



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF CUSTOMS  
MANILA

January 24, 2002

CUSTOMS ADMINISTRATIVE ORDER

NO. 2-2002

TO: All Deputy Commissioners/Service Directors  
All District Collectors  
And Others Concerned

SUBJECT: Creation of a New Collection District No. XIV (Port of Clark International Airport) and redefining the area of jurisdiction of Collection District No. II-A (Port of Manila)

Pursuant to Section 701 of the Tariff and Customs Code, as amended and Executive Order No. 55 dated November 26, 2001, a new Customs Collection District No. XIV is hereby created.

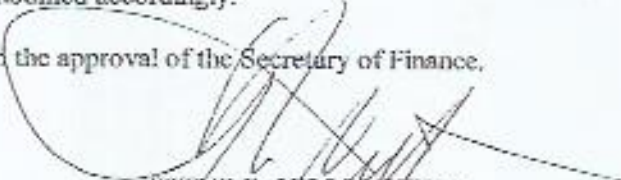
The new Collection District No. XIV shall have the Clark International Airport as its Principal Port of Entry located inside the secured area consisting of the presently fenced-in Clark Special Economic Zone whose meets and bounds are designated and defined under Presidential Proclamation No. 163, s. of 1993. The Customs House shall also be located inside this secured area to serve as the principal business offices of the Bureau of Customs in that District.

The Sub-port of Clark under the Port of Manila is therefore abolished and removed from the jurisdiction of Collection District No. II-A (Port of Manila) and all its powers, functions and properties transferred, as they are transferred, to the new Collection District No. XIV.


The Port of Clark International Airport shall be headed by a District Collector of Customs with a rank of Collector VI and assisted by three (3) Deputy Collectors of Customs with a rank of Collector V in accordance with the attached organizational structure, statement of functions and staffing pattern, which forms part of this Order.

Any and all Customs rules and/or regulations and/or any part thereof inconsistent with this Order are hereby repealed or modified accordingly.

This Order shall take effect upon the approval of the Secretary of Finance.

