

Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS
M a n i l a

23 March 1992

CUSTOMS MEMORANDUM
ORDER NO. 35-92

TO : All Collectors of Customs
Division/Section/Unit Chiefs
All Others Concerned

SUBJECT : Rules and Regulations Implementing the
Memorandum of Agreement on the Transfer
of Abandoned/Forfeited Cargoes From Custom-
s Zone to Customs-Accredited Outside CY-
CFS and Members of CYAP in Good Standing

Pursuant to the authority vested in the Commissioner of Customs under Section 608 of the Tariff and Customs Code of the Philippines, as amended, the following rules and regulations shall be observed in the implementation of the Memorandum of Agreement dated 25 February 1992 entered into by and among -

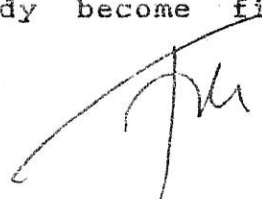
1. Bureau of Customs (BOC)
2. Philippine Ports Authority (PPA)
3. Container Yard Association of the Philippines (CYAP)
4. Association of International Shipping Lines (AISL)
5. International Container Terminal Services, Inc. (ICTSI)
6. Manila Port Services, Inc. (MPSI)
7. 7R Port Services, Inc. (7R)
8. Federation of Waterfront Trucking Operators of the Philippines (FEWTOP)

providing for the transfer of abandoned/forfeited imported cargoes from the piers to Outside CY-CFS accredited by the Bureau of Customs and who are members of the CYAP in good standing, for the purpose of decongesting the ports and securing the early release of ship containers.

I. SCOPE OF COVERAGE -

These rules and regulations shall apply only to imported cargoes which have been declared abandoned/forfeited, the declaration/decision of which has already become final and executory in favor of the government.

FORFEITED



CMO-35-92

II. PROCEDURE FOR TRANSFER -

A. Initially, the chiefs of the Law Division and the Entry Processing Division shall prepare a list of imported cargoes which have been declared forfeited/abandoned with finality in favor of the Government. Among the data that should be specified are the (1) name and address of the consignee, (2) name of the carrying vessel, (3) the date of arrival, (4) the registry number, (5) the container number(s), (6) the import entry number, and (7) the date of the finality of the declaration of abandonment or the decision of forfeiture.

B. The initial list of abandoned/forfeited cargoes shall be submitted to the District Collector of Customs immediately, with copies thereof being furnished the AISL and the CYAP. Afterwards, the chiefs of the Law Division and the Entry Processing Division shall submit to the District Collector a report/certification every time a decision of forfeiture or declaration of abandonment, as the case may be, becomes final and executory.

C. The District Collector of Customs, SEVENTY-TWO (72) hours after receipt of the list by the AISL or the concerned shipping company, shall issue an order directing the chief of the Customs Container Control Division (CCCD) to locate the cargoes. Once located, the District Collector shall then determine the particular containers to be transferred, and he shall also designate the customs-accredited Outside CY-CFS where they are to be stored, taking into account its capacity, distance, track record, and such other standards as he may prescribe from time to time.

D. The chief of the CCCD, the focal office for this operation, as soon as the cargoes have been located and are ready for transfer as directed by the District Collector, shall notify CYAP, furnishing it with a copy of the list of cargoes scheduled for transfer.

E. Upon receipt of notice that the cargoes are ready for transfer, the CYAP shall immediately take steps to effect the transfer in accordance with the terms of the Agreement by filing with the District Collector an application (six copies) to transfer forfeited/abandoned containerized imported articles under this Memorandum, using for the purpose the form hereto attached as ANNEX "A".

F. As soon as the cargoes are ready for transfer, CYAP shall secure the corresponding boatnote from the Chief Wharfinger, Piers & Inspection Division, who shall issue the same and simultaneously assign a customs security guard who, together with the ESS, CIIS, and the CYAP representative, shall escort the cargoes to their destination until finally received thereat by the customs wharfinger.

