



# BUREAU OF CUSTOMS

MAKABAGONG ADUANA, MATATAG NA EKONOMIYA



PROFESSIONALISM

INTEGRITY

ACCOUNTABILITY

**MASTER COPY**

Date OCT 26 2021 *lms*

## CUSTOMS MEMORANDUM ORDER (CMO)

No. 34-2021

### SUBJECT: IMPLEMENTATION OF THE RAW MATERIALS LIQUIDATION SYSTEM (RMLS) IN THE E2M SYSTEM OF THE BUREAU

#### Section 1. Objectives.

- 1.1. To provide for the integration of the Automated Inventory Management System (AIMS) to the Bureau's Electronic-to-Mobile (E2M) Raw Materials Liquidation System (RMLS).
- 1.2. To provide for the procedures and define the duties and responsibilities of Bureau personnel for the effective implementation of the RMLS.

**Section 2. Scope.** This Order shall apply to all goods declarations for warehousing or the Warehousing Single Administrative Document (WSAD) lodged through the E2M system and processed using the Automated Bonds Management System (ABMS).<sup>1</sup>

#### Section 3. General Provision.

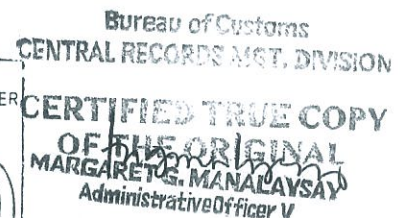
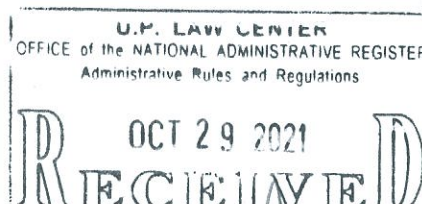
- 3.1. The RMLS is an automated system which determines the volume and value of the raw materials exported and subject for liquidation, including the duties and taxes due on the allowable residues/wastages/by-products and other portion of the imported article/s, entered through warehousing but no longer usable for the manufacture of the articles to be exported.<sup>2</sup>
- 3.2. To fully implement the RMLS, the AIMS shall electronically transmit to the RMLS module the following reports, subject to existing conditions as provided under CMO No. 20-2021, and in accordance with the formats as required by the Bureau:<sup>3</sup>
  - 3.2.1. Raw Materials Reports (RMR) which shall include the following:

a. Entry Report (WSAD);

<sup>1</sup> CMO No. 17-2021, Section 4.1.7 (a).

<sup>2</sup> cf. CAO No. 1-2009, Section 2.26.

<sup>3</sup> CAO 14-2020, Section 14.



- b. Withdrawal Report which includes either Withdrawal for Production or Withdrawal for Consumption; and
  - c. Finished Product Report; and
- 3.2.2. Raw Materials Usage Report (RMUR), commonly known as Statement of Liquidation.
- 3.3. The RMLS shall be implemented for all bonded goods where the general warehousing bond was processed under the ABMS with **"Approved"** status, and where the imported raw materials were cleared using goods declaration for warehousing with **"Arrived"** status in the E2M system.

**Section 4. Operational Procedure.** For warehousing goods declaration processed under Section 3.3 of this Order, the following procedures shall be undertaken:

**4.1. Transmittal and Validation of Raw Materials Report.**

- 4.1.1. The AIMS shall electronically transmit the RMR to the RMLS.
- 4.1.2. The warehouseman or storekeeper as the case may be, shall verify and cross validate the individual report included in the RMR with the information in the AIMS and those in his/her possession.
- 4.1.3. If discrepancies are found, the warehouseman or storekeeper as the case may be, shall reject the RMR by clicking the **'Tag Examined Failed'** function. The CBW operator shall be notified of the rejection of the RMR for the necessary correction.
- 4.1.4. If all submitted reports are verified to be in order, the warehouseman or storekeeper as the case may be, shall click the **'Tag Examined'** function.
- 4.1.5. RMR with **"Examined"** status shall be subject to final review by the Chief of the operating division.
- 4.1.6. If the Chief of the operating division still has findings in the RMR, he/she shall click the **'Tag Disapproved'** function. The docket will be returned to the warehouseman or storekeeper as the case may be for appropriate action in accordance with Section 4.1.3 of this Order.

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Administrative Officer V

4.1.7. If the RMR is in order, the Chief of the operating division shall approve the RMR by clicking the **'Tag Approved'** function. Upon approval, the reports will be recorded in the Raw Materials Usage Account (RMUA) in the RMLS.

**4.2. Liquidation of the Warehousing Goods Declaration and the Warehousing Bond.**

4.2.1. The AIMS shall electronically transmit to the RMLS the RMUR with a status of **"Stored"**.

4.2.2. The assigned account officer shall examine the RMUR in the RMLS and if there are no inconsistencies, shall click the **'Tag Evaluated'** function. If the RMUR has discrepancies, the account officer shall click the **'Tag Examined Failed'** function.

The CBW operator shall be notified of the discrepancy in the RMUR for the necessary correction.

4.2.3. The RMUR with **"Evaluated"** status shall be subject to further validation by the Chief of the operating division.

4.2.4. If the Chief still has findings in the RMUR, he/she shall tick the **'Tag Rejected'** function and return the docket to the account officer for appropriate action.

4.2.5. If the RMUR is in order, he/she shall click the **'Tag Validated'** function for the liquidation of the WSAD by the Liquidation and Billing Division (LBD).

4.2.6. The LBD shall either approve or disapprove the RMUR. If disapproved, the LBD shall click the **'Tag Disapproved'** function. If approved, the LBD shall tick the **'Tag SAD Liquidated'** function.

4.2.7. Once the WSAD is liquidated, RMUR shall be forwarded to the Bonds Division for cancellation of the bond.

The Chief, Bonds Division shall tick the **'Revert Bond'** function so that the corresponding amount shall be credited again to the general warehousing bond.

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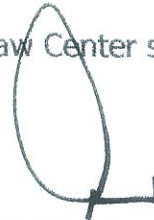
**Section 5. Role of MISTG and ITDD in the Implementation of RMLS.** The Management Information System and Technology Group (MISTG) in coordination with the Interim Training and Development Division (ITDD) shall conduct the necessary training and seminar on the use of the RMLS by concerned offices and personnel of

the Bureau before the implementation of this Order. The Deputy Commissioner, MISTG is likewise given the authority to issue the necessary memoranda for the effective implementation of this Order.

**Section 6. Repealing Clause.** All other CMOs, memoranda or parts thereof which are inconsistent with this Order are hereby deemed repealed and/or modified accordingly.

**Section 7. Effectivity.** This Order shall take effect five (5) days after publication in a newspaper of general circulation.

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



**REY LEONARDO B. GUERRERO**

Commissioner



BOC-02-07687

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