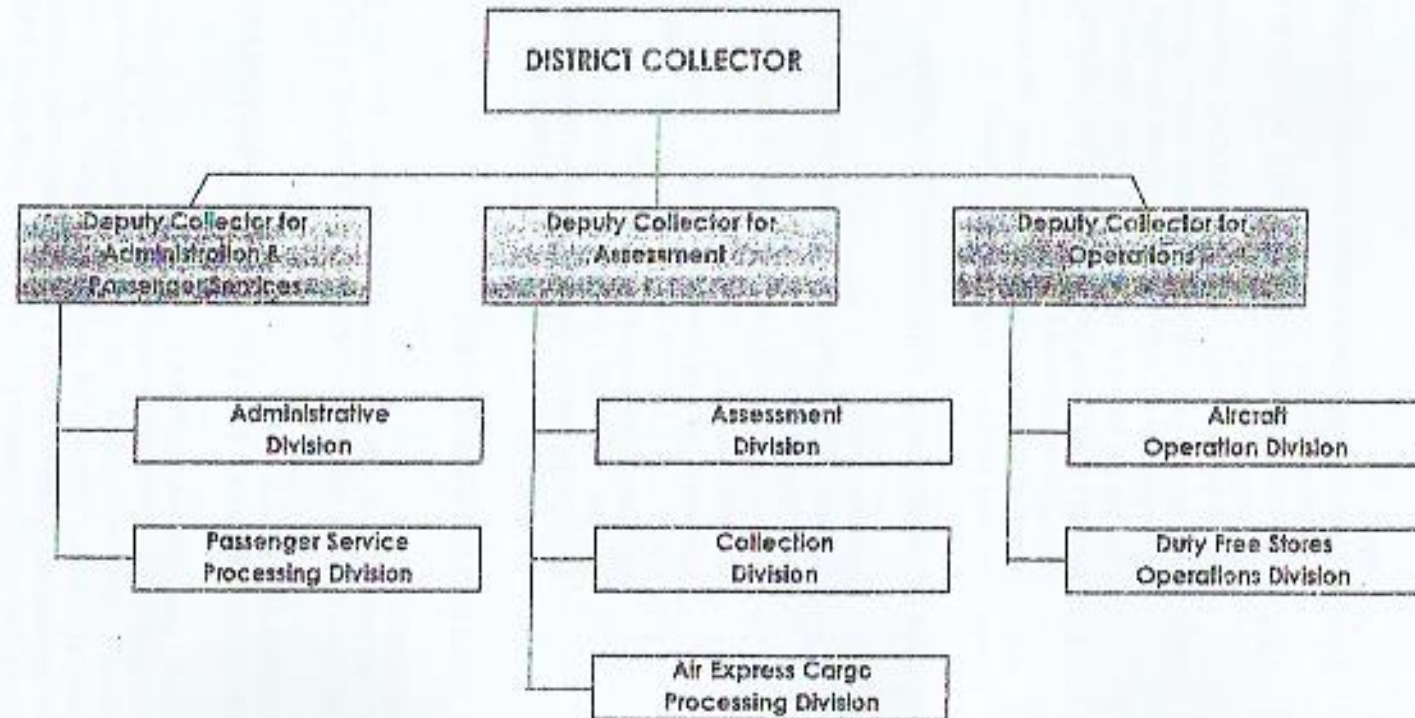
  
TITUS B. VILLANUEVA  
Commissioner

APPROVED:

  
JOSE ISIDRO N. CAMACHO  
Secretary of Finance

1186401 - 007/2002

PROPOSED ORGANIZATIONAL STRUCTURE  
Port of CLARK INTERNATIONAL AIRPORT



*AK*

**STATEMENT OF FUNCTIONS  
PORT OF CLARK INTERNATIONAL AIRPORT**

**I. OFFICE OF THE DISTRICT COLLECTOR**

This Collection District shall be headed and supervised by a Collector of Customs VI referred to as the District Collector of Customs. The District Collector shall have the functions of collecting duties, taxes, fees, charges, penalties and fines accruing to the Government under the Tariff and Customs Code of the Philippines and related laws; exercising police powers conferred to him/her by the Tariff and Customs Code or other laws which include the enforcement of penalties and fines; examining goods, assessing duties, fees, charges and penalties accruing to the government; supervising the entrance and clearance of aircrafts engaged in foreign commerce; supervising all import and export cargoes, freight stations, duty-free stores; and performing such other appropriate functions consistent with the assigned tasks of the District Collector and those that may be given by the Commissioner of Customs.

**2. OFFICE OF THE DEPUTY COLLECTOR FOR ADMINISTRATION & PASSENGER SERVICES**

This Office shall be headed by a Collector of Customs V and shall have direct supervision and control over the Administrative Division and the Passenger Service Processing Division.

**2.1. ADMINISTRATIVE DIVISION**

This division shall perform the following functions:

- 2.1.1. Provide the assistance and services to the Collection District on matters pertaining to budget, finance, personnel, and other administrative/general utility services;
- 2.1.2. Assist the District Collector in the legal aspect of his administrative responsibilities and provide legal advice and services to the collection district;
- 2.1.3. Submit the necessary periodic reports and data as maybe required of the division; and
- 2.1.4. Perform such other appropriate functions consistent with the assigned tasks.

**2.2. PASSENGER SERVICE PROCESSING DIVISION**

This division shall perform the following functions:

- 2.2.1. Examine baggages of incoming international passengers for tax collection and control purposes;
- 2.2.2. Inspect baggages of outgoing passengers, both international and local for the purpose of collecting duties and taxes that may be due from excesses on shopping privileges at duty-free stores;
- 2.2.3. Recommend the institution of seizure and/or forfeiture proceedings against banned and/or prohibited articles, in accordance with laws, rules and regulations;
- 2.2.4. Submit the necessary periodic reports and data as maybe required of the division; and
- 2.2.5. Perform such other appropriate functions consistent with assigned tasks.

