



22 November 2013

CUSTOMS MEMORANDUM ORDER

NO. 15-2013

**TO: The District Collector, NAIA
The Deputy Collector for Passenger Service/
Chief Arrival Operations Division
All Duty Collectors
All Others Concerned**

**SUBJECT: Establishment of the Dual Channel Declaration System,
"The RED and GREEN CHANNELS", for arriving passengers
and crew members in the Ninoy Aquino International
Airport (NAIA)**

I. OBJECTIVES

- 1.1. To prescribe simplified customs procedures for arriving passengers, international airlines crew members and their baggage;
- 1.2. To expedite the clearance of passengers, international airlines crew members and their baggage;
- 1.3. To contribute to the efforts to improve the flow of international arriving passenger traffic at NAIA for efficient and effective Customs controls;
- 1.4. To collect lawful revenue on imported goods and prevention of smuggling.

II. COVERAGE

This Order shall be initially implemented as Pilot project at the **Terminal 1 of the NAIA.**

III. GENERAL PROVISIONS

- 3.1. All passengers and crew members of international airlines arriving in Terminal 1, NAIA airports in the country are advised to choose between the following types of channels:
 - a. **Green Channel** for passengers and with NOTHING TO DECLARE or having with them no goods or only goods which can be admitted free of import duties and taxes and which are not subject to import prohibitions or restrictions; and
 - b. **Red Channel** for passengers and crew with GOODS TO DECLARE or having with them goods above the exempted customs limits and/or carrying prohibited or controlled goods

- 3.2. Each channel shall be clearly and distinctively marked so that the choice between them can easily be understood by passengers and the crew. The basic distinctive marking shall be as follows:
- For the **Green Channel**, a green in the shape of a regular octagon, the words "NOTHING TO DECLARE" and the word "CUSTOMS";
 - For the **Red Channel**, a red in the shape of a square, the words "GOODS TO DECLARE" and the word "CUSTOMS".
- 3.3. The Bureau of Customs may produce and print or cause the production and printing of information, notices, leaflets on the Dual Channel Declaration System along the arrival route up to and including the entrance to the Green and Red Channels in order to provide passenger with clear and adequate opportunity to select appropriate channel. The content of the leaflets and notices should include guidance to passengers on the functioning of the system, including the description and quantities of duty-free goods passengers are allowed when selecting the green channel.
- 3.4. Airline companies shall thereafter, upon request of the Bureau of Customs and as the need arises, reproduce and print the information, notices, leaflets on the Dual Channel Declaration System.
- 3.5. All Overseas Filipino Workers (OFW) may continue to utilize the existing **OFW lane**.

IV. OPERATIONAL PROVISIONS

- 4.1 All passengers and crew members of international airlines in NAIA shall provide all information and fill up completely and legibly the Customs Declaration Form. If traveling with a family, only one (1) declaration is required to be made by the head or any responsible member of the family.
- 4.2 The Customs Declaration Forms shall be distributed to all passengers and crew members on board international airlines and vessels within reasonable time before arrival or disembarkation at the airport or seaport of entry in the Philippines.
- 4.3 Customs Examiners (COO III) assigned at the arrival area, shall require the presentation of the duly accomplished Customs Declaration Form together with the Passport of the passenger or crew member.
- 4.4 If Customs Declaration shows that the passenger or crew member has NOTHING TO DECLARE or having with them no goods or only goods which can be admitted free of import duties and taxes and which are not subject to import prohibitions or restrictions, the Customs Examiner direct them to proceed to **Green Channel** and affixing his signature above the stamped or printed indicating his Code no., Lane No. and Date in the appropriate spaces provided for under the column "FOR CUSTOMS USE ONLY". The Customs Examiner shall then return the Passport of the Passenger and compile the declaration forms collected by him during his tour of duty and officially turn over the forms of the permanent file of

