



# BUREAU OF CUSTOMS

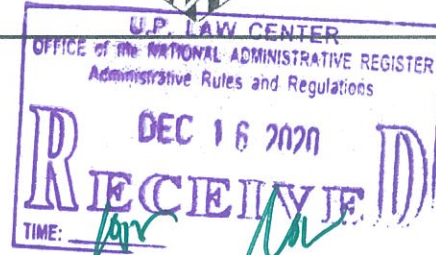
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12/16

## CUSTOMS ADMINISTRATIVE ORDER (CAO)

NO. 15 - 2020



### SUBJECT: SUPERVISION AND CONTROL OVER VESSELS AND AIRCRAFTS

**Introduction.** This CAO implements Sections 1201 to 1225, Chapter 2, Title VII and Sections 1405 to 1419, Chapter 1, Title XIV pursuant to Section 201 in relation to Section 204 of Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA).

**Section 1. Scope.** This CAO applies to all Vessels and Aircrafts engaged in foreign trade arriving to and departing from the Philippine territory.

#### **Section 2. Objectives.**

- 2.1. To prescribe the guidelines on the entrance and clearance of international Vessels and Aircrafts arriving at Ports of Entry including those ports of entry located at the Free Zones;
- 2.2. To ensure the integrity, and account for all arriving and departing cargoes through the institution of safeguard and control measures aligned with international best practices;
- 2.3. To make full use of Information and Communication Technology (ICT)-enabled systems in the submission and processing of the foreign manifests for timely profiling of incoming goods; and
- 2.4. To enforce border protection and other environmental protection laws relative to customs.

**Section 3. Definition of Terms.** For purposes of this CAO, the following terms are defined accordingly:

- 3.1. **Actual Time of Arrival (ATA)** — shall refer to the time that the Vessel has reached the End of Sea Passage.
- 3.2. **Aircraft** — shall refer to any weight – carrying device or structure for navigation in the air.
- 3.3. **Airlines** — shall refer to an airline corporation engaged in both domestic and international air transportation of goods, passengers, or both.



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- 3.4. Air Waybill (AWB)** — shall refer to a transport document for airfreight used by airlines and international freight forwarders which specify the holder or consignee of the bill who has the right to claim delivery of the goods when they arrive at the port of destination. It is a contract of carriage that includes carrier conditions, such as limits of liability and claims procedures. In addition, it contains transport instructions to airlines and carriers, a description of the goods, and applicable transportation charges.<sup>1</sup>
- 3.5. Authorized Agent** — shall refer to a person who represents a shipping line or an airline and who by written authority duly registered in the Bureau has been designated to act for and in place of a shipping line or airline in all formalities connected with the entry and departure of its Vessel or Aircraft, crew, passengers, cargo, baggage, mail or stores.<sup>2</sup>
- 3.6. Ballast** — shall refer to a heavy cargo which is loaded on board a Vessel or Aircraft merely for the purpose of making it steady, to enable it to navigate in the event of scarcity of other cargo.<sup>3</sup> It may include non-toxic materials with no commercial value.
- 3.7. Bill of Lading (B/L)** — shall refer to a transport document issued by shipping lines, carriers and international freight forwarders or non-vessel operating common carrier for waterborne freight. The holder or consignee of the bill has the right to claim delivery of the goods at the port of destination. It is a contract of carriage that includes carrier conditions, such as limits of liability and claims procedures. In addition, it contains transport instructions to shipping lines and carriers, a description of the goods, and applicable transportation charges.<sup>4</sup>
- 3.8. Boarding Formalities** — shall refer to the formalities conducted on board the foreign Vessel or Aircraft by government officials composed of Customs, Immigration & Quarantine (CIQ).
- 3.9. Break-bulk Cargo** — shall refer to non-containerized general cargo stored in boxes, bales, pallets or other individual units to be loaded onto or discharged from Vessel or Aircrafts, not shipped in containers or in bulk.<sup>5</sup>

<sup>1</sup> cf. Customs Modernization and Tariff Act (CMTA), Title I, Chapter 2, Section 102(d).

<sup>2</sup> cf. CAO No. 01-1990; cf. Republic Act No. 9515, Section 1 (a).

<sup>3</sup> cf. Revised Customs Port Operations Manual, Glossary of Terms, page 66.

<sup>4</sup> CMTA, Title I, Chapter 2, Section 102(h).

<sup>5</sup> cf. CMO No. 18-2010, Section 2, Subsection 2.4.



- 3.10. Bulk Cargo** — shall refer to cargoes in a mass of one commodity not packaged, bundled, bottled or otherwise packed.<sup>6</sup>
- 3.11. Cargo Consolidator** — shall refer to an international freight forwarder which, in the ordinary and usual course of its undertaking, assembles and consolidates or provides for assembling and consolidating such articles or performs or provides for the performance of break-bulk and distributing operations with respect to consolidated shipments, and is responsible for the transportation of articles from the point of receipt to point of destination and utilize for the whole or any part of such transportation services of the ocean carrier.<sup>7</sup>
- 3.12. Cargo Manifest** — shall refer to the detailed list of cargo (freight) on board a Vessel or Aircraft giving the commercial particulars of the goods, such as transport document numbers, consignors, consignees, marks and numbers, number and kind of packages, weight, descriptions, quantities of the goods and destination. This also refers to Inward Foreign Cargo Manifest.<sup>8</sup>
- 3.13. Carrier** — shall refer to the juridical persons responsible for the transport of goods such as airlines, shipping lines, international freight forwarders, cargo consolidators, non-vessel operating common carriers and other international transport operators.<sup>9</sup>
- 3.14. Consignee** — shall refer to the party appearing in the transport document to whom delivery of the shipment may be lawfully made in accordance with the contract of carriage.<sup>10</sup>
- 3.15. Consolidated Cargo Manifest (CCM)** — shall refer to a true and accurate manifest, of all the individual shipments in the consolidation destined and intended to be unloaded at a port entry in the Philippines, submitted as rider to the Cargo Manifest of the carrying Vessel or Aircraft.<sup>11</sup>
- 3.16. Consolidator** — shall refer to a juridical person which procures transport of goods by sea or air and issues house bill of lading or house airway bill to consignors of shipments under its solicitation, to whom it directly assumes the liabilities and responsibilities of a carrier for the transportation of such goods from the point of receipt to the point of destination of such goods, and ships the

<sup>6</sup> cf. CMO No. 18-2010, Section 2, Subsection 2.3.

<sup>7</sup> cf. CAO No. 01-2016, Section 3.8.

<sup>8</sup> cf. WCO Glossary of International Terms.

<sup>9</sup> cf. CMTA, Title I, Chapter 2, Section 102(j).

<sup>10</sup> cf. CAO No. 01-2016, Section 3.11.

<sup>11</sup> cf. CAO No. 01-2016, Section 3.5.



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shipments together in its name consigned to its Deconsolidation Agent in the Philippines.<sup>12</sup>

- 3.17. Date of Discharge of Last Package** — shall refer to the date of the completion of the unloading of the entire shipment from the international carrier<sup>13</sup> which is the reckoning period within which to lodge the goods declaration.
- 3.18. Deconsolidation Agent** — shall refer to the agent of the cargo consolidator in the Philippines that provides services to deconsolidate shipments, orders, goods, etc. to facilitate distribution.<sup>14</sup>
- 3.19. Discharge Port Survey (DPS) Report** — shall refer to the report issued by an Accredited Cargo Surveying Company (ACSC) for bulk or break-bulk cargo after the conduct of a survey at the port of discharge.<sup>15</sup>
- 3.20. End of Sea Passage** — shall refer to the waypoint where a Vessel ends the deep sea part of a voyage, usually at the arrival port where the Vessel plans to transit from full speed to maneuvering status.<sup>16</sup>
- 3.21. Estimated Time of Arrival (ETA)** — shall refer to the time declared by the Master or its agent in the notice of arrival submitted to the Bureau of Customs.
- 3.22. Foreign Port** — shall refer to a port or place outside the jurisdiction of the Philippines.
- 3.23. Foreign Trade** — shall refer to commercial interchange of commodities between different countries; export and import trade. It is synonymous with the term "foreign commerce", which is the trade between individuals or legal entities in different countries.<sup>17</sup>
- 3.24. Free Zone** — shall refer to special economic zones registered with the Philippine Economic Zone Authority (PEZA) under Republic Act No. 7916, as amended, duly chartered or legislated special economic zones and freeports such as Clark Freeport Zone, Clark Special Economic Zone, Clark Green City; Poro Point Freeport Zone; John Hay Special Economic Zone and Subic Bay

<sup>12</sup> cf. CMO No. 04-2017; cf. CAO No. 05-2016, Section 3.7.

<sup>13</sup> cf. CMO No. 15-94, B.2.(B.2.1.).

<sup>14</sup> cf. CMO No. 04-2017; cf. CAO No. 05-2016.

<sup>15</sup> cf. CMO No. 18-2010, Section 2, Subsection 2.6. ; Presidential Administrative Order 243-A s.2009

<sup>16</sup> <https://www.admiralty.co.uk/AdmiraltyDownloadMedia>

<sup>17</sup> cf. Revised Customs Port Operations Manual, Glossary of Terms, page 68.