### 3.0 OFFICE OF THE DEPUTY COLLECTOR FOR ASSESSMENT

This Office shall be headed by a Collector of Customs V and shall have direct supervision and control over the Assessment Division, Collection Division and Air Express Cargo Processing Division.

#### 3.1. ASSESSMENT DIVISION

This division shall perform the following functions:

- 3.1.1. Examine, classify and appraise imported commodities covered by both formal and informal entry in compliance with all laws, rules and regulations applicable to such importations;
- 3.1.2. Assess duties, taxes and other charges due thereon;
- 3.1.3. Recommend the institution of seizure and/or forfeiture proceedings against cargoes/baggages found to be misdeclared, undervalued, banned and/or prohibited in accordance with laws, rules and regulations;
- 3.1.4. Receive, check and verify entry declaration and documents and check for completeness and authenticity;
- 3.1.5. Match and verify statements and declarations on entry papers with manifest and waybills;
- 3.1.6. Accept and process applications for transshipments;
- 3.1.7. Submit the necessary periodic reports and data as maybe required of the division; and
- 3.1.8. Perform such other appropriate functions consistent with assigned tasks.

#### 3.2. COLLECTION DIVISION

This division shall perform the following functions:

- 3.2.1. Receive payment of customs duties, taxes and other charges;
- 3.2.2. Authorize the delivery of goods after full payment of government charges and compliance with laws, rules and regulations;
- 3.2.3. Remit daily collection to the National Treasury;
- 3.2.4. Issue necessary certifications as maybe required of the division relative to payments effected;
- 3.2.5. Submit necessary periodic reports and data as maybe required of the division; and
- 3.2.6. Perform such other appropriate functions consistent with assigned tasks.

#### 3.3. AIR EXPRESS CARGO PROCESSING DIVISION

This division shall perform the following functions:

- 3.3.1. Render duty on a 24-hour basis in order to cater to the requirements of air express shipments;
- 3.3.2. Examine, classify, appraise duties, taxes, and other charges on air express cargo document and non-document shipments;
- 3.3.3. Authorize delivery of shipments only after securing payment of duties and taxes and compliance with existing laws, rules and regulations;
- 3.3.4. Recommend the institution of seizure proceedings for shipments found to be misdeclared, misclassified, undervalued and/or in violation of existing laws, rules and regulations;
- 3.3.5. Submit the necessary report and data as maybe required of the division; and
- 3.3.6. Perform such other appropriate functions consistent with the assigned task of the division.



**3.0 OFFICE OF THE DEPUTY COLLECTOR FOR ASSESSMENT**

This Office shall be headed by a Collector of Customs V and shall have direct supervision and control over the Assessment Division, Collection Division and Air Express Cargo Processing Division.

**3.1. ASSESSMENT DIVISION**

This division shall perform the following functions:

- 3.1.1. Examine, classify and appraise imported commodities covered by both formal and informal entry in compliance with all laws, rules and regulations applicable to such importations;
- 3.1.2. Assess duties, taxes and other charges due thereon;
- 3.1.3. Recommend the institution of seizure and/or forfeiture proceedings against cargoes/baggages found to be misdeclared, undervalued, banned and/or prohibited in accordance with laws, rules and regulations;
- 3.1.4. Receive, check and verify entry declaration and documents and check for completeness and authenticity;
- 3.1.5. Match and verify statements and declarations on entry papers with manifest and waybills;
- 3.1.6. Accept and process applications for transshipments;
- 3.1.7. Submit the necessary periodic reports and data as maybe required of the division; and
- 3.1.8. Perform such other appropriate functions consistent with assigned tasks.

**3.2. COLLECTION DIVISION**

This division shall perform the following functions:

- 3.2.1. Receive payment of customs duties, taxes and other charges;
- 3.2.2. Authorize the delivery of goods after full payment of government charges and compliance with laws, rules and regulations;
- 3.2.3. Remit daily collection to the National Treasury;
- 3.2.4. Issue necessary certifications as maybe required of the division relative to payments effected;
- 3.2.5. Submit necessary periodic reports and data as maybe required of the division; and
- 3.2.6. Perform such other appropriate functions consistent with assigned tasks.

