CUSTOMS MEMORANDUM ORDER
No. 15-2003

TO: District Collectors Concerned,
Chief, Collection Division; OSPC;
Warrant and Motor Vehicle Unit; and,
All Others Concerned

SUBJECT: ABOLISHING THE WARRANT AND MOTOR VEHICLE
UNIT (WMVU), ESTABLISHING THE VEHICLE
IMPORTATION COMPLIANCE MONITORING UNIT
(VICMU), DEFINING ITS POWERS AND FUNCTIONS AND
STREAMLINING ITS PROCESSES IN THE LIGHT OF THE
POST ENTRY AUDIT ENVIRONMENT AND FOR OTHER
PURPOSES.

1. Objectives:

1.1. To enhance the effectiveness of the Bureau’s monitoring capability on
vehicle importation;

1.2. To coordinate with other government regulatory agencies in ensuring
that only compliant vehicles under the Clean Air Act, the Consumers Protection
Act, the Seat Belt Law, and other related laws are released from the Customs
Zones;

1.3. To streamline the procedures involved in the issuance and transmittal
to the Land Transportation Office (LTO), of Certificates of Payment (CPs) for
imported motor vehicles aimed at plugging the tax leaks attendant thereto;

1.4. To establish a databank on motor vehicle valuation; and

1.5. To help prepare the importers and brokers of motor vehicles and
component parts for the Post Entry Audit (PEA) environment as mandated by
Republic Act No. 3195.

2. Scope and Coverage:

This Order shall cover all imported vehicles.
3. **Administrative Provisions:**

3.1. The Warrant and Motor Vehicle Unit (WMVU) is hereby abolished. In its stead, there is hereby established a Vehicle Importation Compliance Monitoring Unit (VICMU) that is attached to the Office of the Commissioner;

3.2. The VICMU shall have the following powers and functions, to wit:

3.2.1. Conduct a focused monitoring of the entry, processing and release of imported vehicles, including but not limited to motorcycles, engines, chassis;

3.2.2. Coordinate with other government agencies in effectively ensuring that imported vehicles shall, prior to their release from the Customs territory have passed or complied with the requirements of the Tariff and Customs Code of the Philippines (TCCP) and other related laws.

3.2.3. Conduct joint examination of imported vehicles with concerned appraisors/examiners to ensure compliance of all requirements pertinent to motor vehicle importation;

3.2.4. Cause the review/reassessment by the originating port/unit whenever the valuation appraisal appears to be non-compliant with existing rules and regulations;

3.2.5. Recommend the issuance and effect the service of Warrant/s of Seizure and Detention (WSDs) against imported vehicles when warranted.

3.2.6. Transmit all the Certificates of Payments (CPs) to the Land Transportation Office (LTO);

3.2.7. Develop a database on the valuation of all imported vehicles that shall serve as reference values and inputs to the Value Reference Information System (VRIS);

3.2.8. Organize VICMU Sub-units in the outports whenever warranted;

3.2.9. Submit to the Commissioner periodic reports on all vehicle importations;

3.2.10. Issue such other internal guidelines that are necessary to effectively enforce this Order; and

3.2.11. Perform such other functions as may be directed by the Commissioner.
4. **Operating Guidelines:**

4.1. All Certificates of Payments (CP) shall cover **only one unit of vehicle or component part**. Said vehicle or component part must be specifically described on the face of the CP and the appropriate spaces in the Certificate of Actual Physical Check-up portion of the CP must be completely filled out by the assigned examiner/inspector;

4.2. All CPs — **including those from outports and sub-ports** — shall be transmitted to the VICMU for the latter to, in turn, transmit to LTO. In no case shall CPs of outports and subports be transmitted directly to LTO Regional Offices. Transmitted CPs in violation of this provision are considered null and void;

4.3. The VICMU shall, upon receipt of the CPs, cause the transmittal of the same to the LTO, unless, in its judgment, a review or reassessment is warranted. In case of the latter, it shall return the CP to the originating port/unit for such review or reassessment; and

4.4. Upon receipt of the result of the review/reassessment, the VICMU may accept the same and correspondingly transmit the CP to LTO, or endorse the same to appropriate BOC units for further review and/or appropriate action.

7. **Repealing Clause:**

Customs Memorandum dated 08 April 2003 requiring Office of the Commissioner Clearance for motor vehicle importation, is hereby specifically repealed.

All rules, regulations, orders and other issuances inconsistent herewith are hereby deemed repealed, superseded or modified accordingly.

8. **Effectivity:**

This Order shall take effect immediately.

ANTONIO M. BERNARDO
Commissioner