

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

MAY 19 1995

CUSTOMS MEMORANDUM ORDER
NO. 11-93

Subject: CUSTOMS CLEARANCE PROCESS FOR PERSONALLY
OWNED MOTOR VEHICLES UNDER THE ONE STOP
PROCESSING CENTER (OSPC) AT THE MANILA
INTERNATIONAL CONTAINER PORT

Pursuant to Section 608 of the Tariff and Customs Code of the Philippines, as amended, and conformably with the provisions of the Memorandum of Agreement entered into on February 09, 1995 by and among the Bureau of Customs, Bureau of Import Services, Bureau of Internal Revenue, PNP Traffic Management Command, Land Transportation Office, Philippine Automotive Federation, Inc. and International Container Terminal Services, Inc. the following rules and regulations are hereby promulgated:

I. OBJECTIVES

- 1.1 To insure proper collection of duties and taxes on imported personally owned vehicles (POVs);
- 1.2 To hasten the correct processing, release and registration of imported motor vehicles as well as effectively secure the same from damage, pilferage, and deterioration while in storage at the ports;
- 1.3 To save the importer / owner from unnecessary expenses and
- 1.4 To provide computer files of legally released POVs in support of law enforcement activities.

II. SCOPE

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This order shall apply to all Personally Owned Motor Vehicles (POVs), except trucks, discharged at the Manila International Container Port.

III. GENERAL PROVISIONS

3.1 There is hereby established at the MICP a ONE STOP PROCESSING CENTER (OSPC) responsible for the attainment of the objectives of this CMO.

3.2 The Arrastre Operator is hereby directed to transfer immediately upon arrival in the port, all POVs (except trucks) as well as those automobiles consigned to embassies and world organizations accorded diplomatic status by the Department of Foreign Affairs.

3.3 The Arrastre Survey Report for motor vehicles must contain the particulars of the vehicle including the Vehicle Identification Number. A copy of all survey reports must be submitted to the OSPC for entry into the OSPC computer system.

3.4 Representatives of all government agencies involved in the clearance process shall be provided office space at the OSPC. All clearance requirements from said agencies shall be obtained at the OSPC itself through the agency representatives.

3.5 All Customs activity related to the clearance process shall be undertaken at the OSPC to include reception of entry, examination, appraisal, receipt of payment and delivery of motor vehicle.

3.6 There shall be operated and maintained at the OSPC, a computer system to provide the following:

3.6.1 Entry details encoding

3.6.2 Computerized assessment of duties, taxes and penalties payable

3.6.3 Automated tellering, i.e., reception of payment and issuance of Customs receipt

3.6.4 Data base of all POVs given clearance by the OSPC

3.6.5 Abandoned POVs

3.7 All POVs that would remain unreleased 30 days from arrival at the OSPC shall be transferred to the facility of the Philippine Motorist Association.

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IV. ADMINISTRATIVE PROVISIONS

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4.1 The BOC personnel complement at the OSPC shall be headed by a COO V (Principal Appraiser) with designation as Supervisor and another COO V (Principal Customs Examiner) with designation as Assistant Supervisor. The District Collector shall assign sufficient BOC staff as are needed for the efficient operation of the OSPC.

4.2 The OSPC shall be under the direct control and supervision of the Chief, Formal Entry Division, MICP who shall be responsible in overseeing its smooth and efficient operation.

4.3 In addition to the usual documentary requirements accompanying the formal entry (BOC Form 236), the original / authenticated copies of the following supporting documents shall be submitted / filed with the entry, to wit:

- (a) For Motor Vehicles Imported Under E.O. No.248, As Amended:
 - 1. BIS Authority to Import
 - 2. Original vehicle registration certificate issued in the country of Origin
- (b) For Motor Vehicles Imported Under MO No.134 As Amended By MO No.238:
 - 1. BIS Import Authority
 - 2. SGS - CRF
- (c) Tax-Exempt Vehicles:
 - 1. Exemption papers issued by the Department of Finance or Department of Foreign affairs, as the case may be.

V. OPERATIONAL PROVISIONS

5.1 Prior Assessment

5.1.1 Immediately upon stripping of the container containing the POVs, ICTSI shall transfer the same to the OSPC Stalag Area designated for the purpose. A list of transfers made in a day including the survey

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reports described in 3.3 shall be sent by ICTSI to the OSPC daily which serves as notice that the motor vehicles are ready for examination. The keys to the motor vehicles shall be kept at the ICTSI office within the OSPC to facilitate examination.

5.1.2 Examination of the motor vehicle shall then be immediately conducted by the COO III who shall notify the representatives of BIS, BIR, PNPTMC, LTO and PAFI in order that they may witness the examination. An Inspection Report Form shall be properly accomplished and signed by the COO III.

