



BUREAU OF CUSTOMS

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27 October 2020

CUSTOMS MEMORANDUM CIRCULAR

NO. 292-2020

To: The Assistant Commissioner
All Deputy Commissioners
All Directors and Division Chiefs
All District/Port Collectors
And Others Concerned

SUBJECT: MOA Between the BOC and Philippine Coast Guard (20 Fast Boats)

Attached is the Memorandum of Agreement (MOA) of this Bureau and the Philippine Coast Guard for the Joint Manning and Operation of the Twenty (20) Fast Boats for the Purpose of Conducting Joint Operations in the Enforcement of Laws Pertaining to Border Control and Prevention of Smuggling and Customs Fraud.

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.


REY LEONARDO B. GUERRERO

Commissioner
DEC 21 2020

South Harbor, Gate 3, Port Area, Manila 1099
Tel. Nos 8527-4537, 8527-1935

Website: www.customs.gov.ph Email: Boc.cares@customs.gov.ph

A Modernized and Credible Customs Administration That is Among the World's Best

MEMORANDUM OF AGREEMENT

(BETWEEN THE BUREAU OF CUSTOMS AND PHILIPPINE COAST GUARD FOR THE JOINT MANNING AND OPERATION OF THE TWENTY (20) FAST BOATS OF THE FORMER FOR THE PURPOSE OF CONDUCTING JOINT OPERATIONS IN THE ENFORCEMENT OF LAWS PERTAINING TO BORDER CONTROL AND PREVENTION OF SMUGGLING AND CUSTOMS FRAUD)

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement made and entered into this 10th day of Sept., 2020 at the City of Manila, by and between:

The BUREAU OF CUSTOMS, an attached Agency under the Department of Finance (DOF), with office address at South Harbor, Gate 3, Port Area, 1080. City of Manila represented herein by its Commissioner, REY LEONARDO B. GUERRERO and hereinafter referred to as the "BOC";

- and -

The PHILIPPINE COAST GUARD, a Government Agency duly created by Republic Act No. 9993 otherwise known as the "Philippine Coast Guard Law of 2009" with office address at 139 25th Street, Port Area, Manila 1018, represented herein by its Commandant, PCG ADMIRAL GEORGE V. URSABIA, JR., and hereinafter referred to as the "PCG";

The BOC and PCG may individually be referred to as "Party", or collectively as "Parties".

WITNESSETH:

WHEREAS, pursuant to Section 202 of Republic Act No. 10863 otherwise known as the Customs Modernization and Tariff Act of 2016, the BOC shall exercise its duties and functions in implementing border security;

WHEREAS, pursuant to Section 306 of Republic Act No. 10863, the function of PCG in border security and prevention of smuggling is hereby acknowledged;

WHEREAS, the BOC, in order to develop and strengthen its capability in implementing its border security function, is acquiring twenty (20) units of fast boats with outboard motor, hereinafter referred to as "Fast Boats" in line with its sea components program for Border Security;

WHEREAS, pursuant to Section 3(I) of RA 9993 otherwise known as the Philippine Coast Guard Law of 2009, the PCG shall assist in the enforcement of Tariff and Customs Laws within the maritime jurisdiction of the Philippines;

WHEREAS, the continued collaboration and cooperation of the BOC and PCG would lead to a more efficient and effective enforcement of laws pertaining to Border Control Prevention of Smuggling and other Customs fraud under the maritime jurisdiction of the Philippines.

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**ARTICLE I
GENERAL PROVISIONS**

SECTION 1. This Memorandum of Agreement (MOA) shall define the relationship of the Parties in the conduct of joint operations in the enforcement of laws pertaining to Border Control, Prevention of Smuggling, and other Customs Fraud; and the working arrangement between the Parties, in the spirit of inter-agency coordination and cooperation, to operate, navigate, and perform law enforcement functions onboard the 20 Fast Boats of the BOC;

The parties shall jointly formulate the Implementing Rules and Regulations (IRR) containing the details of the operation, maintenance, training, and management of the Fast Boats to implement the provisions of this MOA.

