



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

CUSTOMS MEMORANDUM ORDER

No. 16-95

JUN 27 1995

To : All Collectors, Division and Section Chiefs
Examiners / Appraisers,
SGS-Manila Liaisons Office,
Importers, Brokers and
All others Concerned

Subject : Procedures in the Filing, Evaluation of and
Processing of Application for Tentative Release of
Shipments with Delayed CRFs

1. OBJECTIVES

- 1.1 To avoid difficulties in the clearance of shipments covered by this order.
- 1.2 To insure that the cases involving shipments tentatively released because of delayed CRF are properly disposed of within a reasonable period.
- 1.3 To prevent misrepresentation of "delayed CRF" designed to avoid payment of full duties and taxes collectible.

2. COVERAGE

This order shall cover shipments complying with the required Pre-Shipment Inspections under the Comprehensive Import Supervision Service (CISS) but for reasons not attributable to the shipper/importer, the transmittal from abroad and/or receipt in the Manila Liaison Office (MLO) of the Clean Report of Findings (CRF) have been delayed.

3. GENERAL PROVISIONS

3.1 Applications for tentative release citing as reason Delayed Transmittal/Receipt of CRF may be granted only when the following shall have been established :

- 3.1.1 The shipment has undergone pre-shipment inspection under CIIS and Five (5) working days has lapsed from date of submission by shipper/importer of all documentary requirements to the SGS affiliate without the CRF being received at the MLO as evidenced by the SGS MLO's indorsement of the application

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for Tentative Release;

- 3.1.2 The shipment is not attendant with any violation evidencing prima facie fraud; and
- 3.1.3 The shipment is covered by an Import Advice Notice.
- 3.2 Approval of the Tentative Release for shipments with delayed CRF must comply with the following terms and conditions :
 - 3.2.1 Regular examination of the shipment;
 - 3.2.2 Payment of full duty and tax based on the highest available value in the VALSEE, previous CRF or other value information on file; and
 - 3.2.3 Posting of a 60-day Post Dated Check (PDC) in amount equivalent to 120% of landed cost.

4. ADMINISTRATIVE PROVISIONS

- 4.1 The Chief, FED or equivalent unit, of the Port shall be authorized to approve request for the tentative release of SGS-certified pre-inspected shipments with delayed CRFs, subject to compliance with all the requirements, conditions and procedural steps prescribed under this Order. The FED Chief shall have responsibility for monitoring all approved tentative releases to insure their proper resolution.
- 4.2 To secure government revenue, the importer shall be required to submit a PDC payable to the Bureau of Customs which shall be deposited with the Cash Division under provisional receipt.
- 4.3 The Chief, Cash Division shall monitor the PDC's issued to prevent staling of checks and/or insure proper disposition
- 4.4 Upon subsequent receipt of the CRF, where the valuation and/or classification on the CRF are/is contested by the

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importer, the case shall be referred to the BOC-SGS Import Valuation and Classification Committee subject to pertinent provisions of CMO no. 3-95.

- 4.5 Where the claim of a delayed CRF is found to be misrepresented, such as the requisite CRF actually has been issued, the shipment shall be treated as fraudulent and subject to seizure or forfeiture of the PDC.
- 4.6 It shall be the joint responsibility of the importer/SGS MLO to submit to the Chief, FED the delayed CRF as soon as possible, not more than within 30 days of the application for Tentative Release.

5. OPERATIONAL PROVISIONS

- 5.1 The following steps shall be followed in the filing, evaluation & processing of tentative release requested for shipment with delayed CRFs:

Step 1:

The importer shall accomplish and execute under oath the letter request for Temporary Release/Undertaking shown in Annex "A" hereof, the requirements therein being deemed as forming an integral part of this Order and submit the same directly to the Chief, FED/equivalent unit, together with the Import Entry and its supporting documents.