**3.3. AIR EXPRESS CARGO PROCESSING DIVISION**

This division shall perform the following functions:

- 3.3.1. Render duty on a 24-hour basis in order to cater to the requirements of air express shipments;
- 3.3.2. Examine, classify, appraise duties, taxes, and other charges on air express cargo document and non-document shipments;
- 3.3.3. Authorize delivery of shipments only after securing payment of duties and taxes and compliance with existing laws, rules and regulations;
- 3.3.4. Recommend the institution of seizure proceedings for shipments found to be misdeclared, misclassified, undervalued and/or in violation of existing laws, rules and regulations;
- 3.3.5. Submit the necessary report and data as maybe required of the division; and
- 3.3.6. Perform such other appropriate functions consistent with the assigned task of the division.

#### 4.0. OFFICE OF THE DEPUTY COLLECTOR FOR OPERATIONS

This office shall be headed by a Collector of Customs V and shall have direct Supervision and control over the Aircraft Operations Division and Customs Duty-Free Stores Division.

##### 4.1. AIRCRAFT OPERATIONS DIVISION

This division shall perform the following functions:

- 4.1.1. Conduct the entrance and clearance of aircraft and the boarding Formalities attendant thereto;
- 4.1.2. Supervise, control and coordinate the handling/conduction/under-Guarding of import/export transit/cargoes from and to the aircraft or from the public customs bonded warehouse to the designated destinations whenever duties and taxes are still due and collectible;
- 4.1.3. Keep and update records of volume of imports, exports and transit cargoes;
- 4.1.4. Coordinate with the Informal Entry Division in reporting to the District Collector unentered and/or overstaying cargoes.
- 4.1.5. Receive and distribute Inward Cargo Manifest and Airway bills to offices concerned;
- 4.1.6. Submit the necessary periodic reports and data as maybe required of the division; and
- 4.1.7. Perform such other appropriate functions consistent with the assigned tasks.

##### 4.2. CUSTOMS DUTY-FREE STORES DIVISION

This division shall perform the following functions:

- 4.2.1. Supervise and control the movement and transfer of imported Cargoes discharged from Clark International Airport and other ports of entry to the warehouse of the Duty-Free Stores operator and release them to all sales outlets/stores in accordance with existing customs rules and regulations;
- 4.2.2. Monitor the sale of all imported duty-free items;
- 4.2.3. Maintain update and systematic records and devise effective control system for all goods transferred to, stored in, sold, release by or withdrawn from Duty-Free Shop Warehouses/sales outlets;
- 4.2.4. Assist in the collection of fees and other charges from the Duty-Free Store Operators;
- 4.2.5. Submit the necessary periodic reports and data as maybe required of the division; and
- 4.2.6. Perform such other appropriate functions consistent with the assigned tasks.



CAD 2 - 2 FD 2  
6

**PROPOSED STAFFING PATTERN  
COLLECTION DISTRICT XIV  
PORT OF CLARK INTERNATIONAL AIRPORT**

NO.	POSITION TITLE	SG	MONTHLY SALARY	ANNUAL SALARY	TOTAL SALARY
<b>OFFICE OF THE DISTRICT COLLECTOR</b>					
1(N)	Collector of Customs VI	26	22,521.00	270,252.00	270,252.00
1*	Clerk III	6	7,606.00	91,272.00	-
1*	Driver I	3	6,039.00	72,468.00	-
1*	Messenger	2	5,540.00	66,480.00	-
3* 1(N)					<u>270,252.00</u>

<b>OFFICE OF THE DEPUTY COLLECTOR FOR ADMINISTRATION and PASSENGER SERVICES</b>					
1(N)	Collector of Customs V	25	21,655.00	259,860.00	259,860.00
1(N)	Clerk II	4	6,522.00	78,264.00	78,264.00
2(N)					<u>338,124.00</u>