SECTION 2. This MOA shall take effect at the time when all the parties authorized representatives have affixed their signatures and shall remain in full force and effect for a period of five (5) years.

SECTION 3. This MOA may be terminated only upon mutual written consent of both Parties.

SECTION 4. No amendment, alteration, addition or variation of this MOA's terms and conditions shall be valid or effective unless made in writing and signed by the Parties. The Parties shall negotiate any item or issue that is not provided for in this MOA. This MOA shall be binding upon and inure to the benefit of the Parties, their authorized representatives and respective successors.

**ARTICLE II
OWNERSHIP**

SECTION 1. These Fast Boats shall be operated as vessels owned by the Republic of the Philippines, through the BOC, Department of Finance.

**ARTICLE III
RESPONSIBILITIES OF BOTH PARTIES**

SECTION 1. The BOC shall have the authority and responsibility to deploy and dispatch the Fast Boats for patrol and law enforcement missions within Philippine Customs and Maritime Jurisdiction.

SECTION 2. The BOC shall prepare the deployment plans, programs and operation of the Fast Boats with the assistance of the PCG and in close coordination with the respective Local Government Units where the Fast Boats will be deployed and operated.

SECTION 3. The PCG shall share its technical expertise in operating and navigating Fast Boats and ensure that knowledge and skills are efficiently and effectively transferred to the BOC preferably within the first year of the Fast Boats' deployment and operation.

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SECTION 4. The BOC shall provide docking facilities of the Fast Boats wherever located. In the interim, the Fast Boats shall be docked in a PCG or any private or public docking facilities in locations where the BOC cannot provide for the docking of the Fast Boats. Furthermore, the PCG shall initially provide the tow vehicles and berthing facilities for the Fast Boats until such time that the BOC has acquired and developed said capabilities.

SECTION 5. The PCG as may be requested from BOC may utilize the Fast Boats during national calamities and emergencies such as war, rebellion and/or insurrection, and search and rescue operations as well as responding to maritime incidents where the security, defense and peace and order of the Republic of the Philippines are at stake.

SECTION 6. In any case of accident and loss suffered by the Fast Boats, the Boat Captain shall be held liable to damages incurred. Likewise, in any event of collision of the Fast Boats, liability of the party shall be determined by the result on the investigation conducted by the Maritime Industry Authority (MARINA).

**ARTICLE IV
ADMINISTRATION, OPERATION AND MANAGEMENT
OF THE FAST BOATS**

SECTION 1. Personnel Administration.

a. There shall be nine (9) personnel onboard at any given time with at least five (5) from BOC and four (4) from PCG and with the BOC Customs Officer as the Boat Captain and PCG personnel assigned onboard shall be duly deputized by the Commissioner of Customs.

b. The overall discipline and proper decorum of the crew shall be under the responsibility of the Boat Captain. The BOC and PCG personnel who commit infractions onboard shall be dealt with in accordance with BOC disciplinary rules and procedures and PCG Code of Conduct, respectively.

c. Accounting of personnel onboard shall be under the responsibility of the Boat Captain in accordance with the policy imposed by BOC during BOC-related operations.

d. Designation and relief of Boat Captain and Deputy Boat Captain shall be in accordance with the BOC prescribed rules and procedures.

SECTION 2. Training

a. All personnel who will be assigned onboard the Fast Boats must have completed the Small Boat Operation and Management Course (SBMOC) or its equivalent. Initial set of crew from BOC and PCG must also undergo the training that will be provided by the winning contractor.

b. The PCG shall assist the BOC in terms of facilities, instructors, and other support services necessary for the conduct of training. The PCG shall likewise assist the BOC in establishing and promoting a BOC Professional and Training Development Program for Fast Boat Operations to include the development of Program of Instruction for Fast Boat Operation Courses.