Step 2:

The Chief, FED/equivalent unit, upon receipt of the Importer's Letter-request for Tentative Release/Undertaking, evaluate whether or not the request satisfies the condition in 3.1 (3.1.1 to 3.1.4). If the conditions are not met, the request shall be denied and the papers held in abeyance until receipt from SGS and the importer of the CRF in which case, regular processing shall be instituted. If the request is approved, the chief shall accomplish the Memorandum shown in Annex "B" and "C" hereof, requiring/instructing, to wit:

2.1 The Entry Receiving to:

- 2.1.1 Immediately allow the filing and acceptance of the import entry; and

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2.1.2 Immediately forward the entry together with all copies of the Order of Payment (OP) to the Examiner/Appraiser, through the Section Chief concerned.

2.2 The Examiner/Appraiser to:

2.2.1 Immediately conduct a regular examination of the shipment and to return the entry to the chief FED if discrepancies and other violation are detected.

2.2.2 The EXAMINER/APPRAISER shall in case of doubt, verify through the Valuation Center and Library whether the SGS indorsements/certifications are valid.

2.2.3 Assess the shipment and compute the amount of the PDC to be posted.

2.2.4 Forward the entry and all related documents to the Chief Appraiser for final action by the chief, FED preparatory to transmittal to the Collection Division.

Step 3:

3.1 The Chief, Collection Division shall cause the collection of Duties and Taxes and the posting of the PDC. The marking TENTATIVE RELEASE allowed per CMO___ shall be already stamped on the entry and signed by the Collection Division Chief.

3.2 After the release of the shipment, the entry and all supporting documents shall be returned to the Chief, FED for monitoring and required action.

Step 4:

Copies of all approvals by the various Ports of tentative releases of shipment with delayed the SGS-CRF shall be transmitted by the Chief, FED to the Commissioner of Customs [Attention:

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Chief, Anti-Circumvention Unit ACU] or post-release review as to whether or not requirements under the guidelines set forth under CMO No. 12-93 had been met.

5.2 UPON RECEIPT OF THE SGS-CRF, the SGS-MLO shall immediately notify the importer and officially transmit a copy of the same to the Chief, FED and the ACU, Office of the Commissioner.

5.2.1 In the event that the importer fails to present his copy of the CRF to the Cash Division within three (3) days of date of notification by SGS MLO of the availability of the CRF, the importer shall be charged a penalty fee for each day of non-presentation.

5.2.2 In cases where there is a discrepancy between the value in the CRF and that used as basis in the computation of duties and taxes, any shortfall/undercollection in the duties and taxes paid shall be settled for by importer within 72-hours from the decision of the case.

6. REPEALING CLAUSE

All rules and regulation inconsistent with this Order are hereby deamed repealed, superseded or modified accordingly.

7. EFFECTIVITY

This Order shall take effect on JUN 27 1995.


GUILLERMO L. PARAYNO JR.
Commissioner

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ANNEX "A"

FOR THE CHIEF, FED
Port of _____

SUBJECT : SHIPMENT OF _____

Dear Sir / Madam:

PURSUANT TO CMO NO. _____, WE ARE REQUESTING FOR TENTATIVE
RELEASE OF SUBJECT SHIPMENT, THE RECEIPT OF THE CRF THEREOF AT
SGS-MLO HAVING BEEN DELAYED THRU NO FAULT OF OURS.

DOCUMENTS HERETO ATTACHED ARE AS FOLLOWS:

1. IMPORT ENTRY AND INTERNAL REVENUE DECLARATION;
2. COMMERCIAL INVOICE WITH PACKING LIST;
3. BILL OF LADING/AIRWAYBILL;
4. COPY OF IMPORT ADVICE NOTICE (IAN); AND
5. SGS-MLO CERTIFICATION OF PSI AND NON-RECEIPT OF CRF 5-DAYS AFTER RECEIPT FROM SHIPER OF FINAL SETTLEMENT INVOICE.