<b>ADMINISTRATIVE DIVISION</b>					
1(N)	Chief Cust. Opns. Officer	24	20,823.00	249,876.00	249,876.00
1(N)	Supvg. Cust. Opns. Officer	22	19,251.00	231,012.00	231,012.00
1(N)	Legal Officer I	14	12,548.00	150,552.00	150,552.00
1*	Administrative Assistant	8	8,709.00	104,508.00	-
1(N)	Accountant I	11	10,535.00	126,420.00	126,420.00
1*	Disbursing Officer	8	8,709.00	104,508.00	-
1(N)	Clerk II	4	6,522.00	78,264.00	78,264.00
1*	Utility Worker I	1	5,062.00	60,744.00	-
3* 5(N)					<u>836,124.00</u>

*Joseph P. Pascua*  
*Passenger Service Processing Division*  
 CEBU INTERNATIONAL AIRPORT

1*	Collector of Customs II	22	19,251.00	231,012.00	-
1*	Collector of Customs I	21	18,510.00	222,120.00	-
1(N)	Cust. Opns. Officer V	20	17,799.00	213,588.00	213,588.00
4*	Cust. Opns. Officer III	16	14,098.00	169,176.00	-
1(N)	Clerk II	4	6,522.00	78,264.00	78,264.00
1(N)	Messenger	2	5,540.00	66,480.00	66,480.00
6* 3(N)					<u>358,332.00</u>

<b>OFFICE OF THE DEPUTY COLLECTOR FOR ASSESSMENT</b>					
1(N)	Collector of Customs V	25	21,655.00	259,860.00	259,860.00
1(N)	Clerk II	4	6,522.00	78,264.00	78,264.00
2(N)					<u>338,124.00</u>

<b>ASSESSMENT DIVISION</b>					
1(N)	Chief Cust. Opns. Officer	24	20,823.00	249,876.00	249,876.00
1(N)	Supvg. Cust. Opns. Officer	22	19,251.00	231,012.00	231,012.00
1(N)	Cust. Opns. Officer V	20	17,799.00	213,588.00	213,588.00
3*	Cust. Opns. Officer III (Examiner/Appraiser)	16	14,098.00	169,176.00	-
2(N)	Cust. Opns. Officer III (Assessor)	16	14,098.00	169,176.00	338,352.00
1(N)	Cust. Opns. Officer II (Supvg. Doc. Processor)	13	11,837.00	142,044.00	142,044.00
2(N)	Asst. Cust. Opns. Officer (Document Processor)	9	9,318.00	111,816.00	223,832.00
1(N)	Clerk II	4	6,522.00	78,264.00	78,264.00
3* 6(N)					<u>1,476,768.00</u>

*(Handwritten mark)*

2002-2002

7

COLLECTION DIVISION

1(N)	Cashier III	18	15,841.00	190,092.00	190,092.00
1*	Cashier I	10	9,939.00	119,268.00	-
2(N)	Asst. Cust. Opns. Officer	9	9,318.00	118,816.00	223,632.00
1(N)	Clerk II	4	6,522.00	78,264.00	78,264.00
1(N)	Messenger	2	5,540.00	66,480.00	66,480.00
1* 5(N)					<u>558,468.00</u>

AIR EXPRESS CARGO PROCESSING DIVISION

1(N)	Chief Cust. Opns. Officer	24	20,823.00	249,876.00	249,876.00
1(N)	Supvg. Cust. Opns. Officer	22	19,251.00	231,012.00	231,012.00
1(N)	Cust. Opns. Officer V	20	17,799.00	213,588.00	213,588.00
2(N)	Cust. Opns. Officer III	16	14,098.00	169,176.00	338,352.00
1(N)	Cashier I	10	9,939.00	119,268.00	119,268.00
1(N)	Asst. Cust. Opns. Officer	9	9,318.00	111,816.00	111,816.00
1(N)	Utility Worker I	1	5,082.00	60,984.00	60,984.00
8(N)					<u>1,324,896.00</u>

