

Date MAY 28 2021
**CUSTOMS MEMORANDUM ORDER (CMO)**  
 NO. 20-2021
**SUBJECT: IMPLEMENTATION OF THE AUTOMATED INVENTORY MANAGEMENT SYSTEM (AIMS) BY ALL REGISTERED CUSTOMS BONDED WAREHOUSES**
**Section 1. Objectives.**

- 1.1. To effectively implement an Automated Inventory Management System (AIMS) for Customs Bonded Warehouses (CBWs) by optimizing the use of Information and Communication Technology (ICT) for a more effective and transparent monitoring, supervision and control of CBW operations.
- 1.2. To establish a tool that will assist the Bureau of Customs (Bureau) to efficiently monitor the inventory of bonded goods from their entry into the CBWs until liquidation of Warehousing Goods Declaration;
- 1.3. To protect against revenue loss caused by possible diversion of raw materials, unauthorized withdrawals or ghost exportations;
- 1.4. To generate real time data on warehousing activities/operations for prompt reporting to the Commissioner of Customs and other Bureau officials; and
- 1.5. To establish a schedule of fees to be paid by CBW operators, accredited members of Customs Common Bonded Warehouses (CCBW), Sub-contractors and client/end-users for the maintenance and operations of the AIMS.

**Section 2. Scope.** This Order shall provide the guidelines in the operations and use of AIMS for imported raw materials entered into registered CBWs, regardless of type or classification.

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

- 3.1. **Accredited Member** — shall refer to a person or company accredited by the Bureau, and jointly with the Garments and Textile Industry Development Office (GTIDO) in case of garments/textile, to be a member of a CCBW.

- 3.2. Automated Inventory Management System (AIMS)** — shall refer to the automated system to be adopted by the CBW operator as a tool to determine and monitor the stock inventory of bonded goods from the time of its entry into the CBW up to liquidation of the goods declaration covered by the Warehousing Single Administrative Document (W-SAD).
- 3.3. Authority to Transfer** — shall refer to the document issued by the District Collector to a CBW allowing transfer or sale of bonded raw materials, semi-finished or finished products to another CBW, member of a CCBW, clients/end-users of an Industry Specific Customs Bonded Warehouse (ICBW), subcontractor, or Freeport Zone locator for subsequent export.
- 3.4. Certificate of Identification (CI)** — shall refer to the document certifying that the finished products to be exported is from a particular W-SAD, and also to determine whether or not the bonded materials subject of a particular entry is partially or fully consumed.
- 3.5. Certificate of Inspection and Loading (CIL)** — shall refer to the document issued by the Container Control and Cargo Division (CCCD) or equivalent unit certifying the conduct of inspection of the cargo for export and its actual loading on the exporting carrier.
- 3.6. Customs Bonded Warehouse (CBW)** — shall refer to a warehouse facility licensed by the Bureau to import, receive, and store, without payment of duties and taxes and under bond, goods, raw materials, accessories and packing materials either for manufacture into finished products for export or for storage for the account of authorized end-users or clients.
- 3.7. Formula of Manufacture (FOM)** — shall refer to the document issued by the duly authorized government institution to the CBW operator, determining the raw material usage and wastages of a particular finished product for export and subsequent liquidation. This is also referred to as Formula of Conversion (FOC).
- 3.8. Liquidation of Raw Materials** — shall refer to the process of accounting the usage of bonded raw materials, including wastages, in the manufacture of finished products for export as against the importation of raw materials by CBWs using the FOM.
- 3.9. Sub-contractor** — shall refer to a person or company licensed by the Bureau, and GTIDO in case of garments, to undertake or perform, for a definite period, certain manufacturing operations

or activities incidental to the manufacture of bonded raw materials into finished products in behalf of a licensed CBW in cases where the latter's facilities are insufficient to address its immediate requirements or due to lack of material time to meet export commitments.

**Section 4. Administrative Provisions.**

- 4.1.** All CBWs granted License to Operate by the Bureau shall implement the AIMS of the service provider accredited by the Bureau.
- 4.2.** Prior to the implementation of the AIMS, the following prerequisites must be complied with to ensure the efficient operation of the said system:
  - 4.2.1.** Client profile of all active CBWs shall be transmitted by the Bureau to the AIMS. All CBWs, including members of CCBW must have their own assigned unique warehouse codes to ensure the accuracy of inventory of the specific goods stored in the CBW;
  - 4.2.2.** All users shall be required to register in the AIMS to allow them to use the system based on their respective roles or functions; and
  - 4.2.3.** The registered CBW operator or its authorized representative must upload the following to the AIMS prior to the implementation or roll-out to all ports of the said system to ensure efficient processing, accurate computation of inventory, liquidation of raw materials, and generation of other required reports:
    - a.** Approved specific item code and product code for each importable item based on the approved Statement of Monthly Raw Materials Importation Requirements (SMRMIR);
    - b.** Approved ITDI FOM/FOC;
    - c.** List of Accredited Members of CCBW with corresponding unique warehouse codes, if applicable;
    - d.** List of registered sub-contractor, clients/end-users of ICBW, if applicable; and
    - e.** Other documents as may be required.
- 4.3.** The CBW operator or its duly authorized representative must upload the latest inventory a day prior to the implementation/roll-out of the AIMS. The latest inventory is critical to ensure the

