



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

10 May 1994

CUSTOMS MEMORANDUM ORDER

NO. 18-92

To: The District Collector of Customs,
Collection District XI
The Collector of Customs, Port of Jolo
All Other Collectors of Customs &
All Others Concerned

Subject: *Treatment of Barter Trade Goods*

Pending the issuance by higher authorities of an order and/or rules and regulations governing barter trade and in line with the instructions issued by the Office of the President on the matter, this Customs Memorandum Order is hereby issued to govern the entry in Jolo of barter trade goods (BTG) and their removal therefrom for entry into other parts of the country outside of the Barter Trade Zone (BTZ) which, under existing law, is confined to the Sulu Archipelago.

I. OBJECTIVES

1. To insure proper collection of duties and taxes on all BTG removed from Jolo for entry into other parts of the country outside of BTZ.
2. To prevent smuggling on the guise of barter trade.

II. SCOPE

This Memorandum Order shall govern the following Customs business functionalities:

1. Receipt at the Port of Jolo of BTG from abroad authorized by BTZ;
2. Removal from Jolo of BTG for entry into other parts of the country outside of BTZ;
3. Valuation of BTG and Assessment of Duties, Taxes and other charges; and
4. Monitoring of trade in BTG

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III. GENERAL PROVISIONS

1. For Valuation and Assessment purposes, as well as for determining excesses over the authorized quantities, the published values as contained in the Bureau's Revision Orders and in their absence, established values or any values on file available must be the basis;
2. It shall be the responsibility of the Port of Jolo Customhouse to properly value following (1) above the amount of BTG carried on board any BT vessel calling at Jolo and to assess proper duties and taxes for the amount in excess of the authorized value;
3. All BTG brought out of JOLO intended for places in the country outside the BTZ whether or not covered by Certificate of Shipment or Certificate of Exemption must pay duty and tax upon filing of an import entry following existing Customs procedures;
4. Duty and Tax Payments in Jolo made for quantities in excess of the authorized amounts may be used to settle the duties and taxes payable on a shipment being removed from Jolo;
5. Any BTG found outside BTZ for which no duty and tax was paid for in Jolo prior to removal therefrom shall be considered to have been fraudulently entered into the country and with PRIMA FACIE evidence of fraud;
6. Vessels carrying BTG removed from Jolo must carry at all times a Cargo manifest containing the following information for all BTG carried on board:
 - o Shipper
 - o Consignee
 - o Consignee Address
 - o Number of Packages
 - o Kind of Packages
 - o Marks and Numbers
 - o Entry Number Covering the shipment
 - o Duties & Taxes paid for

The cargo manifest must be supported by copies of the entries covering each BTG Consignment.

7. All vessels departing Jolo and carrying BTG must submit a sailing plan to the Collector of Customs containing the following information:
 - o Ship's Name
 - o Call sign & frequency number
 - o ETD Jolo
 - o Intended Port of Call w/ ETA's for each port

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8. The Master of a Vessel carrying BTG must present to the Collectors of each port of call the manifest described in paragraph 6 above. All Vessels found on board the vessel not contained in the manifest shall be proceeded against as UNMANIFESTED CARGO.
9. The Collector of Jolo must send to the Commissioner of Customs via first available PAL flight and other means of communications the documents contained in paragraph 6 & 7.
10. The ESS and the CISS must obtain copies of the documents described herein for the conduct of their operation against smuggled goods disguised as BTG.

IV. RECESSION CLAUSE

All Customs Memorandum Order inconsistent with this order are hereby deemed modified or amended accordingly.

V. EFFECTIVITY

This CMO shall take effect immediately.


GUILLERMO L. PARAYNO, JR.
Commissioner