OFFICE OF THE DEPUTY COLLECTOR FOR OPERATIONS

1(N)	Collector of Customs V	25	21,655.00	259,850.00	259,850.00
1(N)	Clerk II	4	6,522.00	78,264.00	78,264.00
2(N)					<u>338,124.00</u>

AIRCRAFT OPERATIONS DIVISION

1(N)	Chief Cust. Opns. Officer	24	20,823.00	249,876.00	249,876.00
1(N)	Supvg. Cust. Opns. Officer	22	19,251.00	231,012.00	231,012.00
1(N)	Cust. Opns. Officer III (Supvg. Cust. Inspector)	16	14,098.00	169,176.00	169,176.00
2(N)	Cust. Opns. Officer II (Sr. Cust. Opns. Officer)	13	11,837.00	142,044.00	284,088.00
4(N)	Cust. Opns. Officer I (Cust. Inspector)	11	10,535.00	126,420.00	505,680.00
8(N)	Security Guard II	5	7,043.00	84,516.00	676,128.00
1(N)	Messenger	2	5,540.00	66,480.00	66,480.00
18(N)					<u>2,162,440.00</u>

DUTY-FREE STORES OPERATIONS DIVISION

1(N)	Chief Cust. Opns. Officer	24	20,823.00	249,876.00	249,876.00
1(N)	Supvg. Cust. Opns. Officer	22	19,251.00	231,012.00	231,012.00
2(N)	Warehouseman IV	13	11,837.00	142,044.00	284,088.00
8(N)	Warehouseman III	11	10,535.00	126,420.00	1,011,360.00
8(N)	Security Guard II	5	7,043.00	84,516.00	876,128.00
20(N)					<u>2,452,464.00</u>

16*	Old Positions
74 N	New Positions
90	

10,474,116.00



Office of the President  
of the Philippines  
Malacañang

CAO 2-2002

11-9



Manila, 3 December 2001

Hon. TITUS B. VILLANUEVA  
Commissioner  
Bureau of Customs  
Port Area, Manila

Sir:

I have the honor to transmit herewith, for information and guidance, a certified copy of Executive Order No. 55 dated 26 November 2001 entitled "OPENING THE SUB-PORT OF CLARK SPECIAL ECONOMIC ZONE AS A PRINCIPAL PORT OF ENTRY TO BE KNOWN AS THE PORT OF CLARK INTERNATIONAL AIRPORT, PURSUANT TO SECTION 702 OF THE TARIFF AND CUSTOMS CODE OF THE PHILIPPINES, AS AMENDED, IN RELATION TO THE BASES CONVERSION AND DEVELOPMENT ACT OF 1992", publication of which was made in the Malaya issue of November 30, 2001.

Very truly yours,  
For the Executive Secretary:

  
AURORA T. AQUINO  
Director IV, Records Office

OKO - 2-2870211  
10

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 55

OPENING THE SUB-PART OF CLARK SPECIAL ECONOMIC ZONE AS A PRINCIPAL PORT OF ENTRY TO BE KNOWN AS THE PORT OF CLARK INTERNATIONAL AIRPORT, PURSUANT TO SECTION 702 OF THE TARIFF AND CUSTOMS CODE OF THE PHILIPPINES, AS AMENDED, IN RELATION TO THE BASES CONVERSION AND DEVELOPMENT ACT OF 1992.

WHEREAS, Republic Act (RA) No. 7227, creating special economic and free port zones provides that it is the declared policy of the government to accelerate the sound and balanced conversion into alternative productive uses of the former US military bases, particularly Clark and Subic;

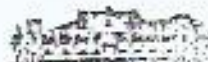
WHEREAS, the conversion of the Clark Special Economic Zone into an airport-led metropolis (*aerotropolis*) to complement the economic development of the Subic Freeport and enhance the economic growth of Central Luzon and eventually make the entire Philippines globally competitive is in furthermore of said policy;