accuracy of the inventory system as well as the liquidation of raw materials.

- 4.4. The CBW operator or its duly authorized representative shall upload in the AIMS all documents or attachments required by the Bureau in PDF format. The size of the PDF format must not exceed 20 MB. In case the file is more than the required size, uploading of PDF format may be done in separate files.
- 4.5. The AIMS shall automatically update the account of the CBW operator and its accredited member warehouse, Sub-contractor, and client/end-user, if applicable, based on the actual approved transactions processed in the AIMS.
- 4.6. The AIMS withdrawal system is based on a first-in first-out (FIFO) scheme. The FIFO scheme is critical in the monitoring of period of storage of goods in the CBW warehouse, thus it must be strictly followed.

**Section 5. Operational Provisions.**

**5.1. Direct Filing of Warehousing Goods Declaration at Port of Discharge.**

- 5.1.1. The Electronic to Mobile (E2M) System automatically transmits to the AIMS all Goods Declaration for Warehousing (W-SAD) with "Paid" status where data is automatically populated to the AIMS.
- 5.1.2. The CBW operator or its duly authorized representative shall search and select the transmitted E2M W-SAD using its reference number for the creation of the Entry/Arrival Declaration-Raw Materials (EDRM) which is system generated and with its own reference number.
- 5.1.3. The CBW operator or its duly authorized representative shall edit the Item Details in the EDRM by inputting the unit of measure (UOM) quantity and specific item product code.
- 5.1.4. The following documents shall be uploaded by the CBW operator or its duly authorized representative in the AIMS in PDF format:
  - a. W-SAD, all pages, including rider;
  - b. Bill of Lading/Air Waybill;
  - c. Packing List;
  - d. Invoice;

- e. Import Permits (if applicable);
- f. Electronic Tracking of Containerized Cargo (E-TRACC) Upload Manifest, if containerized; and
- g. Transfer Note (Boatnote), if Less Container Load (LCL).

**5.1.5.** The AIMS shall validate if the items declared is within the SMRMIR.

- a. If the item is within the allowable quantity and the product code is included in the List of Importables (LOI) as indicated in the SMRMIR, the AIMS shall indicate that the **"Declaration is Successfully Validated"** and the data is saved in the AIMS. The CBW operator or its duly authorized representative will submit the EDRM in the AIMS.
- b. If the quantity exceeds the remaining balance in the SMRMIR for a particular product code, the AIMS issues a system generated remarks informing of the excess. However, the information is still saved in the AIMS with said Remarks reflected in the Header and Item Details page. The CBW operator may still submit EDRM in the AIMS.
- c. The system will not allow the saving of the EDRM if the item product code is not found in the LOI or AIMS Product Masterlist. The Product Masterlist contains the LOI and finished product of the CBW.

Item product code not found in the approved LOI shall be subject for appropriate action of the Bureau in accordance with customs laws, rules and regulations.

Item product code not found in AIMS Product Masterlist shall be updated by the assigned account officer as long as the item product code is in the approved or amended LOI.

**5.1.6.** The CBW Warehouseman shall retrieve the EDRM and the supporting documents under Section 5.1.4. hereof and verify the declaration against the actual shipment.

**5.1.7.** If there are remarks on the EDRM as reflected in the AIMS, the Warehouseman shall require the CBW operator or its duly accredited representative to pay the required duties, taxes and other charges due on the

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excess items in accordance with the customs laws, rules and regulations, and to amend the EDRM accordingly.

- 5.1.8. The CBW operator or its duly authorized representative shall lodge a goods declaration for consumption (C-SAD) in the E2M System and pay the required duties, taxes and other charges. The CBW operator shall upload a copy of the C-SAD and the Statement of Settlement of Duties and Taxes (SSDT) at the AIMS.
- 5.1.9. To amend the EDRM, the CBW operator shall input the actual quantity entered for warehousing.
- 5.1.10. The Warehouseman shall verify the quantity declared in the C-SAD with the reported excess in the SMRMIR before approving the amended EDRM.
- 5.1.11. If the quantity is within the remaining SMRIR and product code in the LOI, the Warehouseman shall tag the EDRM as **"Completed"**. The AIMS automatically updates the current inventory of the CBW.