CMO-35-92

G. Transfer of imported cargoes under this Memorandum shall only be effected during regular office hours on regular working days.

III. PROCEDURE AT THE CY-CFS -

A. Immediately upon receipt of the cargoes at the designated CY-CFS, the wharfinger-in-charge shall notify the chief of the Auction and Cargo Disposal Division (ACDD) that the containers are ready for the stripping/devanning of their cargoes.

B. The chief of the ACDD shall, upon receipt of the notice, immediately notify the CYAP, the ESS, the CFI, and the CO representatives at least one (1) day before the scheduled inventory of the goods. The inventory shall proceed as scheduled despite the absence of any person who has been duly notified.

C. An inventory of the contents of a container once started shall proceed continuously and shall not be terminated until fully completed.

D. The Outside CY-CFS operator or his duly authorized representative and the representative of CYAP shall manifest their concurrence in the result of the inventory conducted by signing on the inventory report; after which the operator and CYAP shall be held jointly and severally liable for the security and preservation of the articles placed in their custody.

E. Cargoes duly declared by CYAP or the CY-CFS operator as non-revenue cargoes may be stored in an open area, so as to maximize the covered storage area for holding revenue cargoes; provided, that appropriate security measures shall be taken to ensure against pilferage and other losses.

IV. DISPOSITION OF ARTICLES TRANSFERRED -

A. All articles transferred to an outside CY-CFS under the provisions of this memorandum shall be disposed of either by way of auction sale not later than FIFTEEN (15) days following the date of transfer, or negotiated sale. Articles that cannot be disposed of in the foregoing manner by reason of law shall either be donated to a charitable organization as defined by the Tariff and Customs Code of the Philippines, as amended, or destroyed as prescribed also in the said Code.

B. The chief of the ACDD, in case the goods are to be sold in a public auction or through a negotiated sale, shall include in the notice thereof the condition that, this being a case of special transfer to decongest the piers, the winning bidder or the buyer through negotiation shall, in addition to his approved bid, pay the costs of arrastre, wharfage, processing, trucking, handling, stripping, and CY-CFS storage charges before the goods

CMO-35-92

are released to him.

V. REPEALING CLAUSE -

Any customs memoranda, orders, or issuances contrary to the provisions and intent of this Order are hereby deemed revoked or modified accordingly.

VI. EFFECTIVITY -

This Order shall take effect immediately.

Tom V. Apacible 3/23/92
TOMAS V. APACIBLE
Commissioner

100-3592

PROCEDURES:

1. The CYAP initiates the transfer by securing the consent of the ICTSI, which consent should be manifested in the Application.
2. The CYAP files the application to transfer, together with all supporting documents, with the Customs Container Control Division or its equivalent unit in the outport.
3. CCCD registers the application in a permanent record book kept for the purpose and assigns the corresponding docket number in the ascending order. The chief or his duly authorized representative then makes the proper recommendation.
4. The application, together with all documents pertinent thereto, shall then be forwarded to the chief of the Law Division or the chief of the Entry Processing Division, in whichever order, for their recommendation.
5. The documents are then forwarded to the District Collector of Customs, who either approves or denies the application.
6. If the application is approved, the ESS and the CIIS are notified by the District Collector of Customs for the purpose of assigning the law enforcement officers who are to escort the cargoes during transfer.
7. From the ESS or the CIIS, the application is forwarded to the Piers & Inspection Division for the issuance of the corresponding boatnote and the assignment of the customs security guard.
8. ICTSI shall then issue the corresponding gatepass.

APPROVED BY: _____
 SPECIAL AGENT IN CHARGE

APPROVED BY: _____
 DISTRICT COLLECTOR OF CUSTOMS

5-1

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Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS
Manila

CMO-3592

Customs District No. _____

Port of _____

SPECIAL PERMIT TO TRANSFER/DECONGEST
(Under CMO. No. _____)

APPLICATION NO. _____

CONSIGNEE : TRANSFER FROM : DESTINATION

CARRIER : ARRIVED : REG. NO. : ORIGIN : BILL OF LADING

S. I. / A. P. NO. : FORFEITED : ABANDONED : FINALITY : ENTRY NO.

CONTAINER NO(S) : DESCRIPTION : GROSS WT.

