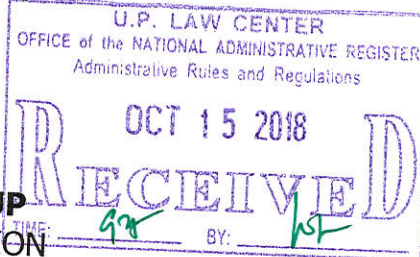




REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**



**INTERNAL ADMINISTRATION GROUP**  
CENTRAL RECORDS MANAGEMENT DIVISION

October 12, 2018

**The Director**  
Office of the National Administrative Register (ONAR)  
UP Law Center Diliman, Quezon City

Sir/Ma'am:

Transmitted are three certified true copies and soft copy (word format in compact disc rewritable) of the following Customs Memorandum Order, to wit:

**CMO 16-2018: USE OF SQUARE ROOT RULE IN THE SELECTION OF CARGOES FOR NON-INTRUSIVE EXAMINATION AT THE PORTS OF CAGAYAN DE ORO AND DAVAO.**

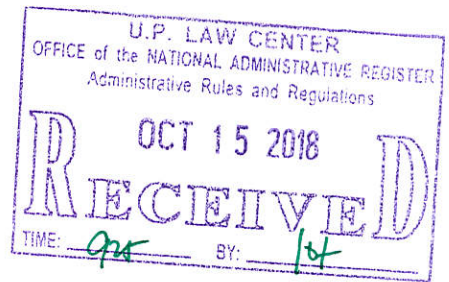
Thank you.

Very truly yours,

*Gladys C. Cabugawan*  
GLADYS C. CABUGAWAN  
Chief, CRMD



Republic of the Philippines  
Department of Finance  
**BUREAU OF CUSTOMS**  
1099 Manila



**CUSTOMS MEMORANDUM ORDER**  
NO. 16-2018

**SUBJECT: USE OF SQUARE ROOT RULE IN THE SELECTION OF CARGOES  
FOR NON-INTRUSIVE EXAMINATION AT THE PORTS OF CAGAYAN  
DE ORO AND DAVAO.**

**INTRODUCTION:**

Pursuant to the mandate of the Customs Modernization And Tariff Act of 2016 for the Bureau of Customs to facilitate trade without compromising its border control and anti-smuggling functions and to prevent port congestion, the following guidelines on the use of the square root rule in selection of cargoes for non-intrusive examination at the Port of Cagayan De Oro and Port of Davao is hereby promulgated:

**Section 1. OBJECTIVES:**

- 1.1. To set guidelines for the implementation on the use of the square root rule in the selection of cargoes for non-intrusive examination by the X-Ray Inspection Project Field Office at the Ports of Cagayan De Oro and Davao.
- 1.2. To ensure fast release of legitimate imported goods and prevent congestions at the Ports of Cagayan de Oro and Davao.

**Section 2. COVERAGE:**

This Order shall cover the non-intrusive examinations of shipments of Government agencies including Government Owned and Controlled Corporations, multinational companies as registered in the Account Management Office, and PEZA bound that arrive at the Ports of Cagayan de Oro and Davao, including their sub-ports where the x-ray machines are deployed and operational.

**Section 3. OPERATIONAL PROVISIONS:**

- 3.1. Non-intrusive examination of all shipments selected from the parameters set by the Risk Management Office (RMO) under the aforementioned coverage and which consist of four (4) and more containers, regardless of size, declared under One (1) Import Entry and covered by the one (1) Bill of Lading shall be under the mandatory square root scheme rounded off to the nearest higher whole number, i.e.:

- 4 Containers – 2 containers subject to x-ray inspection.
- 6 Containers – 3 containers subject to x-ray inspection.
- 9 Containers – 3 containers subject to x-ray inspection.

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**Raquel G. De Jesus**  
SVCOO  
CRMD - ROC

3.2. The Field Officer or in his absence the Assistant Field Officer of the XIP Field Office concerned, shall randomly choose the specific containers to be scanned after applying the square root rule.

3.3. All other containers not randomly selected for non-intrusive examination after applying the square root rule shall not be cleared for release from customs territory until all selected containers have undergone x-ray inspection and are cleared by the XIP Field Office concerned.

**Section 4. REPEALING CLAUSE:**

All orders, memoranda, circulars or parts thereof relative to the use of the square root rule in scanning shipments at the Ports of Cagayan De Oro and Davao are hereby deemed repealed and/or modified accordingly.

**Section 5. EFFECTIVITY:**

This Order shall take effect immediately and shall last until revoked.

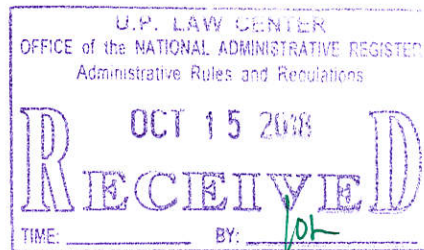


ISIDRO S LAPEÑA, PhD, CSEE  
Commissioner



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