



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

APR 22 1999

CUSTOMS MEMORANDUM ORDER
NO. 9-99

TO : Deputy Commissioner for Intelligence
and Enforcement Group
Directors, ESS/CIIS
All District/Port Collectors
All Others Concerned

SUBJECT : GUIDELINES TO STRENGTHEN THE ALERT
SYSTEM

I. Objectives:

1. To ensure the collection of the correct revenue due the government by strengthening the campaign against technical smuggling and at the same time, to ensure an environment that will foster a fair and level playing field to promote business growth.
2. To further strengthen the cooperation between the Bureau of Customs and Industry pursuant to the Bureau of Customs - Industry Memorandum of Understanding (MOU) signed 07 March 1997 and the Joint PCCI-FPI Memorandum of November 13, 1998.

II. Coverage:

This Order shall apply to all imported articles entered in the Bureau of Customs specially on importations of articles specified in the LIST which is incorporated hereto and made an integral part hereof by reference as Annex "A".

III. Definition of Terms:

1. "Industry Commodity Expert" (ICE) is a person duly accredited as such by PCCI. An Industry Commodity Expert may also be specially accredited for a particular importation only which is not included in Annex "A".
2. "Alert" an alert issued pursuant to CMO 92-91, as amended.
3. "Industry" shall refer to member firms and associations belonging to the Federation of Philippine Industry (FPI) and the Philippine Chamber of Commerce and Industry (PCCI).

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4. "Industry Screening Committee" - The Committee chaired by the PCCI Vice President for Industry tasked to update the List of Industry Commodity Experts and List of Sensitive Articles for submission to the BOC.

5. ICE Secretariat - functions as Liaison on Joint PCCI-BOC monitoring activities and chaired by the PCCI Vice President for Industry and is situated at the office of PCCI.

IV. Administrative Provisions:

1. The Industry Commodity Expert shall act as an observer in the examination of a shipments and/or articles subject of an alert. As such, he may submit recommendations as to the description, quantity, quality and price among others, making reference to the declaration of the shipment as appearing in the import documents. The recommendation shall be submitted to the Officer-on-Case assigned in the Alert Order.

2. The Industry Commodity Expert shall always be available to observe the conduct of physical examination on an alerted shipment. Notification to the Technical Expert shall be made in the fastest way possible, otherwise physical examination shall proceed as scheduled even without the technical expert.

3. Accredited Technical Experts shall see to it that all possible assistance shall be given to the Bureau of Customs, its agents and officials in establishing violation/s committed in order to expedite the prosecution of apprehended cases arising from the issuance of an alert.

4. The District Collector of Customs shall be the designated Coordinator who shall assist the members of Industry in the pursuit of the objectives of this Order.

5. Where practicable, the ICE Secretariat shall be provided an office space within the Collection District. Where practicable, the ICEs shall confine its activities in the Secretariat's office. All the necessary improvement and equipment therein shall be provided by the Industry.

V. Operational Provisions:

1. ICE Secretariat shall file a request for alert with Bureau of Customs. Only the Chairman of the ICE Secretariat or, his duly authorized representative may request for an alert. The industry secretariat or officer designated by Industry for the purpose shall be responsible in having the request for alert received by the District Collector of Customs concerned.

2. Upon the receipt of the request for Alert, the District Collector of Customs shall consider the request and decide on whether or not to issue the alert.

3. Should the District Collector of Customs concerned decide to issue the alert he shall immediately notify the ICE Secretariat of the exact time, place and date of examination for them to send their technical expert. For this purpose, the District Collector shall devise a notification form to all parties concerned.

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CNO-9-99

4. To avoid delay in the release of an alerted shipment, the following shall be strictly observed :

- 4.1 Immediately after examination the ICE shall submit a written report to the assigned COO III who examined the alerted cargo of his expert opinion regarding the shipment examined, which in no case shall exceed one hour after examination, copy furnished the District Collector of Customs.
- 4.2 If the ICE report is adverse, the District Collector of Customs shall inform the ICE Secretariat of the action taken by BOC on the adverse report.
- 4.3 The opinion of the ICE shall be recommendatory. Any dispute arising from such recommendation shall be resolved in accordance with existing BOC rules and regulations. The recommendation of the ICE shall not be used to cause delay in the processing of any shipment.
- 4.4 The BOC can request a Technical Expert to witness an examination in pursuit of the objectives of this Order even if the alert was not initiated by Industry. In such cases Industry shall extend full assistance as agreed in the MOU of 07 March 1997 between BOC and Industry.
- 4.5 In the course of the examination of the alerted shipment, should there be a need for laboratory testing outside the capability of the Customs Laboratory, samples shall be properly collected and brought under escort to the nearest proper testing laboratory/facility for examination and fees therefore will be shouldered by the party requesting for examination.

VI. Resolution of Issues:

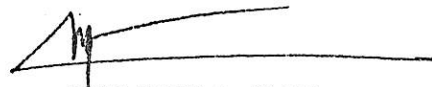
Any issue(s) arising from this order shall be resolved by the concerned District Collector of Customs within 48 hours. Importation with pending or unresolved issues may be allowed release, subject to existing rules and regulations.

VII. Repealing Clause:

All other rules, orders and regulations inconsistent hereto are hereby revoked, amended or modified accordingly.

VIII. Effectivity :

This Order shall take effect immediately.


NELSON A. TAN
Acting Commissioner *4/11*