Freeport Zone under Republic Act No. 7227, as amended by Republic Act No. 9400; the Aurora Pacific Economic Zone and Freeport Authority under Republic Act No. 9490, as amended by Republic Act 10083; the Cagayan Special Economic Zone and Freeport under Republic Act No. 7922; the Zamboanga City Special Economic Zone Authority under Republic Act No. 7903; the Freeport Area of Bataan under Republic Act No. 9728, Morong Special Economic Zone under Proclamation 984 s. 1997; and such other freeports as established or may be created by law.<sup>18</sup>

- 3.25. Freight Forwarder** — shall refer to a local juridical person that acts as a cargo intermediary and facilitates transport of goods on behalf of its client and may issue its House Bill of Lading or House Air Waybill, which can also perform other forwarding services such as but not limited to negotiating freight rates, preparing documents, advancing freight payments providing packing or crating, trucking and warehousing, engaging as an agent or representative or of a foreign non-vessel operating as a common carrier or cargo consolidator or deconsolidator named as consignee in a master bill of lading or Air Waybill/de-consolidator named in the master Air Waybill as consignee of a consolidated shipment, and other related undertakings.<sup>19</sup>
- 3.26. General Permit to Load and Unload** — shall refer to permit issued by the Authorized Customs Boarding Officer properly endorsed at the back thereof; granting permission to load and unload cargoes upon completion of Boarding Formalities and submission of the required documents.
- 3.27. House Bill of Lading (HBL)** — shall refer to a bill of lading covering a single, individual shipment or consignment issued by the international freight forwarder, NVOCC or a consolidator to the respective shippers containing the names and addresses, respectively, of both the consignor or sender and the consignee or receiver and the detailed, specific description of the goods shipped through sea.<sup>20</sup>
- 3.28. Master of the Vessel** — shall refer to the captain of a ship or the chief commanding officer of a ship.
- 3.29. Non-Vessel Operating Common Carrier (NVOCC)** — shall refer to an entity, which does not own or operate a Vessel that provides a point-to-point service which may include several

<sup>18</sup> CAO No. 11-2019, Section 3.4.

<sup>19</sup> cf. CMTA, Title I, Chapter 2, Section 102(aa).

<sup>20</sup> cf. CAO No. 06-2016, Section 3.10.



modes of transport of full container load and less container load (LCL) shipments and issues corresponding transport document.<sup>21</sup>

- 3.30. Non-working International Vessel** — shall refer to international Vessel for purposes other than loading and discharging of cargoes such as but not limited to leisure, racing yacht foreign fishing Vessel and local fishing Vessel coming from abroad, and those Vessels going to the Philippines for bunkering, watering, for change crew, to discharge human cadaver, for provisions, dry docking, for conversion, and sheltering.
- 3.31. Pilot-in-Command** — shall refer to a person aboard the Aircraft who is ultimately responsible for its operation and safety during flight.
- 3.32. Port of Entry** — shall refer to the first Philippine port of call of a foreign carrier. These shall be the ports designated as such by applicable laws or by the President in the exercise of his authority to open or close any port.<sup>22</sup>
- 3.33. Pratique** — shall refer to the permission granted by quarantine officials to a Vessel or Aircraft to hold intercourse with the port after the ship or Aircraft has complied with quarantine laws, rules and regulations.<sup>23</sup>
- 3.34. Shipper** — shall refer to the owner or person for whose account the ocean transportation of cargo is provided.<sup>24</sup>
- 3.35. Shipping Line** — shall refer to a juridical person that transports cargoes aboard ships or Vessels across oceans or seas.<sup>25</sup>
- 3.36. Shipline Permit** — shall refer to the authority issued by the Collector of Customs or his duly authorized representative for the customs officer assigned on a Vessel to allow the discharge of cargoes specified on the permit at shipside unto lighters, underguarded.<sup>26</sup>
- 3.37. Transfer Note** — shall refer to the document that accompanies the transfer or transit of imported articles from the Vessel or Aircraft to a Customs Facilities and Warehouse (CFW), Customs Bonded Warehouse (CBW) or another port and serves as proof of delivery or receipt of the articles at its intended destination duly

<sup>21</sup> cf. CMTA, Title I, Chapter 2, Section 102(ee).

<sup>22</sup> cf. CMC No. 77-2016, Section 3 (t).

<sup>23</sup> cf. Revised Customs Port Operation Manual, Glossary of Terms, page 69.

<sup>24</sup> cf. CAO No. 01-2016, Section 3.10.

<sup>25</sup> cf. CAO No. 01-2016, Section 3.1.

<sup>26</sup> cf. Revised Customs Port Operations Manual, Glossary of Terms, page 70.



acknowledged on its face by the Collector of Customs or his duly authorized representative.

- 3.38. Vessel** — shall refer to every sort of boats, crafts or other artificial contrivance used, or capable of being used, as means of transportation on water.<sup>27</sup>

#### **Section 4. General Provisions.**

- 4.1. Supervision and Control over the Entrance and Clearance of Vessel and Aircrafts Engaged in Foreign Commerce.** The Bureau shall exercise supervision and control over the entrance and clearance of Vessels and Aircrafts engaged in foreign commerce;<sup>28</sup> and to this end shall have supervision and control on all import and export cargoes, landed or stored in piers, airports, wharves and customs facilities and warehouses (CFWs) for the protection of government revenue and prevention of entry of contraband; taking into consideration its commitment under the Revised Kyoto Convention (RKC) for the simplification and harmonization of customs procedures to facilitate movement of goods in international trade.
- 4.2. Unhampered Access to Customs Officers Exercising Police Authority.** For effective implementation of this CAO, port and airport authorities in all ports of entry shall provide customs officers exercising police authority with unhampered access to all premises within their administrative jurisdiction.<sup>29</sup>
- 4.3. Control of Customs Officer Over Boarding or Leaving of Incoming Vessel or Aircraft.** Upon the arrival in port of any Vessel or Aircraft engaged in Foreign Trade, it shall be unlawful for any person, except the Master of the Vessel or Pilot-in-Command, consul, quarantine officers, customs officers, or other duly authorized persons, to board or leave the Vessel or Aircraft without permission of the customs officer concerned.<sup>30</sup>
- 4.4. Ports Open to Vessels and Aircrafts Engaged in Foreign Trade.** Vessels and Aircrafts engaged in Foreign Trade shall visit designated ports of entry only except as otherwise especially allowed by law: *Provided*, that no existing and valid government contract covering the handling of import and export cargo shall be diminished or impaired.

<sup>27</sup> cf. Revised Customs Port Operations Manual, Glossary of Terms, page 71.

<sup>28</sup> cf. CMTA, Title II, Chapter 1, Section 202 (f).

<sup>29</sup> cf. CMTA, Title II, Chapter 3, Section 215.

<sup>30</sup> cf. CMTA, Title XII, Chapter 2, Section 1202 and 1221.



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Every Vessel or Aircraft arriving within a Customs District of the Philippines from a Foreign Port shall dock at the designated Port of Entry and shall be subject to the authority of the District Collector of the port while within its jurisdiction.<sup>31</sup>

- 4.5. Pratique.** All ocean-going Vessels or international Aircrafts from foreign seaports or airport calling at any seaport or airports in the Philippines to disembark its passengers or discharge its cargo or other purposes must secure a quarantine clearance compliance with health regulations. This quarantine certificate/clearance shall be a prerequisite to customs clearance.<sup>32</sup>

After compliance with quarantine laws, and rules and regulations, all Vessels or Aircrafts leaving any seaport or airport of the Philippines shall secure an outgoing clearance. This quarantine certificate/clearance shall be a prerequisite to customs clearance of outgoing Vessel and Aircraft.<sup>33</sup>

- 4.6. Record of Arrival and Entry of Vessels and Aircrafts.** A record of the date of arrival and entry of all Vessels and Aircrafts shall be made in the office of the District Collector<sup>34</sup> in every customs district, or in the office of the Sub-Port Collector in case of a sub-port, and kept open to public inspection.

- 4.7. Arrest of Vessel or Aircraft Departing Before Entry Made.** When a Vessel or Aircraft arriving within the limits of a customs district from a Foreign Port departs or attempts to depart before entry shall have been made, not being thereunto compelled by stress of weather, duress of enemies, or other necessity, the District Collector of the port may cause the arrest and bring back such Vessel or Aircraft to the most convenient port, and for this purpose, may call on the assistance of other agencies concerned.<sup>35</sup>

- 4.8. Time of Unloading Cargo.**<sup>36</sup> Unloading of cargo shall be commenced immediately upon completion of the Boarding Formalities, and shall continue without any interruption until the last package or container has been discharged subject to payment of service fees by Shipping Lines, Airlines, or other interested parties at rates prescribed by the Commissioner.

<sup>31</sup> cf. CMTA, Title XII, Chapter 2, Section 1201.

<sup>32</sup> cf. Republic Act No. 9271, Section 7.

<sup>33</sup> cf. Section 7 of Implementing Rules and Regulations of Republic Act (RA) No. 9271 of 2004.

<sup>34</sup> cf. CMTA, Title XII, Chapter 2, Section 1208.

<sup>35</sup> cf. CMTA, Title XII, Chapter 2, Section 1209.

<sup>36</sup> cf. CMTA, Title XII, Chapter 2, Section 1211.





**4.9. Amendment to the Cargo Manifest.** A cargo manifest shall in no case be changed or altered after entry of the Aircraft, except by means of an amendment by the pilot-in-command or authorized agent thereof, under oath, and attached to the original manifest.