WHEREAS, the expanding economic activity at the Sub-part of Clark Special Economic Zone as evidenced by its present collection levels, demands its upgrading or conversion into a Principal Port of Entry;

WHEREAS, converting and opening the Sub-part of Clark under the Port of Manila into a Principal Port of Entry will add prestige to the Clark Special Economic Zone, particularly the Clark International Airport, improve the administrative efficiency of the Port in attending to the needs of importers/exporters of the Clark Special Economic Zone, incoming and outgoing passengers and the general public using the Clark International Airport as their port of entry;

WHEREAS, the Metro Clark Advisory Council has called for the upgrading of the status of the Clark Special Economic Zone as a sub-part of Manila into a Principal Port of Entry to be known as the Principal Port of the Clark Special Economic Zone in view of the full operation of the Clark International Airport;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:



C-2976 12/14

CAO 2-2652-91

11

**Section 1. Upgrading of the sub-port of Clark Special Economic Zone and opening it as a Principal Port of Entry.** - The sub-port of Clark Special Economic Zone is hereby closed and abolished and accordingly removed from the jurisdiction of Collection District No. II-A (Port of Manila), and, in its stead, a new Principal Port of Entry is hereby opened and created to be known as the Port of Clark International Airport, which shall be located inside the secured area consisting of the presently fenced-in Clark Special Economic Zone whose meets and bounds are designated and defined under Presidential Proclamation No. 163, s. of 1993.

**Sec. 2. Authority of the Commissioner of Customs to define the jurisdictional limits of the collection districts affected.** - The Commissioner of Customs, subject to the approval of the Secretary of Finance pursuant to Section 701 of the Tariff and Customs Code of the Philippines (TCCP), as amended, is hereby authorized to redefine the jurisdictional boundaries of the Port of Manila (Collection District II-A) and to delineate the jurisdictional limits of the new Principal Port of Entry which shall become Customs Collection District No. XIV and to be known as the Port of Clark International Airport.

**Sec. 3. Relationship between Clark Development Corporation and the Bureau of Customs.** - To ensure the smooth operation of the Port of Clark International Airport, taking into consideration the peculiar characteristics thereof, the Bureau of Customs and Clark Development Corporation shall, within thirty (30) days from the effectivity of this order, enter into a Memorandum of Agreement defining their working relationships and the treatment of all cargoes entering or leaving the fenced-in area including all incoming and outgoing passengers thru the Port of Clark International Airport.

**Sec. 4. Authority of the Commissioner to designate the officials of the Port of Clark International Airport.** - The new Collection District No. XIV, also known as the Port of Clark International Airport, shall be headed by a Collector of Customs VI, to be assisted by such Deputy Collectors of Customs as may be determined and designated by the Commissioner of Customs.

**Sec. 5. Implementing Authority.** - Subject to the approval of the Secretary of Finance, the Commissioner of Customs is hereby authorized to determine the personnel requirements of the Port of Clark International Airport, taking into account the principles of economy, efficiency, and effectiveness. For this purpose, he may, subject to applicable Civil Service rules and regulations, issue the needed orders to effect the transfer or movement of personnel from any organizational unit of the Bureau to the Port of Clark International Airport.

**Sec. 6. Appropriations.** - Funds for the initial operations of the Port of Clark International Airport shall be drawn from the available funds of the Bureau of Customs



CMO 2-2872

12

and subsequent appropriations shall be incorporated into its budget proposals, subject to existing budgeting, accounting and auditing laws and procedures.

Sec. 7. *Effectivity.* - This Executive Order shall take effect fifteen (15) days following the completion of its publication in the Official Gazette or a newspaper of general circulation.

Done in the City of Manila, this 26<sup>th</sup> day of November, in the year of Our Lord, Two Thousand and One.

*[Handwritten signature]*

By the President:

*Alberto C. Romulo*  
ALBERTO C. ROMULO  
Executive Secretary

12



CERTIFIED COPY:  
*Aurora T. Aquino*  
AURORA T. AQUINO  
Director IV  
6-12/1/01 Malacanan Records Office