



FEB 24 2010

CUSTOMS MEMORANDUM ORDER
NO. 8-2070

Subject: **STRENGTHENING BORDER IMPORT CONTROL**

I. OBJECTIVES

1. To further strengthen customs capability to exercise border assessment control consistent with the WTO Customs Valuation Agreement and other International Best Customs Practice and, also to validate compliance with laws, rules and regulations enforced by the customs.
2. To address revenue leakage occasioned by technical smuggling that takes advantage of the self-assessment system in import entry declaration of imported goods.
3. To efficiently collect more revenues due the government.

II. ADMINISTRATIVE PROVISIONS

1. The functions and responsibilities of the Value Reference Information System (VRIS) under CMO Nos. 7-2001 and 4-2006 are hereby transferred to and, shall henceforth be undertaken by the Chief, Valuation and Classification Division (VCD), in addition to its duties and functions under EO 127, as amended.
2. The Chief, VCD shall perform the particular functions provided for in this Order under the direct supervision of the Commissioner of Customs.
3. The Chief, VCD is authorized to form a team/teams with sufficient number of staff to effectively discharge the additional functions and responsibilities provided for herein.
4. The Chief, VCD shall perform the following additional duties and responsibilities:
 - 4.1 To monitor the valuation/tariff classification of imported goods regardless of whether the same is entered for and under consumption, informal or warehousing, including but not limited to goods destined to Subic, Clark and other special economic zones. For this purpose, it shall be provided with access to the E2M/ACOS system and such other official electronic information file pertaining to imports.
 - 4.2 To issue clearance in behalf of the Commissioner prior to release of all imported brand new and used (second hand) motor vehicles.
 - 4.3 To issue clearance in behalf of the Commissioner prior to release of all imported excisable articles under the National Internal Revenue Code (NIRC).

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- 4.4 To coordinate with the MISTG on matters relating to electronic posting of the value information available on file as well as other hardware and software support that the VCD would need to effectively carry out its mandate under this Order.
- 4.5 To recommend issuance of Alert Orders on shipments with suspected violation of the TCCP or customs laws, rules and regulations and other laws, rules and regulations.
- 4.6 To recommend the issuance of a Warrant of Seizure and Detention (WSD).
- 4.7 To refer to the appropriate dispute settlement office, such as the VCRC, issues relating to customs value, tariff classification or preferential tariff treatment.
- 4.8 To coordinate with other government agencies and the concerned private sector.
- 4.9 To maintain and secure the VRIS information file and all records appurtenant to the performance of its duties and responsibilities under this Order.
- 4.10 To submit periodic reports regularly or as often as may be directed by the Commissioner of Customs.
- 4.11 To perform such other functions as may be assigned by the Commissioner of the office from time to time.
5. The MISTG shall provide all technical support to the VCD, including secure and responsible access to the E2MACOS system, Electronic Manifest Data, and such other fields of available electronic information not otherwise requiring prior clearance from the Commissioner.

III. REPEALING CLAUSE

CMO 7-2001 and CMO 4-2006 are hereby repealed. All other Orders or Memoranda or parts thereof inconsistent herewith are deemed revoked or amended accordingly.

IV. EFFECTIVITY

This Order shall take effect immediately.

NAPOLEON L. MORALES
Commissioner

