CUSTOMS MEMORANDUM ORDER

No. 33-2008

11 September 2008

Subject: Parameters for the Application of CAO No. 4-2008-A on the Importation of Resin Through the Customs Bonded Warehouse Scheme

I. OBJECTIVES

A. To effectively implement the provisions of CAO 4-2008-A

B. To assist the Bonded Warehouse Committee (BWC) in the disposition of applications for authority of Customs Bonded Warehouses (CBWs) to import resin under warehousing entry

C. To ensure that the interests of the government are amply protected by providing procedures and guidelines in the evaluation of the rationalized application of CAO 4-2008-A

D. To act with dispatch on all applications pertaining to CAO 4-2008-A

II. SCOPE

This Order covers all matters pertaining to the rationalized application of CAO No. 4-2008-A on the importation of resin through the Customs Bonded Warehouse Scheme.

III. GENERAL PROVISIONS

The following parameters shall be considered in determining who may continue to import resin through the Customs Bonded Warehousing system:
A. BOI-registered manufacturing companies; or,

B. Industry Specific Customs Bonded Warehouses directly supplying the resin requirements of their clients involved in the semiconductor/electronic/automotive industry; or,

C. Manufacturing Customs Bonded Warehouses or members of Common Bonded Warehouses which are registered as exporters by the Export Development Council; or,

D. Such other CBWs established to be legitimate exporters after due consultation with the BOI, EDC, DTI, PEZA, Freeport Authorities, and other relevant agencies and stakeholders.

IV. ADMINISTRATIVE PROVISIONS

A. Establishment of BWC-TST

To provide administrative, secretarial and technical support to the Bonded Warehouse Committee, a BONDED WAREHOUSE COMMITTEE-TECHNICAL SUPPORT TEAM (BWC-TST) shall be formed by the BWC Chairman which is to be composed by the Customs officers designated by him. The BWC-TST shall be composed of a Head and five (5) Members and shall perform the following functions:

1. Receive and review the completeness of the application indorsed by the District Collectors to the Chairman, Bonded Warehouse Committee;

2. Evaluate the application in panel;

3. Submit its findings/recommendations to the BWC Secretariat for inclusion in the items for agenda for the Regular Meeting/Deliberation of the BWC;

4. Attend in the Regular Meeting/Deliberation of Bonded Warehouse Committee (BWC) if the matters for deliberation are the subject of this Order;

5. Perform such other functions as may assigned to it by the Chairman, BWC.
B. Documentary requirements for authority to import resin

All applicant CBWs are required to submit the original/certified true copy of the following:

1. Prior Disclosure Statement under oath and signed by the President of the Company, the proprietor or managing partner of the applicant CBW including clients/end-users for ICBW, such as locators of freeports and economic zones, among others, or members for Common Bonded Warehouse in the prescribed form provided in Annex "A" hereof;

2. Certification of registration, whichever is applicable, from the following offices:
   - Bureau of Investments (BOI)
   - Export Development Council (EDC)
   - Department of Trade and Industry (DTI)
   - Philippine Economic Zone Authority (PEZA)
   - Freeport Authorities
   - Other relevant agencies and stakeholders.

V. OPERATIONAL PROVISIONS

A. Application for authority of CBWs to import resin under warehousing entry shall be filed with the District Collector concerned who shall act thereon within five (5) working days. Upon initial evaluation of the application, the District Collector shall indorse the same to the Chairman, BWC, whether favorable or not, stating his definite official position thereon.

B. After receipt of the subject application from the District Collector, the Chairman, BWC shall forward the same to the Head, BWC-TST for evaluation. The Head, BWC-TST shall confirm the completeness of the submitted subject application and thereafter, shall schedule the same for panel discussion/evaluation. The BWC-TST shall submit its findings/recommendations or evaluation report together with all pertinent documents within five (5) working days from receipt of said application to the BWC Secretariat for inclusion to the agenda of the regular meeting of the BWC.