Once the EDRM is tagged **"Completed"**, subsequent transactions like withdrawal, transfer, and liquidation can be performed already in the AIMS.

- 5.1.12. The reckoning date for the storage period will be the date the EDRM has been tagged as **"Completed"** in the AIMS by the CBW Warehouseman.

The Warehouseman shall tag the W-SAD as completed when all the containers covered by the particular W-SAD have arrived at the CBW and the electronic customs seal attached on the last container has been disarmed and has been reflected under the e-TRACC system as **"Tagged Received"**.

### 5.2. Lodgement of Transit Warehousing Goods from Customs Zone to CBW.

- 5.2.1. The E2M System automatically transmits to the AIMS all Goods Declaration for Transit (covered by T-SAD) with **"Paid"** status where data is automatically populated to the AIMS.
- 5.2.2. The CBW operator or its duly authorized representative shall search and select the transmitted T-SAD using its

reference number for the creation of the EDRM which is system generated and with its own reference number.

5.2.3. The CBW operator or its duly authorized representative shall edit the Item Details in the EDRM by inputting the unit of measure (UOM) quantity and specific item product code.

5.2.4. The CBW operator or its duly authorized representative shall upload the following documentary requirements in PDF format to the AIMS:

- a. T-SAD, all pages, including rider;
- b. Bill of Lading/Airway Bill;
- c. Invoice;
- d. Packing List;
- e. Import Permit, if applicable;
- f. e-TRACC Upload Manifest, if containerized; and
- g. Transfer note (Boatnote), if LCL.

5.2.5. The AIMS shall validate if the items declared is within the SMRMIR.

a. If the item is within the allowable quantity and the product code is included in the LOI as indicated in the SMRMIR, the AIMS shall indicate that the **"Declaration is Successfully Validated"** and the data is saved in the AIMS. The CBW operator or its duly authorized representative will submit the EDRM in the AIMS.

b. If the quantity exceeds the remaining balance in the SMRMIR for a particular product code, the AIMS issues a system generated remarks informing of the excess. However, the data is still saved in the AIMS with said Remarks reflected in the Header and Item Details page. The CBW operator may still submit EDRM in the AIMS

c. The system will not allow the saving of the EDRM if the item product code is not found in the LOI or AIMS Product Masterlist.

Item product code not found in the approved LOI shall be subject for appropriate action of the Bureau in accordance with customs laws, rules and regulations.

Item product code not found in AIMS Product Masterlist shall be updated by the assigned account officer as long as the item product code is in the approved or amended LOI.

- 5.2.6. Upon arrival, the Warehouseman shall tag the EDRM as **"Completed"**.
- 5.2.7. The reckoning date for the storage period will be the date the EDRM has been tagged as **"Completed"** in the AIMS by the CBW Warehouseman.
- 5.2.8. The Warehouseman shall tag the EDRM as **"Completed"** when all the containers covered by the particular T-SAD have arrived at the CBW and the electronic customs seal attached on the last container has been disarmed and has been reflected under the e-TRACC system as **"Tagged Received"**.
- 5.2.9. The CBW Warehouseman shall ensure that no stripping of container van shall be done unless the Goods Declaration for Warehousing of the transit goods has been filed, processed by Bureau and tagged **"Paid"** in the E2M System.

**5.3. Lodgement of Warehousing Goods Declaration Re-Entry.**

- 5.3.1. The corresponding Goods Declaration for Warehousing re-entry must be filed in the E2M System within (5) days from the date the Transit EDRM was tagged as **"Completed"** in the AIMS.
- 5.3.2. Prior to the lodgement of W-SAD, the CBW operator shall check the remarks reflected in the Header and Item Details page of the Transit EDRM for any excess in the allowable quantity for a particular product code and whether the shipment is included in the LOI.
- 5.3.3. If there are remarks in the Transit EDRM, the CBW operator shall:
  - a. Lodge a goods declaration for consumption on the excess shipment, and those not included in the LOI; and
  - b. Lodge a goods declaration for warehousing for the items which are within the approved SMRMIR.



5.3.4. Upon lodgement, the E2M System automatically transmits to the AIMS all W-SAD with "Paid" status where data is automatically populated to the AIMS.

5.3.5. The CBW operator or its duly authorized representative shall search and select the transmitted E2M W-SAD using its reference number for the creation of the EDRM which is system generated and with its own reference number.

