



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

CUSTOMS MEMORANDUM ORDER
No. 21-90

Subject: AUTOMATIC LIQUIDATION OF WARE-
HOUSING ENTRIES IN RELATION TO
CMO 83-89

PARAGRAPH I - Objectives

- To avoid accumulation of unliquidated Warehousing Entries and overdue bonds
- To prevent the use of spurious documents
- To hasten the collection of revenue due the government
- To encourage the establishment and enhance the growth of export-oriented industries.

PARAGRAPH II - Administrative Provisions

1. Except as provided otherwise, the rules and regulations, systems and procedures under CAO 2-79 shall be observed.
2. All Export Permits/Declarations must be stampmarked "Export under Secs. 2001-2004" by the processing Export Division/Unit concerned.
3. All documents material to the movement, accounting and usage of cargoes and/or shipments shall be properly authenticated or certified by the issuing or forwarding office.
4. Account Officers of the Warehouse Operating Division shall maintain up-to-date accounting of materials of each Customs Bonded Warehouse for ready reference in the liquidation of Warehousing Entries.

PARAGRAPH III - Operational Provisions

1. Documentary Requirements to Liquidate Warehousing Entries:
 - 1.1 Import Documents
 - 1.1.1 Warehousing Entry
 - 1.1.2 Bill of Lading
 - 1.1.3 Boatnote
 - 1.1.4 Commercial Invoice
 - 1.1.5 Packing List
 - 1.2 Export Documents
 - 1.2.1 Statement of Liquidation (Reconciliation of Raw Materials)
 - 1.2.2 Bill of Lading

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- 1.2.3 Certificate of Identification
- 1.2.4 Certificate of Inspection and Loading
- 1.2.5 Boatnote
- 1.2.6 Credit Memo or Bank Remittance or Certificate from Agent Bank (by Exporter)

2. Operational Procedure

- 2.1 All importation documents shall be stored at the Warehouse Documentation and Record Division or equivalent office.
- 2.2 The Export Division/Unit concerned shall process and duly stamp the Export Permit/Declaration with "Export under Secs. 2001-2004", after which export shipment shall be transported to the pier under-guarded and covered with Boatnote.
- 2.3 The shipment shall be received by the Loading Inspector of the CCCD/PID who shall conduct inspection and attend to the loading of the shipment.
- 2.4 The Loading Inspector shall prepare the Certificate of Inspection and Loading.
- 2.5 The CBW Operator shall prepare and submit the Statement of Liquidation of Raw Materials within three (3) days after exportation to the operating Bonded Warehouse Division concerned.
- 2.6 The concerned Export Division/Unit shall officially transmit to the concerned Operating Division copies of the Export Permit/Declaration together with other supporting documents such as Certificate of Identification, Export Invoice, Packing List, Bill of Lading within three (3) days after processing.
- 2.7 The Loading Inspector (CCCD/PID) shall forward to the concerned operating Warehouse Division the Certificate of Inspection and Loading and Boatnote within three (3) days after loading to the carrying vessel/aircraft of the export shipment.
- 2.8 The Credit Memo or Certificate of Foreign Exchange Remittance shall be submitted by the CBW Operator/Exporter to the concerned Warehouse Operating Division as soon as possible.
- 2.9 The concerned Warehouse Operating Division shall retrieve the corresponding import documents from the WDRD and within ten (10) days shall reconcile the imported raw materials against the exported shipments, wastages and balances if any, and materials paid of duties and taxes.
- 3.0 If the Statement of Reconciliation of Materials is found in order, in case of:
 - 3.1 Partial Liquidation - The Statement of Liquidation is processed by the Warehouse Assessment Division and the amount of bond to be can-

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celled shall be determined within three (3) days upon receipt thereof.

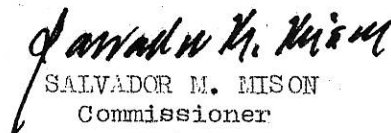
- 3.2 Statement of Partial Liquidation indicating thereon the amount of bond to be partially cancelled shall be forwarded direct to the Bond Division concerned which shall within three (3) days upon receipt thereof, act on the request.
4. If the Statement of Reconciliation of Raw Materials is found to be in order, in case of full/final liquidation, the Notice of Liquidation shall be forwarded by the concerned Warehouse Operating Division to the Liquidation and Billing Division for evaluation.
5. Within five (5) days upon receipt of the Notice of Liquidation, if the documents are found in order, the Liquidation and Billing Division shall liquidate the entry and forward to the concerned Bond Division the Notice of Liquidation of entry/entries that had been liquidated.
6. The Bond Division within three (3) days shall cause the cancellation of the corresponding bonds if the documents are found to be in order and then notify the CBW Operator/Exporter of the bonds cancelled by posting the same on the bulletin board or if necessary, by some other means of communication.

PARAGRAPH IV - Repealing Clause

All rules, regulations and/or orders inconsistent herewith are deemed repealed or modified accordingly.

PARAGRAPH V - Effectivity

This Order shall take effect on April 16, 1990.


SALVADOR M. MISON
Commissioner

March 16, 1990

Date