C. Upon approval of the application by the BWC, the copy of the resolution of the BWC signed by the Chairman, BWC shall be endorsed
to the Office of the Commissioner for clearance. In case of disapproval, a Notice of Disapproval clearly stating the grounds therefor shall be signed and served to the applicant, copy furnished the District Collector.

D. Upon proper clearance from the Office of the Commissioner, the Chairman, BWC shall endorse the subject Resolution of the BWC to the concerned District Collector for implementation.

VI. REPEALING CLAUSE

All Customs Orders, Memoranda, Circulars or parts thereof which are inconsistent with this Order are deemed superseded and/or modified accordingly.

VII. EFFECTIVITY

This Order shall take effect immediately.

[Signature]

NAPOLEON L. MORALES
Commissioner
DISPOSITION FORM

FOR: The Commissioner

Bureau of Customs

FROM: The Deputy Commissioner

AOCC

DATE: 11 September 2008

SUBJECT: Draft Customs Memorandum Order (CMO) implementing CAO No. 4-2008 A

SUMMARY:

A. Customs Administrative Order (CAO) No. 4-2008-A with the subject, "Creating Parameters for the Rationalized Application of CAO No. 4-2008 on the Non-importation of Resin Through the Customs Bonded Warehouse Scheme" became effective last 5 September 2008 or fifteen (15) days after it was published on 21 August 2008.

B. Pursuant to the said CAO, the Commissioner of Customs is directed to issue rules and regulations to effect subject CAO.

C. To fully implement the objectives of CAO No. 4-2008-A in addressing the concerns of legitimate importers/exporters operating in the country and to balance the government's exercise of police power under CAO No. 4-2008, the undersigned respectfully recommends the establishment of a BONDED WAREHOUSE COMMITTEE TECHNICAL SUPPORT TEAM (BWC TST) to provide administrative, secretarial and technical support to the Bonded Warehouse Committee and to perform, among others, the following functions:

1. Receive and review the completeness of the application endorsed by the District Collectors to the Chairman, Bonded Warehouse Committee;

2. Evaluate the application in panel;

3. Submit its findings/recommendations to the BWC Secretariat for inclusion in the items for agenda for the Regular Meeting/Deliberation of the BWC.

RECOMMENDATION:

In view of the foregoing, the undersigned respectfully recommends approval and signature on the attached draft of Customs Memorandum Order with the subject, "Parameters for the Application of CAO No. 4-2008 A on the Importation of Resin Through the Customs Bonded Warehouse Scheme," if in accord.

[Signature]
ATTY. REYNALDO S. NICOLAS
Deputy Commissioner
Barangay Bautista, District of Muntinlupa, Republic of the Philippines

Department of Finance
Bureau of Customs

CENTRAL ADMINISTRATION BUILDING
No. 4, 2003

SUBJECT: Granting Permission for the Establishment of the Customs-Bonded Warehouse System

I. Introduction:
1. To address the needs of a expanding number of legitimate importers and exporters operating in the country, whose bonded facilities substantially contribute to and account for the increase in economic stability and productive potential competitiveness.

II. GENERAL PROVISIONS:
1. All proponent applicants for bonded warehouse facilities in the Philippines shall be expected to be registered with the Bureau of Customs, National Economic Development Authority (NEDA), and the Department of Finance.

III. ADMINISTRATIVE PROVISIONS:
1. The Department of Finance shall establish a bonded warehouse facility in accordance with the provisions of this order.

IV. EFFECTIVE DATE:
This Order shall take effect October 10, 2003.

APPROVED:

[Signature]
Chairman
Commissioner

[Date]

P. del Rosario
Chairman
Commissioner

[Date]
**DIRECT EXPORT**  
(2007-2008)

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*In case of ICBW, indicate volume of raw materials and for manufacturing warehouses/ companies, indicate volume of finished products.
CONSTRUCTIVE EXPORT (TRANSFERRED TO CBW's)
(2007-2008)

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CONSTRUCTIVE EXPORT [TRANSFERRED TO PEZA]
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