Provided, that after the invoice and/or goods declaration covering an importation have been received and recorded in the office of the appraiser, no amendment shall be allowed except when it is obvious that a clerical error or any other discrepancy has been committed without any fraudulent intent in the preparation of the manifest, the discovery of which could not have been made until after complete examination of the importation.<sup>37</sup>

**4.10. Sanctions in Case of Failure to Supply Advance and Requisite Manifests.** The party failing to submit the Cargo Manifest, Consolidated Cargo Manifest (CCM) and other documents as may be required by the Bureau within the period as prescribed in this CAO shall be subject to the payment of imposable fines in accordance with Section 8.8 of this CAO without prejudice to whatever additional recourse the BOC may pursue against the delinquent Shipping Line or Airline, NVOCC, Consolidator, co-loader or break-bulk agent.<sup>38</sup>

Late submission of e-Cargo Manifest shall be considered with justifiable cause and not subject to penalty under the following circumstances:

- 4.10.1.** Force majeure or other unforeseen circumstances beyond the control of the Carrier or his agent;
- 4.10.2.** Technical problems encountered by the customs computer system;
- 4.10.3.** Late submission of CCM due to the delay in the electronic submission of the Cargo Manifest, unless the system allows simultaneous or prior submission of the CCM;
- 4.10.4.** Early arrival of the Vessel or Aircraft from that of the original schedule; and
- 4.10.5.** Other analogous circumstances.

<sup>37</sup> cf. CMTA, Title XII, Chapter 2, Section 1204, last paragraph; CMTA, Title XII, Chapter 2, Section 1222(c).

<sup>38</sup> cf. CMTA, Title XIV, Chapter 1, Section 1412.

Under above circumstances, submission of Cargo Manifest and/or CCM is allowed within the twenty-four (24) hours from the cessation of the event except in the case of early arrival of the Vessel or Aircraft, within 24 hours from arrival.<sup>39</sup>

**4.11. Translation of Manifest or General Declaration.** The general declaration and other documents and each copy thereof shall be accompanied by a translation in English, if originally written in another language.<sup>40</sup> If the Cargo Manifest is not in the English language, the authorized customs officer shall require its translation to English before accepting the same.

Failure to submit the translation of manifest or general declaration shall be considered as non-submission and subject to the penalties prescribed in Section 8.8 of this CAO.

**4.12. Hard Copy of the Manifest.** Upon arrival of the carrying Vessel or Aircraft, the shipping and airline company, NVOCC, freight forwarder, Cargo Consolidator, or their agents shall provide two (2) hard copies of the Cargo Manifest to the Bureau in case the Port of Entry is either the Port of Manila (POM) or the Manila International Container Port (MICP), and one (1) copy only in the case of the other ports of entry.<sup>41</sup>

The Master of the Vessel or Pilot-in-Command shall immediately present to the District Collector the original copy of the manifest properly endorsed by the boarding officer, and for inspection, the ship's register, or other documents in lieu thereof, together with the clearance and other papers granted to the Vessel at the port of departures for the Philippines.<sup>42</sup>

**4.13. Manifests for the Commission on Audit.** Upon arrival of a Vessel or Aircraft from a Foreign Port, the Bureau shall provide electronic copies of the manifest to the Chairperson of the Commission on Audit.<sup>43</sup>

**4.14. Unmanifested Cargo.** All articles, wares, goods, merchandise, and any other cargo including unaccompanied baggage, and orders from abroad, received by the Master of the Vessel or Pilot-in-Command, officers, and crew of Vessel or Aircraft without bills

<sup>39</sup> cf. CMO No. 19-2015 Section 3.13

<sup>40</sup> cf. CMTA, Title XII, Chapter 2, Section 1205.

<sup>41</sup> cf. CMTA, Title XII, Chapter 2, Section 1204, 3<sup>rd</sup> paragraph.

<sup>42</sup> cf. CMTA, Title XII, Chapter 2, Section 1206, 2<sup>nd</sup> sentence.

<sup>43</sup> cf. CMTA, Title XII, Chapter 2, Section 1206, 1<sup>st</sup> sentence.

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of lading or not covered by manifests or parcel list shall be subject to seizure as unmanifested cargo under Customs laws.<sup>44</sup>

- 4.15. Bringing of Unmanifested Arms, Explosives, or War Equipment.** Cargo consisting of firearms, gunpowder, cartridges, dynamite or any other explosives, munitions or equipment of war not contained in the manifest of the Vessel or Aircraft, or which are concealed on board shall be discharged immediately from the Vessel or Aircraft with proper Transfer Note to be sent to and receipted at the Enforcement and Security Service for safekeeping, and for proper disposition under existing rules and regulations.<sup>45</sup>

## **Section 5. Provisions Specific to Vessels.**

### **5.1. Pre-arrival.**

- 5.1.1. Advanced Notice of Arrival (NOA) with Estimated Time of Arrival (ETA).** The Authorized Agent or representative of any Vessel engaged in Foreign Trade entering any of the Philippine ports of entry shall notify in writing the District Collector through a NOA submitted in hard copy and electronic format to the Piers and Inspection Division (PID) or its equivalent office of the Vessel's intended arrival and all other particulars within twenty-four (24) hours from actual time of departure of the vessel from its last port of call.<sup>46</sup>

Upon receipt of the NOA, the authorized customs officer shall enter the registry number, ETA and other relevant details of the Vessel into the Bureau's automated system.<sup>47</sup>

- 5.1.2. Advance Submission of Cargo Manifest, CCM and Stowage Plan.** A true and complete copy of the Cargo Manifest, CCM and stowage plan shall be electronically sent in advance by the shipping company, NVOCC, freight forwarder, Cargo Consolidator, or their Authorized Agents within the following cut-off period before the arrival of the carrying Vessel at the Port of Entry.<sup>48</sup>

<sup>44</sup> CMTA, Title XI, Chapter 4, Section 1113 (g).

<sup>45</sup> cf. Revised Customs Port Operations Manual, Section 15.F. page 33, (l).

<sup>46</sup> cf. Revised Customs Port Operations Manual, Chapter II, Section 14.A., page 18.

<sup>47</sup> cf. Revised Customs Port Operations Manual, Chapter II, Section 14-A(b), page 18.

<sup>48</sup> cf. CMTA, Title XII, Chapter 2, Section 1204, 3<sup>rd</sup> paragraph.



- a. If the transit time is more than seventy-two (72) hours, the shipping line must submit the Cargo Manifest electronically to the Bureau at least forty-eight (48) hours before the arrival of the Vessel. In case of CCM, it must be submitted at least twenty-four (24) hours before the arrival of the Vessel; or
- b. If the transit time is less than seventy-two (72) hours, the shipping line must submit the Cargo Manifest electronically to the Bureau at least twenty-four (24) hours before the arrival of the Vessel. In case of CCM, it must be submitted at least twelve (12) hours before the arrival of the Vessel.

**5.2. Arrival of Vessel.**

**5.2.1. Entrance of Vessel from a Foreign Port.** The Vessel shall be considered to have arrived at the Port of Entry when the Vessel has reached the End of Sea Passage. Upon arrival of a Vessel from a Foreign Port, the Master or Captain of the Vessel shall immediately:

- a. Report its arrival to the District Collector at the Port of Entry or to the customs officer authorized to meet the Vessel at the End of Sea Passage; and
- b. Accomplish the "Oath of Entering Vessel from a Foreign Port" with payment of the Customs Documentary Stamp (CDS), in two (2) copies and submit to the office of the PID or its equivalent office within twenty-four (24) hours.<sup>49</sup>

**5.2.2. Boarding of Vessel Upon Arrival.**<sup>50</sup> Upon arrival, such Vessel shall be boarded by a quarantine officer, and after Pratique is granted, shall be boarded by a customs officer; subsequently no person shall be permitted to board or leave the Vessel without the permission of the customs officer.<sup>51</sup>

When there is a threat of propagation of contagious disease, the Medical Quarantine Office may issue a memorandum requiring re-inspection at the succeeding Philippine Ports of Entry.

<sup>49</sup> cf. Revised Customs Port Operations Manual, Section 15.A.2., page 20.

<sup>50</sup> cf. Republic Act No. 9271, Section 7(b).

<sup>51</sup> cf. CMTA, Title XII, Chapter 2, Section 1221, 1<sup>st</sup> paragraph, 2<sup>nd</sup> sentence.



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The Pratique shall be part of the required documents to be received by the authorized customs officer from the Master of the Vessel.

**5.2.3. Unauthorized Tugboats and Other Vessel.** It shall likewise be unlawful for any tugboat, rowboat, or other craft to go alongside such Vessel and for any person so authorized to board the Vessel to take any unauthorized person to board the same, or allow loitering near or alongside such Vessel. Unauthorized tugboats and other Vessel shall keep away from such Vessel engaged in Foreign Trade at a distance of not less than fifty (50) meters.<sup>52</sup>

**5.2.4. Customs Boarding Team and Boarding Formalities.**<sup>53</sup> The Vessel upon arrival from a Foreign Port at the Port of Entry and after the issuance of the Pratique by the Bureau of Quarantine shall be boarded by the Customs Boarding Team duly assigned by the Chief, Piers Inspection Division (PID) or its equivalent office through a valid Assignment Order in the following sequence:

- a. Customs Boarding Team;
- b. Immigration Officer;
- c. Concerned officers under the Department of Agriculture;
- d. Other government agencies or persons authorized by the Collector of Customs.