THE PARTICULARS OF THE SHIPMENT ARE AS FOLLOWS:

1. CONSIGNEE/IMPORTER NAME: _____
 COMPLETE OFFICE ADDRESS: _____
 TEL. NO. _____
 BOC REGISTRATION/ACCREDITATION NO. _____
 BOI REGISTRATION NO. _____ AND CAI _____
 GTEB REGISTRATION NO. _____ OTHERS (SPECIFY) _____
2. BROKERAGE : _____
 COMPLETE OFFICE ADDRESS : _____
 TEL. NO. _____
 BOC LICENSE NO. _____
3. VESSEL/AIRLINE : _____ VOY/FLT. NO. _____
 BILL OF LADING/AIRWAY NO. _____
 COUNTRY OF EXPORTATION : _____
 MODE OF PAYMENT : _____

WE HEREBY UNDERTAKE TO POST THE REQUIRED GUARANTY, TO
PRESENT THE CRF TO THE CHIEF, FED WITHIN 48-HOURS FROM OUR
NOTIFICATION OF CRF AVAILABILITY BUT NOT LATER THAN 30 DAYS
FROM DATE HEREOF AND THAT WE SHALL PAY FULLY ALL TAX, DUTY AND
OTHER CHARGES THAT THE BUREAU OF CUSTOMS SHALL LEVY ON THE
SHIPMENTS.

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FURTHERMORE, WE HEREBY CERTIFY THAT THE FOREGOING STATEMENTS AND THE DOCUMENTS HERETO ATTACHED ARE TRUE, AUTHENTIC AND GENUINE; ANY FALSE STATEMENT, MISREPRESENTATION AND/OR NON-DISCLOSURE OF ANY MATERIAL FACT IN CONNECTION HERewith AND SUBJECT SHIPMENT SHALL BE DEALT WITH ACCORDINGLY BY THE PROPER AUTHORITY, INCLUDING THE INSTITUTION OF CRIMINAL AND ADMINISTRATIVE ACTION AGAINST MYSELF AND/OR OUR HEREIN-NAMED COMPANY.

COMPANY NAME
BY:

SIGNATURE OF IMPORTER/BROKER

PRESIDENT/GENERAL MANAGER/
IMPORT MANAGER

SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____
19____, AFFLIANT EXHIBITING TO ME HIS TIN NO. _____
ISSUED BY _____, ON _____

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OFFICER AUTHORIZED TO
ADMINISTER OATH
PORT OF _____



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

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10 August 1995

CUSTOMS MEMORANDUM ORDER
NO: 16-95-B

To: All Collectors of Customs,
Division and Section Chiefs,
Examiners/Appraisers,
Importers, Brokers,
and All Others Concerned

Subject: Amendment to CMO 16-95 on the Tentative
Release of Shipments with Delayed CRFs.

A. AMENDED PROVISIONS

To better attain its objectives, two provisions of
CMO 16-95 are hereby amended to read as follows:

1. "3.1. Applications for tentative release
citing as reason Delayed Transmittal/Receipt
of CRF may be granted only when the following
shall have been established:
 - 3.1.1. The shipment has undergone pre-
shipment inspection under CISS and
Five (5) working days HAVE lapsed
from date of submission by
shipper/importer of all documentary
requirements to the SGS affiliate
without the CRF being received at the
MLO as evidenced by the SGS-MLO's
indorsement of the application for
Tentative Release. THE INDORSEMENT
SHALL BE INCORPORATED IN THE ADVANCED
CLEAN REPORTS, AND SHALL BE BAR CODED
EFFECTIVE 01 SEPTEMBER 1995. THE
DETERMINATION OF AUTHENTICITY OF THE
ADVANCED CLEAN REPORTS SHALL BE THE
SAME AS IN THE DETERMINATION OF
AUTHENTICITY OF REGULAR CRFS."
2. "4.1. ALL APPLICATIONS FOR TENTATIVE RELEASE
OF SHIPMENTS WITH DELAYED CRFS SHALL BE
LODGED WITH THE CHIEF, FED OR EQUIVALENT
UNIT, WHO shall be authorized to approve OR
DISAPPROVE THE SAME, subject to compliance
with all the requirements, conditions and
procedural steps prescribed under this
Order. The FED Chief shall have
responsibility for monitoring all approved
tentative releases to insure their proper
resolution."

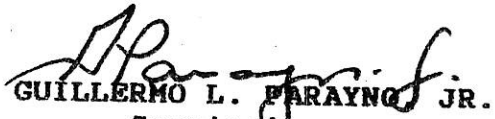
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B. EFFECTIVITY

This Order shall take effect on 01 Sept 1995.