- records for future reference and/or disposal in accordance with the existing rules and regulations.
- 4.5 In cases where there is an advanced derogatory information concerning the passenger, crew member or his baggage, the Customs Examiner shall exercise due diligence and may direct passenger to the **Red Channel** and proceed with the examination, assessment or in appropriate cases, recommend the seizure or confiscation of the articles in accordance with existing customs laws, rules and regulations and other special laws implemented by the Bureau of Customs.
 - 4.6 If Customs Declaration shows that the passenger or crew member has **GOODS TO DECLARE**, the Customs Examiner shall direct them to the **Red Channel**.
 - 4.7 Customs Examiner assigned at the **Red Channel** shall conduct an examination and report his findings and appraisal in the appropriate spaces at the dorsal side of the Customs Declaration Form under the column "FOR CUSTOMS USE ONLY", indicating therein the quantity, description of articles, dutiable value and rate of duty and tax, together with the summary of duties and taxes and tax computation, jointly signed by him and the Flight Supervisor/Customs Appraiser (COO V) above their printed name, designation and date.
 - 4.8 After the payment of the duties and taxes, the Cashier/Collecting Officer shall issue the validated/ original official receipt and Return the Passport to the Passenger or crew member. The Cashier/Collecting Officer shall retain a copy of the official receipt together with the assessed Customs Declaration Form.
 - 4.9 If the passenger or crew member is carrying into the country legal tender Philippine notes, coins, checks or money orders in an amount exceeding Ten Thousand (P10,000.00) Pesos, the Custom Examiner shall require him to submit an authorization from the Bangko Sentral ng Pilipinas, otherwise the amount in excess of Ten Thousand (P10,000.00) Pesos shall be withheld pending submission of the said authorization from the BSP (BSP Circular No. 98, s-1995).
 - 4.10 If the passenger or crew is bringing in foreign currency or other foreign exchange-denominated bearer negotiable monetary instruments in excess of US\$10,000.00 or its equivalent, the Customs Examiner shall refer the passenger/crew to the Foreign Currency Declaration Counter to fill up the Foreign Currency or Other Foreign Exchange Denominated Bearer Negotiable Monetary Instruments Form, to be submitted to the Customs Officer at the Customs Desk in the Arrival or Departure Area (BSP Circular No. 308, s-2001 as amended by BSP Circular 507, s-2006).
 - 4.11 If upon examination, the Examiner detects or discovers that the passenger or crew member is bringing in the country prohibited articles such as marijuana, cocaine, narcotics or other synthetic drugs; firearms, guns or parts thereof, ammunitions and explosives; obscene, pornographic magazines and immoral articles; mislabeled, misbranded and adulterated articles of food and drugs; gambling outfits and paraphernalia; or used clothing and rags, among others, he shall immediately confiscate the

same; conduct an inventory in the presence of the passenger or crew and the enforcement and other officers concerned; issue a Held Baggage Receipt (HBR) and place the articles in the IN-BOUND Section, Baggage Assistance Division. The Examiner shall within twenty-four (24) hours, thereafter submit an Incident Report to the Chief of the Arrival or Departure Division who, in turn, shall recommend to the District Collector, thru the Deputy Collector for Passenger Service, the issuance of Warrant of Seizure and Detention.

- 4.12 The same procedure shall be followed when, after examination the Examiner finds out that the passenger or crew member is carrying in the country regulated articles such as live animals and meat, their product and by products; fruits and plants; marine and aquatic products; medicine and the like; transceivers and communication equipment; imitation products or those which violate the Intellectual Property Act, among others, without prior clearance, permit or license to import or export the same, issued by the appropriate government agency.

V. ADMINISTRATIVE PROVISIONS

5.1 Green and Red Channel One-Stop- Operation Center

- 5.1.1. There is hereby established a **Green and Red Channel One-Stop-Operation Center** to monitor the day to day implementation of this Order.
- 5.1.2. The **One Stop Operation Center** shall be set up near the arrival area and shall be the point of contact by passengers and crew for any question and/or issues related to the proper implementation of this Order. The Center must be manned during office hours and must be equipped with adequate communications and staff for the purpose.
- 5.1.3. The One Stop Operation Center shall be headed by the District Collector with the Deputy Collector for Passenger as its Assistant. The District Collector shall determine the composition of the One Stop Operation Center.
- 5.1.4. The District Collector as Head of the One Stop Operation Center, in coordination with other airport authorities, shall immediately submit to the GRCIC a structural and operation plan for the proper implementation of this Order.
- 5.1.5. The Head of the One Stop Operation Center shall directly report to the GRIC concerning issues regarding the implementation of this Order.

5.2. Green and Red Channel Implementation Committee (GRCIC)

- 5.2.1 There is hereby a established an Green and Red Channel Implementation Committee (GRCIC) which is organized as follows:

Head : Deputy Commissioner for AOCG
 Members : Deputy Commissioner for RCMG
 Deputy Commissioner for IAG
 Deputy Commissioner for IG
 Deputy Commissioner for EG

5.2.2. The GRCIC shall perform the following responsibilities:

- 5.2.2.1 Provide technical, administrative and logistical support to the Green and Red Channel Operation Center for the proper implementation of this Order including the resolution of all implementation issues;
- 5.2.2.2 To provide for a smooth transition plan from the existing mandatory submission of Customs Declarations to the Dual Channel Declaration System;
- 5.2.2.3 Draft for approval of the Commissioner of Customs and the Secretary of Finance, a Customs Administrative Order for the implementation full implementation of the Dual Channel Declaration System;
- 5.2.2.4 Coordinate with other government authorities for the proper and full implementation of the Dual Channel Declaration System in all international ports.

VI. REPEALING CLAUSE

All orders, circulars, memoranda and other issuances inconsistent or in conflict with this order are hereby modified or repealed accordingly.

VII. EFFECTIVITY

This Order shall take effect immediately.


ROZZANO RUFINO B. BIAZON
 Commissioner



04 DEC 2013