**5.2.5. Documents to be produced by Master upon Entry of Vessel.**<sup>54</sup> The following duly accomplished documents shall be submitted by the Master of the Vessel to the authorized customs officer:

- a. Pratique;
- b. Clearance of Vessel from last port of call;

<sup>52</sup> cf. CMTA, Title XII, Chapter 2, Section 1202; cf Revised Customs Port Operations Manual, Section 15 (C), page 27.

<sup>53</sup> cf. Revised Customs Port Operations Manual, Section 15 (B), page 27.

<sup>54</sup> cf. CMTA, Title XII, Chapter 2, Section 1203; cf Revised Customs Port Operations Manual, Section 15 (A) (3), page 21.



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- c. Two (2) copies of the Vessel's general declaration;
- d. Original manifest of all cargoes destined for the port, to be returned with the endorsement of the boarding officers;
- e. Three (3) copies of the original manifest, one of which upon certification by the boarding officer as to the correctness of the copy, shall be returned to the master;
- f. A copy of the cargo stowage plan or hatch list;
- g. Two (2) copies of the store list;
- h. One (1) copy of the passengers list;
- i. One (1) copy of the crew list;
- j. Original copy of all through Cargo Manifest for deposit with the customs officer who has jurisdiction over the Vessel while in port;
- k. The passengers and baggage manifest containing the names of all foreigners in conformity with the requirements of the immigration laws in force in the Philippines;
- l. One (1) copy of the original duplicate of fully accomplished bills of lading;
- m. Shipping goods and register of the Vessel of Philippine registry;
- n. Two (2) copies of the narcotics & dangerous drugs list;
- o. Two (2) copies of the bonded store list;
- p. Two (2) copies of the mail or parcel list;
- q. Two (2) copies of the firearms & ammunition list;
- r. Two (2) copies of the crew's declaration list; and
- s. Such other related documents as may be required.

**5.2.6. Contents of the Cargo Manifest and Consolidated Cargo Manifest (CCM).<sup>55</sup> Every Vessel from a Foreign**

<sup>55</sup> cf. Revised Customs Port Operations Manual, Section 15, (A) (4), page 22.



Port must have on board a complete manifest of all its cargoes. All cargoes intended to be landed at a port in the Philippines must be described in separate manifests for each port of call. The hard copy of the Cargo Manifest required to be submitted by the Master of the Vessel to the authorized customs officer shall contain the following information:

- a. Port of discharge;
- b. Customs registry number;
- c. Bill of Lading number;
- d. Marks and numbers of cartons, drums, boxes, crates and others forms of protective packaging;
- e. Container and seal number if containerized and initials FCL, if full container load, and LCL, if less container load;
- f. Number of packages;
- g. Kinds of packages e.g. cartons, boxes, crates, drums, etc;
- h. Contents of description of cargo;
- i. Shipper;
- j. Consignee;
- k. Gross weight in kilograms or metric tons;
- l. Measurement in cubic meters;
- m. Port of origin;
- n. Notify party;
- o. Voyage number;
- p. Registry number;
- q. Place of registry of Vessel;
- r. Date of registration;
- s. International Maritime Organization (IMO) number of Vessel; and



**t. Intended destination in case of transshipment.**

Cargo description in the Cargo Manifest shall be precise enough to enable the Bureau to identify the goods intended to be discharged in the port and take pre-emptive action if warranted.<sup>56</sup>

Generic descriptions stated in the Cargo Manifest of the carrying Vessel such as FAK (Freight All Kinds), general cargo and/or similar terminologies shall not be allowed and shall be considered as failure to exhibit the required document penalized under Section 8.6. of this CAO.<sup>57</sup>

**5.2.7. Submission of e-Cargo Manifest and e-CCM.** In addition to the mandatory information required, the e-Cargo Manifest and e-CCM submitted to the Bureau must also include information on freight charges. The collection, recording, storage, maintenance, processing, sharing of data and information, and maintenance of data information obtained under this section shall be secured and consistent with the principles and policy of Republic Act No. 10173, also known as The Data Privacy Act and Republic Act No. 10667, otherwise known as the Philippine Competition Act.

**5.2.8. Submission of Supplemental Cargo Manifest.** Cargoes or containers not listed in the Cargo Manifest but are otherwise recorded in the stowage plan shall be covered by a supplemental manifest which shall be submitted not later than forty-eight (48) hours from date of discharge of the last package from the Vessel.<sup>58</sup>

Supplemental manifest shall be submitted in hard copies and electronic form within the period prescribed above, otherwise, the shipments subject of the supplemental manifest shall be considered unmanifested and subject to seizure and forfeiture.<sup>59</sup>

Cargoes or containers not listed in both the Cargo Manifest and stowage plan shall be considered as unmanifested subject to seizure and forfeiture in accordance with Section 1113 of the CMTA.

<sup>56</sup> cf. CAO No. 01-2016, Section 7.

<sup>57</sup> cf. CAO No. 01-2016, Section 7.

<sup>58</sup> cf. Revised Customs Port Operations Manual, Section 15 (E), page 28.

<sup>59</sup> cf. CAO No. 01-2016, Section 8.

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**5.2.9. Production of Philippine Crew.** The Master of a Philippine Vessel returning from abroad shall produce the entire crew listed in the Vessel's shipping crew manifest. If any member is missing or in case of discrepancy between the departure and arrival crew list, the Master of the Vessel shall produce proof satisfactory to the District Collector that the member has died, absconded, forcibly impressed into another service, or has been discharged. In case of discharge in a foreign country, the Master of the Vessel shall produce a certificate from the consul, vice consul, or consular agent of the Philippines there residing, showing that such discharge was effected with the consent of the aforesaid representative of the Philippines.<sup>60</sup>

**5.2.10. Actual Time of Arrival (ATA) of Foreign Vessel thru Advanced Electronic Manifest System.** After Boarding Formalities, the PID or its equivalent office shall input into the Advanced Electronic Manifest System the ATA from the boarding information sheet submitted by the authorized customs officer.<sup>61</sup>

**5.2.11. Non-working International Vessel.** Boarding formalities shall also apply to all international non-working Vessel for purposes other than loading and discharging of cargoes such as but not limited to leisure, racing yacht, foreign fishing Vessel and local fishing Vessel coming from abroad, and those Vessel going to the Philippines for bunkering, watering, for change crew, to discharge human cadaver, for provisions, dry docking, for conversion, sheltering.<sup>62</sup>

**5.2.12. Entrance of Vessel through Necessity.** When a Vessel from a Foreign Port is compelled, by stress of weather or other necessity to put into any other port than that of its destination, the Master of the Vessel within twenty-four (24) hours from its arrival, shall make a protest under oath before the District Collector of the port of final destination setting forth the causes or circumstances of such necessity.

Within the same time, the Master of the Vessel shall make a report to the District Collector if any part of the

<sup>60</sup> cf. CMTA, Title XII, Chapter 2, Section 1207.

<sup>61</sup> cf. Revised Customs Port Operations Manual, Section 15 (D), page 27.

<sup>62</sup> cf. Revised Customs Port Operations Manual, Section 45, page 60.



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cargo was unloaded from necessity or lost by casualty before arrival, and produce sufficient proof to the District Collector of such necessity or casualty before the latter who shall give the approval thereto and the unloading shall be deemed to have been lawfully effected.<sup>63</sup>

Upon receipt of the protest, the District Collector shall place the Vessel under the surveillance and supervision and after relief of distress may grant the Vessel permit to sail subject to the usual entrance and clearance formalities at the customhouse.<sup>64</sup>

### 5.3. **Unloading of Cargoes.**

**5.3.1. General Permit.** Upon completion of the Boarding Formalities, the authorized customs boarding officer shall, upon placing the Vessel under customs surveillance and control, immediately issue a General Permit for the discharge of the cargoes.

Such permit however, shall not constitute as an authority for the delivery or transfer of import cargo at ship's side, or to other designated areas, warehouses, or conveyances without the requisite permits as may be required under this CAO and other existing rules and regulations.

The General Permit shall be endorsed by the authorized customs officer assigned on board the Vessel mentioned in the permit at the back thereof showing whether all import cargoes have been discharged at the port or not. Such permit shall be included in his report after the termination of his assignment on board a Vessel.<sup>65</sup>

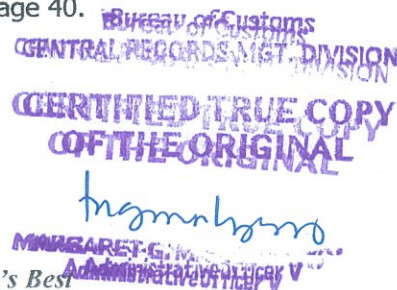
**a. Discharging or Unloading of Containerized Cargoes.** Unloading of containerized cargoes shall be authorized only upon issuance of a general permit by the authorized customs officer. During unloading, the authorized customs officers on board foreign Vessel shall:

- i. Verify the container number/s against the discharging sequence;

<sup>63</sup> cf. CMTA, Title XII, Chapter 2, Section 1212.

<sup>64</sup> cf. Revised Customs Port Operations Manual, Section 16 (A) (3), last paragraph, page 40.

<sup>65</sup> cf. Revised Customs Port Operations Manual, Section 15 (5), page 23.



