



07 August 2009

CUSTOMS MEMORANDUM ORDER

NO. 33-2009

Directors, CIIS and ESS
All District and Port Collectors
All Division/Section/Unit Chiefs
All Others Concerned

Subject: Effective Implementation of BSP Rules On Physical Cross-Border Transport of Currencies

In view of the recent evaluation by a joint Worldbank/Asia Pacific Group (APG) Assessment Team, which showed that one of the key findings by the Team in its Detailed Assessment Report (DAR) is the weak implementation by Philippine customs authorities of the cross border reporting requirement and the capacity to discover cash couriers, you are hereby directed to do the following remedial measures to address the aforesaid deficiencies and weaknesses:

1. All District and Port Collectors in all International Airports and Seaports are required to submit the foreign currency declarations of all outgoing and incoming passengers on a regular basis to the Anti-Money Laundering Council (AMLC) within ten (10) days from the end of its month, pursuant to Section III-C-4 of Memorandum of Agreement entered into by and between Bangko Sentral ng Pilipinas (BSP), Bureau of Customs (BOC), Manila International Airport Authority (MIAA), Philippine National Police (PNP), Bureau of Immigration (BI), Air Transportation Office (ATO), and Philippine Ports Authority (PPA), published in CMC No. 24-2005.
2. Report to the BSP through the International Operations Department (IOD) and to the AMLC, violations of BSP rules detected by or reported to the BOC by the PNP, pursuant to Section III-C-5.
3. Comply with all the BOC functions and responsibilities as stated in subject MOA particularly Section III-C thereof.
4. Coordinate with the CIIS and ESS in the effective enforcement and/or implementation of the subject MOA.
5. Institute measures to ensure compliance with the rules stated in the subject MOA with equal bigger and efficiency in your respective areas of jurisdiction including the detection and apprehension of undeclared or misdeclared foreign and Philippine currencies.

For your strict and immediate compliance.

NAPOLEON D. MORALES
Commissioner

References:

CMC Nos. 24-2005, 119-2005 and 115-2006
Letter of the Executive Director, AMLC dated 24 July 2009



09-05604



Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS
Manila

January 25, 2004

CUSTOMS MEMORANDUM CIRCULAR
NO. 24 - 2005

TO: All Deputy Commissioners
All Directors & Chiefs
All District/Port Collectors
And Others Concerned

SUBJECT: MOA for Effective Implementation of BSP Rules on Transport of Currencies

Attached is the Memorandum of Agreement dated January 17, 2005, entered into by and among the following agencies for the *Effective Implementation of BSP Rules on Physical Cross-Border Transport of Currencies*:

Bangko Sentral ng Pilipinas
Bureau of Customs
Manila International Airport Authority
Philippine National Police
Bureau of Immigration
Air Transportation Office

Please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.

For the Commissioner:

ATTY. ROBERTO D. GEOTINA
Deputy Commissioner
Internal Administration Group

CC: Commissioner of Customs

dated 17 January 2005 and its Supplemental Memorandum dated 20 December 2006, and

2. to submit these foreign currency declarations electronically to the AMLC, if possible.

We, thus, request a meeting with the Commissioner and his agency's Anti-Money Laundering Desk head, preferably between July 27-31, 2009, to discuss the aforementioned concerns.

Thank you for your continuing support in the fight against money laundering and terrorist financing.

Very truly yours,


VICENTE S. AQUINO
Executive Director



Anti-Money Laundering Council

Bangko Sentral ng Pilipinas Complex
Manila, Philippines

File/Reference No. AMI CS-OED-09_288 (2)

**SECRETARIAT
OFFICE OF THE EXECUTIVE DIRECTOR**

24 July 2009

HON. NAPOLEON L. MORALES
Commissioner
Bureau of Customs
G/F OCOM Bldg., BOC, Port Area
Manila City

Handwritten notes:
Call. 12/06/09
Comment/recommendation
pls.
R. 7/20/09

Dear Commissioner Morales:

The Philippines was recently evaluated by a joint World Bank/Asia Pacific Group (APG) Assessment Team. One of the key findings noted by the Assessment Team in its Detailed Assessment Report (DAR) is the weak implementation by Philippine customs authorities of the cross border reporting requirement and the capacity to discover cash couriers, i.e., the statistics on currency declarations showed only the data from the Ninoy Aquino International Airport (NAIA) and no data at all from other international airports and seaports in the Philippines. Incidentally, we invited your agency to send a representative to the APG Plenary Meeting which was held in Brisbane, Australia on July 6-10, 2009. However, no representative from your agency participated in said meeting. During this Plenary Meeting, the Philippine DAR was discussed, including the aforesaid key findings.

In view thereof, we recommend the following remedial measures to address the aforesaid deficiencies and weaknesses observed by the Assessment Team:

1. to require all district collectors of the Bureau of Customs (BOC) in all international airports and seaports within the Philippines (i.e. Manila, Laoag, Cebu-Mactan, and Davao) to submit the foreign currency declarations of all outgoing and incoming passengers on a regular basis and in a timely manner to the Anti-Money Laundering Council (AMLC), pursuant to the Memorandum of Agreement for the Effective Implementation of BSP Rules on Physical Cross-border Transport of Currencies