GUILLERMO L. PARAYNO JR.
Commissioner



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

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CMO-16-95

ANNEX "B"

(DATE)

MEMORANDUM TO: ENTRY RECEIVING, DIVISION CONCERNED

PURSUANT TO CMO NO. 16-95, YOU ARE HEREBY INSTRUCTED TO IMMEDIATELY ALLOW THE FILING AND ACCEPTANCE OF THE IMPORT ENTRY, AND IMMEDIATELY FORWARD THE ENTRY TOGETHER WITH THE COPY OF THE ORDER OF PAYMENT (OP) TO THE EXAMINER/APPRaiser CONCERNED.

CHIEF, FED/EQUIVALENT UNIT
PORT OF _____

ANNEX "C"

MEMORANDUM TO: EXAMINER/APPRaiser

PURSUANT TO CMO NO. 16-95, YOU ARE HEREBY INSTRUCTED TO:

- 1) IMMEDIATELY CONDUCT A REGULAR EXAMINATION OF THE SHIPMENT AND RETURN THE ENTRY TO THIS OFFICE IF DISCREPANCIES AND OTHER VIOLATIONS ARE DETECTED;
- 2) VERIFY THROUGH THE VALUATION CENTER AND LIBRARY WHETHER THE INDORSEMENT FROM SGS-MLO IS VALID;
- 3) ASSESS THE VALUE OF THE SHIPMENT AND COMPUTE THE AMOUNT OF THE PDC TO BE POSTED; AND
- 4) FORWARD THE ENTRY AND ALL RELATED IMPORT DOCUMENTS TO THE CHIEF APPRAISER FOR MY FINAL ACTION PREPARATORY TO TRANSMITTAL TO THE COLLECTION DIVISION.

CHIEF, FED/EQUIVALENT UNIT
PORT OF _____



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

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28 August 1995

CUSTOMS MEMORANDUM ORDER
NO. 16-95-C

To: All Collectors of Customs,
Division and Section Chiefs,
Examiners/Appraisers,
Importers, Brokers,
and All Others Concerned

Subject: Amendment to CMO 16-95 on the Tentative
Release of Shipments with Delayed CRFs.

A. AMENDED PROVISION

Sub-paragraph 3.1.1. of the General Provisions,
CMO 16-95, is hereby further amended to read as
follows:

"The shipment has undergone pre-shipment inspection under CISS and Five (5) working days have lapsed from date of submission by shipper/importer of all documentary requirements to the SGS affiliate without the CRF being received at the MLO as evidenced by the SGS-MLO's indorsement of the application for Tentative Release. The indorsement shall be incorporated in the Advanced Clean Reports, and shall be bar coded effective 01 September 1995; PROVIDED, HOWEVER, THAT IN THE CASE OF THE TOP 1,000 CORPORATIONS, THE ADVANCED CLEAN REPORTS MAY BE USED IN LIEU OF THE INDORSEMENT. The determination of authenticity of the Advanced Clean Reports shall be the same as in the determination of authenticity of regular CRFs."

B. EFFECTIVITY

This Order shall take effect on 01 September 1995.


GUILLERMO L. PARAYNO, JR.
Commissioner



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

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28 August 1995

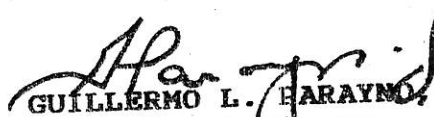
CUSTOMS MEMORANDUM ORDER
NO. 16-95-D

To: All Collectors of Customs,
Division and Section Chiefs,
Examiners/Appraisers,
Importers, Brokers,
and All Others Concerned

Subject: Correction in the Numbering of CMO No.
16-95-B on the Tentative Release of
Shipments with Delayed CRFs.

CMO No. 16-95-A, dated 10 August 1995, which amended CMO No. 16-95 on tentative release of shipments with delayed CRFs, was inadvertently typed as "CMO No. 16-95-B". Therefore, CMO No. 16-95-C should be construed to mean CMO No. 16-95-B, and so forth.

Please be guided accordingly.


GUILLERMO L. FARAYNO, JR.
Commissioner