RECOMMENDING APPROVAL :

Chief, Law Div.

Chief, EPD

Chief, CCCD

APPROVED :

District Collector

BOATNOTE NO. _____

ISSUED ON _____

BY: _____

(Chief Wharfinger)

ID GUARD: _____

APPLICATION FILED BY: _____

ESS REP: _____

CIIS REP : _____

C Y A P

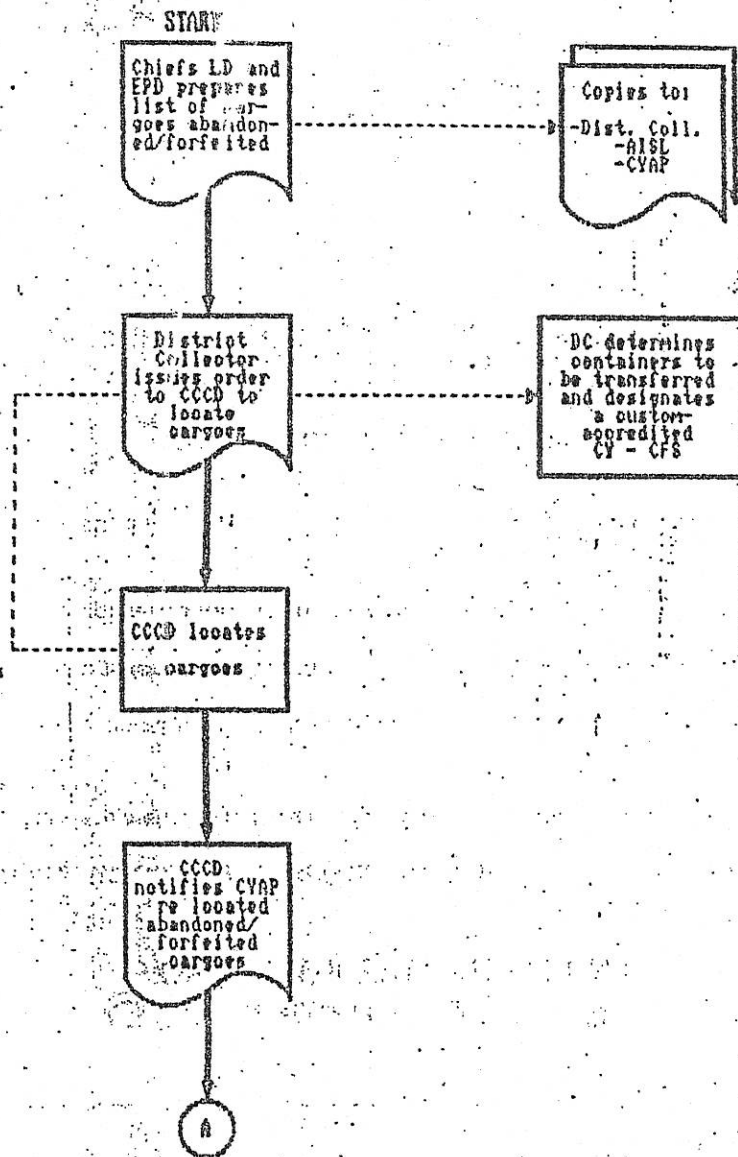
NO OBJECTION :

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5-2

CMO-37-92

PROCEDURAL STEPS ON THE TRANSFER OF
ABANDONED/FORFEITED CARGOES FROM
CUSTOMS ZONE TO CUSTOMS -
ACCREDITED CY-CFS AND
MEMBERS OF CYAP IN
GOOD STANDING



CMO-35-92