- ii. Check or inspect if container seals are intact; and
- iii. Submit a Discharging Report to the Chief, PID or its equivalent office upon completion of the unloading operation.<sup>66</sup>

**b. Discharging or Unloading of Bulk and Break-bulk.** No Bulk and Break-bulk Cargoes shall be discharged unless they are duly covered by Load Port Survey Report (LPSR) in accordance with the Procedure for Bulk and Break-Bulk Cargo Clearance under Administrative Order No. 243<sup>67</sup> as amended by Administrative Order No. 243-A.<sup>68</sup> For this purpose, the Management Information System and Technology Group (MISTG) shall provide the PID or its equivalent office advance electronic copies of the LPSR prior to the arrival of the Vessel.

In the absence of the LPSR, the authorized customs officer shall require a Discharge Port Survey (DPS) prior to the discharge thereof. Without prejudice to the imposition of the applicable penalties provided under CAO No. 03-2010 on Procedure for Bulk and Break-Bulk Cargo Clearance under Administrative Order No. 243 as amended by Administrative Order No. 243-A, the Bureau however may allow the discharge of bulk and break-bulk shipments subject to continuous underguarding and other conditions that may be imposed. The authorized customs officer shall require a daily approved request for DPS prior to the discharge thereof.

**5.3.2. Shiplide Permit.** In addition to the General Permit to unload and the LPSR or the DPS as the case may be, shiplide discharge of cargoes shall be authorized only upon presentation of necessary Shiplide Permit issued by the District Collector or his duly authorized representative. Upon receipt of the Shiplide Permit, the authorized customs officer assigned on board shall:

- a. Verify the subject shipment covered by the Shiplide Permit against the Cargo Manifest as to the

<sup>66</sup> cf. Revised Customs Port Operations Manual, Section 15 (F) (1), page 28.

<sup>67</sup> Issued by then President Gloria Macapagal-Arroyo on 13 October 2008.

<sup>68</sup> Issued by then President Gloria Macapagal-Arroyo on 16 September 2009.



correctness of marks and numbers, quantity, kind of merchandise, weight, etc.;

- b. Issue a Transfer Note covering the shipment mentioned on the permit, setting forth the conditions and/or requirements imposed by the Collector of Customs on the face of the Shipline Permit;
- c. Assign an authorized customs officer to check the Shipline Permit so that only authorized to be discharged are unloaded;
- d. Assign an authorized customs officer to underguard the lighter with the cargoes if the permit so stipulates;
- e. When Bulk cargoes are to be discharged unto lighters, the authorized customs officer shall not allow any cargo to be unloaded without first obtaining the ton or inch immersion table of the lighter from the patron.

In cases wherein the Vessel is anchored at the anchorage, personal effects, parcel cargoes and the like may be discharged at shipside unto the launch for subsequent immediate delivery to the office of PID or its equivalent office, under-guarded, where the goods shall be duly received by authorized customs officer thereat on the face of the Transfer Note.

Cargoes shall be released upon presentation to the authorized customs officer on board a Statement of Settlement of Duties and Taxes (SSDT) duly issued by the Formal Entry Division or its equivalent office.<sup>69</sup>

**5.3.3. Special Permits.** A special permit shall be required for the following:

- a. **Discharge of Ballast.** When not brought to port as goods, Ballast of no commercial value may be discharged upon permit granted by the District Collector and subject to existing Department of

<sup>69</sup> cf. Revised Customs Port Operations Manual, Section 15 (F) (2), page 30.



Environment and Natural Resources (DENR) rules and regulations.<sup>70</sup>

- b. Direct to Truck Transfer.** Direct transfer of container or cargo from Vessel to truck shall be allowed upon written request of Consignee or importer duly approved by the District Collector or his duly authorized representative.<sup>71</sup>
- c. Discharging of Vessel Sludge.** Vessel sludge shall be discharged upon approval by the District Collector or his duly authorized representative subject to Philippine Ports Authority (PPA) rules and regulations. Sample of sludge shall be taken for examination and assessment of the duties and taxes due if any.<sup>72</sup>
- d. Bunkering Permit.** Bunkering or refueling shall be allowed upon permit issued by the Bureau.<sup>73</sup>
- e. Transfer to Another Vessel.** The transfer of cargoes from one Vessel to another shall be allowed upon permit issued by the District Collector or his authorized representative.<sup>74</sup>
- f. Shifting of Cargoes.** Shifting of cargoes shall be allowed upon written request of the Master of the Vessel or Authorized Agent duly approved by the District Collector or his duly authorized representative.<sup>75</sup>

**5.3.4. Passengers' Baggage, Parcel List and Crews' Personal Effects.** The authorized customs officer shall cause the immediate discharge of all baggage, parcel cargoes and articles brought in by the ship's crews and passengers for discharge at the pier.

The authorized customs officer shall remind the Chief Officer or the Purser of the Vessel, if necessary, that baggage and parcels must be discharged promptly and

<sup>70</sup> cf. CMTA, Title XII, Chapter 2, Section 1210.

<sup>71</sup> cf. Revised Customs Port Operations Manual, Section 41, page 59.

<sup>72</sup> cf. Revised Customs Port Operations Manual, Section 43, page 60.

<sup>73</sup> cf. Revised Customs Port Operations Manual, Section 44, page 60.

<sup>74</sup> cf. Revised Customs Port Operations Manual, Section 15 (A) (6), page 24.

<sup>75</sup> cf. Revised Customs Port Operations Manual, Section 39, page 59.



have the same transferred, underguarded, to the PID or its equivalent office, where proper receipt will be noted on the face of the Transfer Note and subject for examination by authorized customs officer. No permit is required for the discharge and landing of baggage.

If baggage and parcels are to be discharged into a carrier in the stream, the authorized customs officer shall assign an authorized customs officer to underguard such baggage and parcels to the PID or its equivalent office where the receiving authorized customs officer thereat will sign.<sup>76</sup>

**5.3.5. Sea Stores.** Store list shall be kept under Customs seal in the presence of the Ship Officer. Subject to penalties provided under Section 8.9 of this CAO, Customs seal so affixed shall not be broken while the Vessel is within the jurisdictional limits of the Philippines except while on port and only upon written application to withdraw supplies signed by the Master of the Vessel and approved by the District Collector. Only the authorized customs officer shall break the seal and allow the withdrawal of such quantities as may be authorized and re-seal the sea store compartment after such withdrawal.<sup>77</sup>

**5.3.6. Discharge of Last Package.** Upon completion of the discharge, the Customs Officer on board shall accomplish a Certificate of Date of Last Discharge bearing the seal of the Master of the Vessel to be submitted to the office for recording in the Advanced Electronic Manifest System.

**5.3.7. Unloading of Vessel in Port from Necessity.** If a situation arises where the unloading of the Vessel is required pending sojourn in port, the District Collector shall, upon sufficient proof of the necessity, grant a permit therefore under such terms and conditions he may deem proper, and the goods shall be unloaded and stored under the supervision of authorized customs officers.

At the request of the Master of the Vessel or the owner thereof, the District Collector may grant permission to

<sup>76</sup> cf. Revised Customs Port Operations Manual Section 15 (F) (2.2), page 35.

<sup>77</sup> cf. Revised Customs Port Operations Manual, Section 3 (A) (3), page 2.



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enter the port and pay duties, taxes, and other charges on, and dispose of such part of the cargo as may be perishable in nature or as may be necessary to defray the expenses attending the Vessel. The unloading of this class of cargo shall be subject to the same rules and regulations prescribed for cargoes destined for the port.<sup>78</sup>

Unless authorized by a Shiplside Discharge Permit, such cargoes shall be discharged unto the pier. If discharged into lighters, such lighters must be of the closed type and must be secured, locked, and affixed with Customs seal and must remain underguarded until final disposition thereof is made.<sup>79</sup>

Upon departure, the cargo, or a part thereof, may be reloaded on board the Vessel, and the Vessel may proceed with the same to its destination, subject only to the charge for storing and safekeeping of the goods and the fees for entrance and clearance. No port charges shall be collected on Vessel entering through stress of weather, duress or other urgent necessities.<sup>80</sup>

#### **5.4. Departure of Vessel.**

**5.4.1. Clearance of Vessel for Foreign Port.** Before a clearance shall be granted to any Vessel bound to a Foreign Port, the Master of the Vessel or the agent thereof shall present to the District Collector or his authorized representative the following properly authenticated documents:

- a. A bill of health from the quarantine officer or officer of the public health service in the port;
- b. Three (3) copies of the manifest of export cargo, one of which, upon certification by the authorized customs officer as to the correctness of the copy, shall be returned to the Master of the Vessel;
- c. Two (2) copies of the passengers list, showing foreigner and other passengers;

<sup>78</sup> cf. CMTA, Title XII, Chapter 2, section 1213.

<sup>79</sup> cf. Revised Customs Port Operations Manual, Section 24, page 52.

<sup>80</sup> cf. CMTA, Title XII, Chapter 2, section 1213.



- d. The register and shipping goods, if the Vessel is of Philippine registry;
- e. Clearance issued by the last Port of Entry; and
- f. A certificate from the Philippine Postal Corporation to the effect that it received timely notice of the sailing of the Vessel: Provided, that the District Collector shall not permit any Vessel to sail for a Foreign Port if the Master of the Vessel or agent thereof refuses to receive bags of mail delivered to the same by the Philippine Postal Corporation for transport upon reasonable compensation. In case the Postmaster General and the Master of the Vessel or agent do not come to an agreement concerning the amount of the compensation to be paid for the carriage of the mail, the matter shall be submitted for decision to a Board of Referees to be composed of three (3) members appointed, respectively, by the Philippine Postal Corporation, the agency of the company to which the Vessel concerned belongs, and the Bureau, who shall fix a reasonable rate of compensation.<sup>81</sup>

**5.4.2. Oath of Master of Departing Vessel.** The Master of the departing Vessel shall state under oath that:

- a. All cargoes conveyed on the Vessel, destined for the Philippines, have been duly discharged or accounted for;
- b. A true copy of the outgoing Cargo Manifest has been furnished to the Bureau;
- c. No letters or packets, not enclosed in properly stamped envelope sufficient to cover postage, have been received or will be conveyed, except those relating to the Vessel; and that all mails placed on board the Vessel before its last clearance from the Philippines have been delivered at the proper Foreign Port; and
- d. If clearing without passenger, the Vessel will not carry upon the instant voyage, from the Philippine

<sup>81</sup> cf. CMTA, Title XII, Chapter 2, Section 1215.



