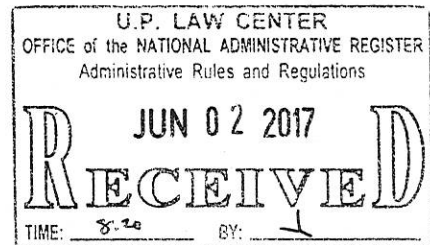




REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF CUSTOMS  
MANILA 1099



**CUSTOMS ADMINISTRATIVE ORDER (CAO)**  
NO. 4-2017

**SUBJECT: RULE ON NEPOTISM IN THE BUREAU OF CUSTOMS**

**Introduction.** This CAO repeals CAO 03-2014, also known as "Anti-Nepotism Rules on Appointments and Designation in the Bureau of Customs" and CAO 02-2015, also known as "Clarification on the Anti-Nepotism Rules on Hiring Under Contract of Service", in compliance with Section 59, Chapter 8, Title I (A), BOOK V, Executive Order No. 292, also known as the Administrative Code of 1987.

**Section 1. Scope.** This CAO shall cover the policy of the Bureau with respect to appointments and promotions of personnel *vis-à-vis* the prohibition on nepotism, as provided in BOOK V, Title I (A), Chapter 8, Section 59, Executive Order No. 292, also known as the Administrative Code of 1987.

**Section 2. Objectives.**

- 2.1 To harmonize the Bureau's policy on nepotism with that of the Civil Service Commission.
- 2.2 To clearly identify the personnel covered by the prohibition on nepotism.

**Section 3. Definition of Terms.** For the purposes of this CAO, the following terms are defined accordingly

- 3.1 **Nepotism** – an appointment issued in favor of a relative within the third civil degree of consanguinity or affinity of any of the following: (1) appointing authority; (2) recommending authority; (3) chief of the bureau or office; and (4) person exercising immediate supervision over the appointee.<sup>1</sup>
- 3.2 **Relative** – family member within the third civil degree of consanguinity or affinity of person/s or official/s mention in item 3.1.<sup>2</sup>
- 3.3 **Confidential Capacity** – shall refer to employment in confidential position, which is characterized by the close proximity of the positions of

<sup>1</sup> cf. par. 1, Section 59, Chapter 8, Title A, Book V of the Administrative Code of 1987

<sup>2</sup> cf. par. 1, Section 59, Chapter 8, Title A, Book V of the Administrative Code of 1987

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the appointer and appointee as well as the high degree of trust and confidence inherent in their relationship.<sup>3</sup>

- 3.4 Appointing Authority** – person authorized by law to make appointments in the BOC.
- 3.5 Recommending Authority** – person authorized by law to recommend appointment of an individual.
- 3.6 Appointment** – includes original appointment, designation, reassignment, promotion and other personnel action.

**Section 4. General Provisions.**

- 4.1** All appointments made in favor of a relative of the appointing or recommending authority, or chief of the bureau or office, or persons exercising immediate supervision over him, are hereby prohibited.<sup>4</sup>
- 4.2** In case an individual was employed in a confidential capacity or position, such appointment shall be reported to the Civil Service Commission.<sup>5</sup>
- 4.3** All applicants for employment shall include in his/her application a Certification under oath stating the fact that he/she is "not a relative within the 3<sup>rd</sup> civil degree of consanguinity or affinity of the appointing or recommending authority, of the chief of the bureau or office, or of the person exercising immediate supervision over him.

**Section 5. Exceptions.** The prohibition does not apply to the following:

- 5.1** Persons employed in a confidential capacity.<sup>6</sup>
- 5.2** Individuals who, after his or her appointment to any position contracts marriage with someone in the BOC.<sup>7</sup>

**Section 6. Repealing Clause.** This CAO specifically repeals CAO 03-2014, CAO 02-2015 and all other previously issued customs rules and regulations which are inconsistent with this Order.

**Section 7. Separability Clause.** If any part of this Order is declared unconstitutional or contrary to existing laws, the other parts not so declared shall remain in full force and effect.

<sup>3</sup> cf. CSC v. Javier, G.R. No. 173264, February 22, 2008

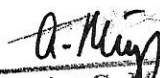
<sup>4</sup> cf. par. 1, Sec. 59, Chapter 8, Title I (A), BOOK V, Administrative Code of 1987

<sup>5</sup> cf. par. 2, Sec. 59, Chapter 8, Title I (A), BOOK V, Administrative Code of 1987

<sup>6</sup> cf. par. 2, Sec. 59, Chapter 8, Title I (A), BOOK V, Administrative Code of 1987

<sup>7</sup> cf. par. 2, Sec. 59, Chapter 8, Title I (A), BOOK V, Administrative Code of 1987

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**Section 8. Effectivity.** This Order shall take effect fifteen (15) days after its complete publication in the Official Gazette or a newspaper of general circulation.

The Office of National Administrative Register (ONAR) of the UP Law Center shall be provided three (3) certified copies of this CAO.

  
**NICANOR E. FAELDON**  
Commissioner

 Bureau of Customs  
NICANOR E. FAELDON  
Commissioner


MAY 09 2017  17-03523

Approved:

  
**CARLOS G. DOMINGUEZ III**  
Secretary of Finance



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