SECTION 3. Boat Operation and Management

a. The BOC and PCG personnel onboard shall jointly operate and manage the BOC Fast Boats during BOC-related operations, and in coordination with the other law enforcement agencies, shall enforce all customs law, rules and regulation within the Philippine maritime jurisdiction.

b. The Fast Boats shall display the marks and symbol of both BOC and PCG for identification purposes. Personnel onboard the Fast Boats shall wear the appropriate uniform of their respective agencies.

c. The Fast Boats shall be under the Operational Control (OPCON) of the BOC Central Office and/or concerned BOC Collection Districts once deployed in their respective Areas of Responsibilities (AOR) during BOC-related operations. The Chief, Water Patrol Division, Enforcement and Security Service, BOC shall oversee all Fast Boats' activities are in accordance with the rules and assigned missions in coordination with the Commanders, PCG-Task Force Aduana where the Fast Boats will be deployed and operated.

d. The logistical requirements and overall and daily maintenance of the Fast boats, including payment of insurance, shall be handled by BOC, in collaboration with PCG and/or public or private entities.

e. Safety, security and accomplishment of the mission shall be the primary responsibility of the Boat captain.

SECTION 4. Conduct of Missions

a. The concerned BOC and PCG Officers deployed on missions shall be guided by the BOC protocols and guidelines as well as Rules of Engagement (ROEs) during BOC-related operations.

b. The BOC Central Office shall be responsible for the issuance of Sailing Orders upon the need of the agency's law enforcement operations. Prior to the issuance of Sailing Orders, as a matter of coordination, the Chief, Water Patrol Division, Enforcement and Security Service, BOC shall inform the respective Commanders, PCG-Task Force Aduana of its planned deployment and mission.

c. In every particular mission, the protocols and guidelines as well as the ROEs shall be known and understood at all times by all personnel onboard for proper and strict compliance. Furthermore, all personnel involved should undergo training regarding BOC protocols, guidelines, ROEs in order to inform them prior to the Conduct of their missions.

**ARTICLE V
COMPENSATION AND OTHER FUNDING REQUIREMENTS**

SECTION 1. Salaries, travel and subsistence allowances, sea duty pays and other allowances as prescribed for BOC and PCG personnel onboard the Fast Boats shall be borne by their respective agencies.

SECTION 2. Funding for training shall be sourced from BOC funds subject to usual accounting and auditing rules and regulation.

SECTION 3. The operating and maintenance cost of the fast Boats as regards to Petroleum, Oil and Lubricant (POL) during the conduct of BOC-related operations and

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activities shall be provided or chargeable to the BOC subject to the usual accounting and auditing rules and regulations.

SECTION 4. Daily preventive maintenance of equipment/machines onboard, including but not limited to, procurement of spare parts, consumables, emergency and regular dry docking/repair activities shall be the responsibility of the BOC, in collaboration with the PCG and any public or private entities.

SECTION 5. Other incidental expenses during BOC-related operations shall be chargeable to the BOC subject to availability of funds and the usual accounting and auditing rules regulations.

**ARTICLE VI
SEPARABILITY CLAUSE**

SECTION 1. The sections and provisions of this MOA shall be considered severable. Should any provision of this Agreement be declared invalid, the validity of other provisions shall remain unaffected.

IN WITNESS WHEREOF, Parties have hereunto affixed their signatures on this _____ day of 10 SEP 2020 2020 at MANILA PHILIPPINES City.

Signed by:

FOR THE
BUREAU OF CUSTOMS



REY LEONARDO B. GUERRERO
Commissioner

FOR THE
PHILIPPINE COAST GUARD



ADM GEORGE V. URSABIA, JR
Commandant

Signed in the presence of:



DONATO B. SAN JUAN
Deputy Commissioner, IAG and
Chief-of-Staff, OCOM



VADM LYNDON F LATORRE
Deputy Commandant, for
Administration

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