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port, any passenger of any class, or other person not entered upon the ship's declaration.<sup>82</sup>

**5.4.3. Extension of Time for Clearance.** At the time of clearance, the master of a departing Vessel shall be required to indicate the time of intended departure, and if the Vessel should remain in port forty-eight (48) hours after the time indicated, the Master of the Vessel shall report to the District Collector for an extension of time of departure, and without such extension the original clearance shall be nullified.<sup>83</sup>

## **Section 6. Miscellaneous Provisions on Vessel.**

### **6.1. Entry and Clearance of Vessel of a Foreign Government.**

The entry and clearance of the transport or supply ship of a foreign government shall be in accordance with the agreement by and between the Philippines and the foreign government.<sup>84</sup>

### **6.2. Detention of Warlike Vessel Containing Arms and Munitions.**

District Collectors shall report to the proper authorities or detain any Vessel of commercial registry manifestly built for warlike purposes and about to depart from the Philippines with a cargo consisting principally of arms and munitions of war, when the number of men shipped on board or other circumstances render it probable that such Vessel is intended to be employed by the owner or owners to cruise or commit hostilities upon the subject, citizens, or property of any foreign principality or state, or of any colony, district, or people with whom the Philippines is at peace, until the decision of the President of the Philippines is rendered thereon, or until the owner or owners shall give a security, in double the value of the Vessel and cargo, that it will not be so employed, if in the discretion of the District Collector such security will prevent the violation of the provisions of this section.<sup>85</sup>

## **Section 7. Provisions Specific to Aircrafts.**

### **7.1. Pre-arrival.**

#### **7.1.1. Advanced Notice of Arrival (NOA) with Estimated Time of Arrival (ETA).**

<sup>82</sup> cf. CMTA, Title XII, Chapter 2, Section 1217.

<sup>83</sup> cf. CMTA, Title XII, Chapter 2, Section 1218.

<sup>84</sup> cf. CMTA, Title XII, Chapter 2, Section 1214.

<sup>85</sup> cf. CMTA, Title XII, Chapter 2, Section 1216.

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- a. **For Scheduled Arrivals of Aircraft.** An advance notice will not be required in the case of an airline arriving in accordance with the regular schedule filed with the District Collector for the customs district in which the place of first landing area is situated, and also with the quarantine and immigration officers-in-charge of such place.
- b. **For Non-scheduled Arrival of Aircrafts.** A notice of the intended flight shall be furnished to the District Collector or other authorized customs officer within twenty-four (24) hours from the ETA at the nearest intended place of first landing, and to the quarantine and immigration officers-in-charge at or nearest such place of landing.

If dependable facilities for giving notice are not available before departure, the use of any radio equipment shall be appropriate as long as it will result in the giving of adequate and timely notice of the Aircraft's approach, otherwise landing shall be made at a place equipped with navigational facilities. If, upon landing in any area, the government officers have not arrived, the Pilot-in-Command shall hold the Aircraft and any baggage and goods thereon intact and keep the passengers and crew members in a segregated place until the inspecting officers arrive.<sup>86</sup>

**7.1.2. Advance Submission of Cargo Declaration and Consolidated Cargo Manifest.** A true and complete copy of the Cargo Manifest shall be electronically sent in advance by the Airline, air express operator, air freight forwarder and deconsolidator within the following period before the arrival of the Aircraft at the Port of Entry.

- a. If the port of loading is in Asia, the submission of the e-Cargo Manifest must be one (1) hour before arrival of the Aircraft; and
- b. If the port of loading is other than Asia, the submission of the e-Cargo Manifest must be four (4) hours before the Aircraft arrival.

<sup>86</sup> cf. CMTA, Title XII, Chapter 2, Section 1219.

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The cut-off time for the submission of the e-CCM are as follows:

- a. If the Airline submits the e-Cargo Manifest on time, the cut-off time for e-CCM submission by the air express operators, air freight forwarders and deconsolidators in the customs system shall be one (1) hour after the Aircraft's arrival.
- b. If the e-Cargo Manifest is submitted late, the e-CCM shall be accepted without penalty provided that the submission in the customs system shall not exceed twenty-four (24) hours after the e-Cargo Manifest is registered by the Office of the Deputy Collector for Operations. This same privilege shall apply in case the e-Cargo Manifests are not validated in time due to system errors, late encoding of date of last discharge, force majeure and other similar circumstances that is without the fault of the airline.<sup>87</sup>

## 7.2. Arrival.

**7.2.1. Landing at International Airport of Entry.** Except in case of emergency or forced landings, Aircraft arriving in the Philippines from any Foreign Port or place shall make the first landing at an international airport of entry, unless permission to land elsewhere other than at an international airport of entry is first obtained from the Commissioner. In such cases, the owner, operator, or person in charge of the Aircraft shall pay the expenses incurred in inspecting the Aircraft, goods, passengers, and baggage carried thereon, and such Aircraft shall be subject to the authority of the District Collector at the airport while within its jurisdiction.<sup>88</sup>

**7.2.2. Emergency or Forced Landing.** Should an emergency or forced landing be made by an Aircraft coming into the Philippines at a place outside the jurisdiction of the latter, the Pilot-in-Command shall not allow goods, baggage, passenger, or crew member to be removed or to depart from the landing place without the permission of the authorized customs officer, unless such removal or departure is necessary for purposes of safety, communication with the authorized customs officers, or

<sup>87</sup> cf. CMO No. 10-2015, Section E.

<sup>88</sup> cf. CMTA, Title XII, Chapter 2, Section 1220, 1<sup>st</sup> paragraph.

preservation of life, health, or property. As soon as practicable, the Pilot-in-Command, or a member of the crew-in-charge, or the owner of the Aircraft, shall communicate with the authorized customs officer at the intended place of first landing or at the nearest international airport or other customs Port of Entry in the area and make a full report of the circumstances of the flight and of the emergency or forced landing.<sup>89</sup>

**7.2.3. Report of Arrival of Aircraft.** Upon arrival of the Aircraft from a Foreign Port, the Pilot-in-Command shall:

- a. Immediately report its arrival to the District Collector at the airport of entry or to the authorized customs officer detailed to meet the Aircraft at the place of first landing.<sup>90</sup>
- b. Accomplish the Oath of Entering Aircraft from a Foreign Port with payment of the Customs Documentary Stamp (CDS), in two (2) copies and submit to the office of the Aircraft Operation Division (AOD) or its equivalent office.

**7.2.4. Pratique.**<sup>91</sup> Upon arrival, such Aircraft shall be boarded by a quarantine officer. The Pratique shall be part of the required documents to be received by the authorized customs officer from the Pilot-in-Command.

**7.2.5. Control of Customs Officer Over Boarding or Leaving of Incoming Aircraft.** After the Pratique is granted by the quarantine officer, the Aircraft shall be boarded by the authorized customs officer; subsequently no person shall be permitted to board or leave the Aircraft without the permission of the authorized customs officer. The Pilot-in-Command or any other Authorized Agent of the owner or operator of the Aircraft shall make the necessary entry.<sup>92</sup>

**7.2.6. Customs Boarding Team and Boarding Formalities.** The Aircraft, upon arrival from a Foreign Port at the Port of Entry and after the issuance of the Pratique by the Bureau of Quarantine, shall be boarded by the Customs

<sup>89</sup> cf. CMTA, Title XII, Chapter 2, Section 1220, 2<sup>nd</sup> paragraph.

<sup>90</sup> cf. CMTA, Title XII, Chapter 2, Section 1221, 1<sup>st</sup> sentence.

<sup>91</sup> cf. Republic Act No. 9271, Section 7(b).

<sup>92</sup> cf. CMTA, Title XII, Chapter 2, Section 1221, 2<sup>nd</sup> and 3<sup>rd</sup> sentences.



Boarding Team duly assigned by the Chief, AOD or equivalent office through a valid Assignment Order.

**7.2.7. Documents Required in Making Entry for Aircraft.**

For the purpose of making entry, there shall be presented to the authorized customs officer four (4) copies of a general declaration, which shall contain the following data, unless any of such data is otherwise presented on a separate official form:

- a. Name of the owner or operator of the Aircraft, its registration marks and the nationality of the Aircraft, and the flight number of identification;
- b. Points of clearance and entry, and date of arrival;
- c. Health and customs clearance at the last airport of departure;
- d. Itinerary of Aircraft, including information as to airport of origin and departure dates;
- e. Names and nationality of crew members;
- f. Passengers manifest showing places of embarkation and destination;
- g. Cargo Manifest showing information as to Air Waybill number, the number of packages related to each Air Waybill number, nature of goods, destination, and gross weight, together with a copy of each Air Waybill securely attached thereto;
- h. Store list; and
- i. Such other documents as may be required by the Bureau.

