem ATIGA - Zero*
21-016	"LIVE BOARS"	In-Quota 0103.92.00A	In-Quota MFN - 30% Ad Valorem
		Out-Quota 0103.92.00B	Out-Quota MFN - 35% Ad Valorem
<b><i>*Subject to submission of their corresponding CERTIFICATE OF ORIGIN (CO).</i></b>			

# AOCG MEMO NO. 139-2021

Issue Date: March 17, 2021

Pursuant to the provisions of Section 1603 (f) of the Customs Modernization and Tariff Act (Republic Act 10863) and Section 4.9 of Commission Order No. 2017-1 (Procedure on Application for an Advance Ruling on Tariff Classification related to Importation of Goods), the Tariff Commission furnished copies of the Advance Ruling (AR) on Tariff Classification with Tariff Classification Circulars (TCC/AR) issued on 12 March 2021 and the same having been reviewed and summarized as follows:

TCC NO.	DESCRIPTION OF ARTICLES	2017 AHTN CODE	2021 RATES OF DUTY
20-273	"POPSOCKETS POPGRIP"	3926.90.99B	MFN - 7% Ad Valorem ATIGA - Zero*
20-276	"POPSOCKETS POPMOUNT 2 FLEX"	9620.00.30	In-Quota MFN - 30% Ad Valorem  Out-Quota MFN - 35% Ad Valorem
21-021	"ZHIKOLEST"	2106.90.72	
21-022	"WHOLE CORN GRAIN"	In-Quota 005.90.90A  Out-Quota 1005.90.90B	In-Quota MFN - 35% Ad Valorem  Out-Quota MFN - 50% Ad Valorem
<b><i>*Subject to submission of their corresponding CERTIFICATE OF ORIGIN (CO).</i></b>			



# AOCG MEMO NO. 141-2021

Issue Date: March 25, 2021

In line with the suspension of the implementation of the Automated Bonds Management System for Transit under CMO 30-2020 from 15 March 2021 to 04 April 2021, we would like to inform you that we will be having a one (1) day dry-run on 30 March 2021. This is to ensure the smooth re-implementation of the ABMS for Transit on 05 April 2021. On 30 March 2021, all electronic lodgment of Transit Goods Declarations will require the attachment of bond policy at the Terms of Payment.

We will closely monitor this activity to ensure that all technical and administrative issues have been addressed before we resume the implementation. All issues encountered must be reported quickly to the Deputy Collector for Operations of the respective Ports.

For your information and guidance.

# AOCG MEMO NO. 142-2021

Issue Date: March 25, 2021

We refer to our memorandum issued on 10 March 2021 regarding the ban on the importation of domestic and wild birds and their products including poultry meat, day old chicks, eggs, and semen from H5N8 Highly Pathogenic Avian Influenza (HPAI) countries.

The countries affected by HPAI now includes Denmark, France and Sweden.

All Districts Collectors and Sub-port Collectors and all others concerned are directed to coordinate with DA-BAI personnel should there be any importation of domestic and wild birds their products including poultry meat, day old chicks, eggs, and semen from HPAI affected countries.

For strict and immediate compliance.

## **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 in Metro Manila and Cebu, and brokers in Clark, Subic, Davao, 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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