5.1.3 On the basis of the Inspection Report, a computer-generated Notice of Assessment of duties and taxes shall be printed, copies of which shall be furnished to BOC, BIS, BIR, PNPTMC and LTO who shall SIMULTANEOUSLY perform the following:

5.1.3.1 BOC determines if actual description tallies with the computer-generated Notice of Assessment.

In case the importation was made without the requisite BIS Import Authority, the penalties as provided for under CAO 4-94 shall be imposed.

5.1.3.2 BIR determines the ad valorem tax payable

5.1.3.3 BIS verifies the import authority issued, if any, and prepares BIS Release Authority.

5.1.3.4 PNPTMC prepares Motor Vehicle clearance.

5.1.3.5 LTO readies PERMIT TO TRAVEL.

5.1.4 The BOC copy of the Inspection Report with the computer generated Notice of Assessment, BIR ATRIG and BIS Release Authority shall be forwarded to the Customs Cashier for payment of duties, taxes and penalty, if any.

5.2 Payment of Duties, Taxes and Penalty, if any

5.2.1 The importer or his representative shall proceed to the OSPC and obtain a copy of the computer generated Notice of Assessment. If he finds the same in order, he proceeds to the OSPC cashier for payment of duties, taxes and penalty, if any upon presentation of the bill of lading properly bearing the stamp of the shipping line and other supporting documents including those as provided for under 4.3 hereof.

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5.2.2 Upon receipt of payment, the OSPC cashier issues the BOC official receipt. He then encodes into the computer pertinent information about the shipment for purposes of generating the import entry declaration with its corresponding entry number.

The importer or his duty authorized representative checks the computer-generated import entry declaration and if in order, signs the same.

5.3 Delivery of Motor Vehicle

5.3.1 The OSPC cashier attaches to the covering import entry declaration a copy of the O.R, the supporting documents as well as the documents earlier forwarded to him under 5.1.4.

He then forwards the documents to the Manifest Clerk.

5.3.2 The Manifest Clerk checks in the computer whether or not the motor vehicle concerned appears in the Inward Foreign Manifest (IFM) of the carrying vessel, and segregates copies of the entry for distribution to offices concerned.

5.3.3 The working copy of the entry and supporting documents shall be forwarded to the COO III who shall reflect his findings / assessment on the entry based on the Inspection Report with the computer-generated Notice of Assessment and forwards the same to the OSPC Assistant Supervisor for approval.

5.3.4 After reviewing the findings of the OSPC Assistant Supervisor, the OSPC Supervisor prepares, signs and issues the Certificate of Payment for the motor vehicle and distributes the same to the other offices as follows:

<u>Certificate of Payment</u>	<u>Recipient</u>
Original copy	LTO
Green copy	cosignee
Yellow copy	BIS, if applicable

The working copy of the import entry, together with the rest of the pertinent documents shall be entrusted to the OSPC cashier who shall act as custodian thereof.

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5.3.5 The LTO representative shall be responsible for transmitting to the LTO registration office on a daily basis the original copy of the Certificate of payment, the PNP Motor Vehicle Clearance and copies of other import documents necessary to effect registration of the vehicle with said office.

5.3.6 After the import entry for the vehicle shall have been fully processed, required clearances and release authority issued and the corresponding duties, taxes and penalty paid, the OLRS clerk enters into the computer the payment details and lifts the corresponding duty stop. The OSPC Supervisor then issues the official OSPC sticker which shall be affixed at the upper right hand corner of the motor vehicle's windshield to show that the same has been duly processed by the OSPC and ready for release. The OSPC sticker shall be color coded, blue for tax paid and orange for tax -exempt vehicles.

The Special Permit to Travel earlier prepared by the LTO representative shall also be given to the consignee.

5.3.7 After arrastre / storage charges and other legal fees and dues have been paid and upon verification that the duty stop is already lifted (via the arrastre's OLRS computer terminal), release / delivery of the motor vehicle shall be effected to the consignee or his duly authorized representative.

VI. ROLE OF THE PHILIPPINE AUTOMOTIVE FEDERATION (PAFI)

The Federation shall provide technical support to the OSPC. It shall assist in furnishing data on the latest book values including value information on vehicles not appearing in the Blue / Red Book or KARO. It shall maintain its own computer file on all motor vehicles released under the OSPC, whether tax paid or tax exempt, for monitoring purposes. It may recommend to the Commissioner of Customs measures to enhance the effectiveness the OSPC in curbing smuggling.

VII. REPEALING CLAUSE

All Customs Memorandum Orders and other issuances inconsistent herewith are hereby deemed and/or modified accordingly.

VIII. EFFECTIVITY

This Order shall take effect MAY 22, 1995 .


GUILLERMO L. PARAYNO, JR.
Commissioner