The general declaration and other documents shall be written in English duly signed by the Pilot-in-Command or operator of the Aircraft, or the Authorized Agent. The section on health, and customs clearances, however, shall be signed only by the Pilot-in-Command or when necessary, by a crew member when the general declaration itself has been signed by a non-crew member.

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Administrative Officer V

Page 29 of 39 – CAO No. 15-2020



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If the Aircraft does not carry cargoes or passengers, such facts must be shown in the manifest.<sup>93</sup>

**7.2.8. Submission of Supplemental Cargo Manifest.**

Cargoes not listed in the Cargo Manifest, shall be duly covered by a supplemental manifest which shall be submitted within six (6) hours upon the arrival of the Aircraft.

Supplemental manifest shall be submitted in hard copies and electronic form within the prescribed period mentioned above, otherwise, the shipments subject of the supplemental manifest shall be considered unmanifested and subject to seizure proceedings.

**7.2.9. Production of Philippine Crew.**

The Pilot-in-Command of the Philippine Aircraft returning from abroad shall produce the entire crew listed in the Aircraft's crew manifest. If any member is missing, the Pilot-in-Command shall produce proof satisfactory to the District Collector that the member has died, or absconded, has been forcibly impressed into another service, or has been terminated from employment. In case of termination from employment in a foreign country, the Pilot-in-Command shall produce a certificate from the consul, vice consul, or consular agent of the Philippines there residing, showing that such termination was effected with the consent of the crew.<sup>94</sup>

**7.2.10. Actual Time of Arrival (ATA) of Foreign Aircraft.**

After the Boarding Formalities, the AOD or its equivalent office shall input into the Advanced Electronic Manifest System the ATA from the boarding information sheet submitted by the authorized customs officer.<sup>95</sup>

**7.2.11. Clearance to Unload.**

Upon completion of the Boarding Formalities and with the concurrence of the Medical Officer or the Bureau of Quarantine, the assigned Customs boarding Officer shall give clearance to disembark passengers and unload baggage and cargo.<sup>96</sup>

**7.2.12. Disembarkation of Passengers and Crew.**

The Customs Boarding Teams shall ensure that no passenger

<sup>93</sup> cf. CMTA, Title XII, Chapter 2, Section 1222.

<sup>94</sup> cf. CMTA, Title XII, Chapter 2, Section 1207.

<sup>95</sup> cf. Revised Customs Port Operations Manual, Section 15 (D), page 27.

<sup>96</sup> cf. Airports Customs Operation Manual, par. 6.3 page 10.



or crew member disembark other than through the designated disembarkation channels. At the Ninoy Aquino International Airport (NAIA), the only disembarkation channels allowed are the tubes connecting the plane to the terminal. It may happen however, for some special flight, that passengers and crew are disembarked on the airport tarmac and into waiting vehicles. In these cases, the boarding team must ensure that all passengers and crew are conveyed directly to the designated Customs arrival clearance area.<sup>97</sup>

Since passenger and crew carry hand baggage and other personal items, some possibly carrying controlled articles and substances concealed on or in their bodies, customs personnel must supervise their disembarkation and movement towards and into the designated areas.<sup>98</sup>

**7.2.13. Unloading of Cargo.** All cargoes discharged from the Aircraft must be conveyed to the designated CFW or CBW. customs officers shall oversee the cargo from Aircraft side to the warehouse, until properly received by the operator or his duly authorized representative. All transferred cargoes shall be duly covered by a Transfer Note. The authorized customs officer shall report to the District Collector any unmanifested cargo or erroneously manifested cargo for proper disposition.<sup>99</sup>

**7.2.14. Unloading of Check-in Baggage.** The assigned customs officer shall ensure that the baggage is conveyed, without interference, directly to the conveyor belts and transported into the Customs Arrival Area.<sup>100</sup>

**7.2.15. Special Flights.** Boarding Formalities shall apply to all international special-flight Aircrafts for purposes other than loading and discharging of passengers/cargoes such as but not limited to leisure, demonstration, airshow, research, refueling, conversion, repair, and sheltering.

### **7.3. Clearance of Aircraft for Foreign Port.**

**7.3.1.** Any Aircraft bound to a Foreign Port shall, before departure, be granted clearance by the Commissioner or his authorized

<sup>97</sup> cf. Airports Customs Operation Manual par. 6.4 page 10.

<sup>98</sup> cf. Airports Customs Operation Manual par. 3.3 page 2.

<sup>99</sup> cf. Airports Customs Operation Manual par. 6.6 page 11.

<sup>100</sup> cf. Airports Customs Operation Manual par. 6.5 page 11.



representative at an airport of entry where such Aircraft has been authorized to make its landing; and

**7.3.2.** Before clearance shall be granted to an Aircraft bound to a Foreign Port, there shall be presented to the District Collector or to the customs officer detailed at the place of departure four (4) copies of a general declaration signed by the Pilot-in-Command or Authorized Agent of an Aircraft which shall contain the following data:

- a. Name of the owner or the operator of the Aircraft, its registration marks and nationality of the Aircraft, and flight number of identification;
- b. Port of clearance, data thereof and destination;
- c. Health and customs clearance;
- d. Itinerary of Aircraft, including information as to airport of destination and departure date;
- e. Names and nationality of crew members;
- f. Passengers manifest showing places of destination;
- g. Export Cargo Manifest showing information as to Air Waybill number, the number of packages related to each Air Waybill number, nature of goods, destination, and gross weight, together with a copy of each Air Waybill securely attached thereto; and
- h. Store list showing stores loaded.<sup>101</sup>

**7.3.3. Oath of Person in Charge of Departing Aircraft.** The Pilot-in-Command or Authorized Agent of such departing Aircraft shall also state under oath to the effect that:

- a. All cargoes conveyed on the Aircraft destined to the Philippines have been duly discharged and accounted for; and
- b. The Aircraft has not received nor will convey any letter or packet not enclosed in properly stamped envelope sufficient to cover postage, except those relating to the cargo of the Aircraft, and that there was delivery to the

<sup>101</sup> cf. CMTA, Title XII, Chapter 2, Section 1224.



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proper Foreign Port of all mails placed on board said Aircraft before clearance from the Philippines.

If the Aircraft is cleared to depart without passengers, the Aircraft shall not carry any passenger thereon.

A record shall be made and kept open to public inspection in every customs office at an airport of entry of the dates of arrival and entry of all Aircraft.<sup>102</sup>

## **Section 8. Schedule of Penalties.**

**8.1. Vessel, Seacraft, or Aircraft Departing Before Undergoing Customs Formalities.** Any Vessel, seacraft, or Aircraft arriving within the limits of a Customs District from a Foreign Port which departs before undergoing customs formalities, without being compelled to do so by stress of weather, pursuit or duress of enemies, or other necessity, shall be liable for the following fines:<sup>103</sup>

- |                              |   |   |
|------------------------------|---|---|
| <b>8.1.1.</b> First Offense  | — | One Hundred Thousand Pesos<br>(Php100,000.00)   |
| <b>8.1.2.</b> Second Offense | — | Two Hundred Thousand Pesos<br>(Php200,000.00)   |
| <b>8.1.3.</b> Third Offense  | — | Three Hundred Thousand Pesos<br>(Php300,000.00) |

**8.2. Obstruction to Boarding Officer.** If the Master of the Vessel or Pilot-in-Command or any member of the complement of any Vessel or Aircraft arriving at the Philippine port obstructs or hinders any officer from lawfully going on board such Vessel or Aircraft for the purpose of enforcing this CAO, or intentionally causes any officer to be so obstructed or hindered, the Vessel or Aircraft shall be liable for the following fines:<sup>104</sup>

- |                              |   |   |
|------------------------------|---|---|
| <b>8.2.1.</b> First Offense  | — | One Hundred Thousand Pesos<br>(Php100,000.00)   |
| <b>8.2.2.</b> Second Offense | — | Two Hundred Thousand Pesos<br>(Php200,000.00)   |
| <b>8.2.3.</b> Third Offense  | — | Three Hundred Thousand Pesos<br>(Php300,000.00) |

<sup>102</sup> cf. CMTA, Title XII, Chapter 2, Section 1225.

<sup>103</sup> cf. CMTA, Title XIV, Chapter 1, Section 1405.

<sup>104</sup> cf. CMTA, Title XIV, Chapter 1, Section 1406.



**8.3. Unlawful Boarding of or Disembarking from the Vessel or Aircraft.** If, upon arrival at the Philippine port, any Master of the Vessel or Pilot-in-Command of an Aircraft engaged in a Foreign Trade permits any person to board or disembark from the Vessel or Aircraft without the permission of the customs officer-in-charge, the owner or operator of such Vessel or Aircraft shall be liable for the following fines:<sup>105</sup>

- |                              |   |  |
|------------------------------|---|--|
| <b>8.3.1. First Offense</b>  | — | One Hundred Thousand Pesos (Php100,000.00)   |
| <b>8.3.2. Second Offense</b> | — | Two Hundred Thousand Pesos (Php200,000.00)   |
| <b>8.3.3. Third Offense</b>  | — | Three Hundred Thousand Pesos (Php300,000.00) |

**8.4. Unloading of Cargo Before Arrival at Port of Entry.** If, upon the arrival within the limits of any Customs District of the Philippines of any Vessel or Aircraft engaged in Foreign Trade, the Master of the Vessel or Pilot-in-Command thereof permits any part of the cargo to be unloaded before arrival at the Port of Entry, and without authority from a proper authorized customs officer, the owner, operator, or agent of such Vessel or Aircraft shall be liable for the following fines:<sup>106</sup>

- |                              |   |   |
|------------------------------|---|---|
| <b>8.4.1. First Offense</b>  | — | Five Hundred Thousand Pesos (Php500,000.00) |
| <b>8.4.2. Second Offense</b> | — | One Million Pesos (Php1,000,000.00)         |
| <b>8.4.3. Third Offense</b>  | — | Two Million Pesos (Php2,000,000.00)         |

Provided, however, that the fine imposed herein shall be without prejudice to the application of fine or penalties provided under Section 1401 of the CMTA.

**8.5. Unloading of Cargo at Improper Time or Place After Arrival.** The owner or operator of any Vessel or Aircraft from which cargo is discharged upon arrival in the Philippines at a time or place other than that designated by the District Collector, shall be liable for the following fines:

<sup>105</sup> cf. CMTA, Title XIV, Chapter 1, Section 1407.

<sup>106</sup> cf. CMTA, Title XIV, Chapter 1, Section 1408.



- 8.5.1. First Offense** — One Hundred Thousand Pesos (Php100,000.00)
- 8.5.2. Second Offense** — Two Hundred Thousand Pesos (Php200,000.00)
- 8.5.3. Third Offense** — Three Hundred Thousand Pesos (Php300,000.00)

Provided, that no fine shall accrue upon satisfactory proof to the proper District Collector that the unloading was rendered necessary by stress of weather, accident or other necessity.<sup>107</sup>

**8.6. Failure to Exhibit or Deposit Documents.** When the Master of the Vessel or Pilot-in-Command of an Aircraft engaged in Foreign Trade fails to submit to the District Collector at the time of entry of the Vessel or Aircraft the register or other documents in lieu thereof, together with the clearance and other documents granted by the authorized customs officers to the Vessel or Aircraft at the last Foreign Port of departure, or fails to exhibit any certificate or other documents required to be then exhibited, the owner or operator of such Vessel or Aircraft shall be liable for the following fines:<sup>108</sup>

- 8.6.1. First Offense** — One Hundred Thousand Pesos (Php100,000.00)
- 8.6.2. Second Offense** — Two Hundred Thousand Pesos (Php200,000.00)
- 8.6.3. Third Offense** — Three Hundred Thousand Pesos (Php300,000.00)

**8.7. Bringing of Unmanifested Arms, Explosives, or War Equipment.** The owner, operator, or agent of a Vessel or Aircraft arriving at a port in the Philippines bearing cargo consisting of firearms, gunpowder, cartridges, dynamite or any other explosives, munitions or equipment of war not contained in the manifest of the Vessel or Aircraft, or which are concealed on board, shall be liable for the following fines:<sup>109</sup>

- 8.7.1. First Offense** — Five Hundred Thousand Pesos (Php500,000.00)

<sup>107</sup> cf. CMTA, Title XIV, Chapter 1, Section 1409.

<sup>108</sup> cf. CMTA, Title XIV, Chapter 1, Section 1410.

<sup>109</sup> cf. CMTA, Title XIV, Chapter 1, Section 1411.



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- 8.7.2. Second Offense — Seven Hundred Fifty Thousand Pesos (Php750,000.00)
- 8.7.3. Third Offense — One Million Pesos (Php1,000,000.00)

**8.8. Failure to Supply Advance and Requisite Manifests.**<sup>110</sup> Failure to transmit the electronic manifest within the required time prescribed by this CAO prior to arrival of the carrying Vessel or Aircraft at the Port of Entry shall make the owner, operator, or agent of the Vessel or Aircraft liable for the following fines:

- 8.8.1. First Offense — One Hundred Thousand Pesos (Php100,000.00)
- 8.8.2. Second Offense — Two Hundred Thousand Pesos (Php200,000.00)
- 8.8.3. Third Offense — Three Hundred Thousand Pesos (Php300,000.00)

**8.9. Breaking of the Seal Placed by Customs Officers.** If any seal placed by a Customs Officer upon any Vessel, Aircraft or train or compartment thereof, or upon any box, trunk or other package of goods on board is broken, the owner, operator, or agent of the Vessel or Aircraft shall be liable with the following fines:<sup>111</sup>

- 8.9.1. First Offense — One Hundred Thousand Pesos (Php100,000.00) for each broken or destroyed seal
- 8.9.2. Second Offense — Two Hundred Thousand Pesos (Php200,000.00) for each broken or destroyed seal
- 8.9.3. Third Offense or more — Three Hundred Thousand Pesos (Php300,000.00) for each broken or destroyed seal

**8.10. Disappearance of Manifested Goods.** When any package or goods mentioned in the manifest meant to be unloaded at the port of destination is not unloaded upon the arrival of the Vessel or

<sup>110</sup> cf. CMTA, Title XIV, Chapter 1, Section 1412.

<sup>111</sup> cf. CMTA, Title XIV, Chapter 1, Section 1419.



Aircraft, its agent shall be liable for the following fines unless the disappearance of the package or the goods in question was not due to the negligence of the Master of the Vessel or Pilot-in-Command of an Aircraft, and is explained to the satisfaction of the District Collector.<sup>112</sup>

**8.10.1.** First Offense — One Hundred Thousand Pesos  
(Php100,000.00)

**8.10.2.** Second Offense — Two Hundred Thousand Pesos  
(Php200,000.00)

**8.10.3.** Third Offense — Three Hundred Thousand Pesos  
(Php300,000.00)

The owner, operator, or agent of a Vessel or Aircraft shall be liable for the payment of the same fine when a package or goods listed in the manifest does not tally materially in character or otherwise with the description thereof in the manifest.

**8.11. Discrepancy Between Actual and Declared Weight of Manifested Goods.** If the actual weight of the goods or package exceeds the declared weight in the manifest or bill of lading by more than ten percent (10%), and such discrepancy was due to the negligence of the Master of the Vessel or Pilot-in-Command, the owner, employee, operator or agent of the importing Vessel or Aircraft shall be liable for a fine of not more than twenty percent (20%) of the value of the package or goods in respect to which the deficiency exists.<sup>113</sup>

**8.12. Discrepancy with the Master's of the Vessel or Pilot's-in-Command Report.** When a Vessel or Aircraft arriving from a Foreign Port is compelled by necessity to unload in another port other than the Port of Entry and permission is granted by the District Collector for the unloading of the Vessel or Aircraft or the delivery of any part of the cargo and it shall be found that there is discrepancy between the cargo unloaded and the report of the Master of the Vessel or the Pilot-in-Command and such discrepancy is not satisfactorily explained, the owner, operator or agent of the Vessel or Aircraft shall be liable for the following fines:<sup>114</sup>

**8.12.1.** First Offense — One Hundred Thousand Pesos  
(Php100,000.00)

<sup>112</sup> cf. CMTA, Title XIV, Chapter 1, Section 1413.

<sup>113</sup> cf. CMTA, Title XIV, Chapter 1, Section 1414.

<sup>114</sup> cf. CMTA, Title XIV, Chapter 1, Section 1415.



**8.12.2.** Second Offense — Two Hundred Thousand Pesos  
(Php200,000.00)

**8.12.3.** Third Offense — Three Hundred Thousand Pesos  
(Php300,000.00)

**8.13. False Statement of Vessel's or Aircraft's Destination.** When the Master of the Vessel or Pilot-in-Command of a Vessel or Aircraft loaded with goods shall make a false statement as to the next destination of such Vessel or Aircraft when that information is required by a customs officer, the owner or operator of such Vessel or Aircraft shall be liable for the following fines:<sup>115</sup>

**8.13.1.** First Offense — One Hundred Thousand Pesos  
(Php100,000.00)

**8.13.2.** Second Offense — Two Hundred Thousand Pesos  
(Php200,000.00)

**8.13.3.** Third Offense — Three Hundred Thousand Pesos  
(Php300,000.00)

The arrival of a Vessel or Aircraft at a different port other than the one it had been originally authorized and cleared for without having been impelled to do so by necessity, shall be prima facie proof that the original statement of the actual destination of the Vessel or Aircraft was false.

**Section 9. Transitory Provision.** Pending full implementation of a comprehensive Cargo Manifest and Vessel and Aircraft control system that will admit electronic copies of documents required, the Bureau shall as far as practicable and as existing processes may reasonably apply implement the provisions of this CAO. The Management Information Systems and Technology Group shall devise an ICT enabled system for the distribution, submission and processing of Cargo Manifest and CCM and for reporting and monitoring of Vessel and Aircrafts.

**Section 10. Periodic Review.** Unless otherwise provided, this CAO shall be reviewed every three (3) years and be amended or revised if necessary.

**Section 11. Repealing Clause.** This CAO specifically amends or repeals previously issued CAOs and CMOs which are inconsistent with the provisions here stated.

**Section 12. Separability Clause.** If any part of this Order is declared unconstitutional or contrary to existing laws, the other parts not so declared shall remain in full force and effect.

<sup>115</sup> cf. CMTA, Title XIV, Chapter 1, Section 1417.



**Section 13. Effectivity.** This CAO shall take effect thirty (30) days from publication at the Official Gazette or a newspaper of national circulation.

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

**REY LEONARDO B. GUERRERO**

Commissioner of Customs



BOC-02-01377

Approved:

**CARLOS G DOMINGUEZ**

Secretary of Finance

NOV 27 2020



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