5.3.6. The CBW operator must ensure that the Transit EDRM Reference Number must be indicated in the "Previous Document Field" of the Warehousing EDRM. This is to enable AIMS to link the Transit EDRM to the Warehousing EDRM.

5.3.7. The CBW operator or its duly authorized representative shall edit the "Item Details" in the EDRM by inputting the quantity and specific item product code.

5.3.8. The CBW operator or its duly authorized representative shall upload all pages of the W-SAD, including the rider, and all pages of the C-SAD, including rider and SSDT, if applicable.

5.3.9. The AIMS will again validate if the declared quantity is still within the remaining balance of the SMRMIR.

If the quantity is within the remaining balance of the SMRMIR and the item product code is in the LOI, the AIMS shall indicate that the "Declaration is Successfully Validated" and the data is saved. The CBW operator or its duly authorized representative will submit the EDRM in the AIMS.

5.3.10. The Warehouseman shall retrieve the Warehousing EDRM and tag the EDRM as "Completed" and subsequent transactions like withdrawal, transfer and liquidation can be performed already in the AIMS.

5.3.11. If the Warehouseman still finds discrepancy during the unloading of the goods, he/she shall reject the Warehousing EDRM and perform any of the following:

- a. Require the CBW operator to pay duties, taxes and other charges;
- b. Recommend the issuance of Warrant of Seizure and Detention (WSD) against the shipments; or

c. Any other action as may be warranted under the circumstances.

**5.4. Withdrawal of Goods from the CBW for Production.** The CBW operator or its duly authorized representative shall, within the prescribed storage period, apply for withdrawal of the bonded goods for production. The principle of first-in-first-out (FIFO) system must be observed in the withdrawal of goods for production.

**5.4.1.** The CBW operator or its duly authorized representative shall prepare the Requisition Slip and upload it to the AIMS and create the Withdrawal Declaration in the AIMS.

**5.4.2.** The CBW Warehouseman shall validate the documents uploaded by the CBW operator or its duly authorized representative and check if the goods being requisitioned are still physically stored in the warehouse.

**5.4.3.** The CBW Warehouseman shall act within twenty-four (24) hours from receipt of the request, without prejudice to whatever administrative sanctions that may be imposed against the Warehouseman for any delay in the approval thereof to the detriment of the CBW operator.

**5.4.4.** Once approved, the CBW Warehouseman shall allow the release of the goods from the CBW raw materials compartment to the production area.

**5.4.5.** The AIMS shall automatically update the inventory system upon confirmation by the Warehouseman of the actual withdrawal.

**5.4.6.** Withdrawal of any raw materials, even for production, without the approval of the Warehouseman shall constitute unauthorized withdrawal.

**5.5. Withdrawal of Goods from CBW for Local Sales.** Withdrawal of goods for local or domestic consumption shall be allowed only upon approval by the District Collector and after payment of duties and taxes.

**5.5.1.** The CBW operator or its duly authorized representative shall submit the letter-request for the withdrawal of the goods to the District Collector through the Operating Division concerned.

**5.5.2.** Once the letter-request is approved by the District Collector or authorized Customs Officer, the CBW operator shall lodge the goods declaration for consumption (C-SAD) in the E2M system and pay the corresponding duties and taxes.

**5.5.3.** The CBW operator shall perform the following:

- a. Create a Withdrawal Declaration-Local Sales in the AIMS;
- b. Upload the approval of the District Collector or authorized official;
- c. Upload all pages of the C-SAD; and
- d. Submit the Withdrawal Declaration-Local Sales in the AIMS.

**5.5.4.** The CBW Warehouseman shall retrieve the Withdrawal Declaration-Local Sales and check if the documents uploaded by the CBW operator are complete.

**5.5.5.** The CBW Warehouseman shall only allow the withdrawal of the bonded goods if the documents uploaded by the CBW Operator are complete and in order.

**5.5.6.** The CBW Warehouseman shall confirm withdrawal in the AIMS by tagging the said declaration as "**Completed**" to update the inventory.

**5.6. Withdrawal of Bonded Goods from the CBW for Constructive Exportation.**

**5.6.1.** The CBW operator or its duly authorized representative who intends to sell the bonded goods to another CBW or to a Free Zone locator shall apply in writing to the District Collector for issuance of authority to sell/transfer.

**5.6.2.** Upon approval of the request to sell/transfer by the District Collector or authorized Customs Officer, the CBW operator or its duly authorized representative shall create a Draft Declaration for Constructive Export in the AIMS by searching the Constructive Export SAD transmitted by the E2M System.

**5.6.3.** The CBW operator shall then upload the following documents in the AIMS:

- a. Packing List;

- b. Approved Authority to Transfer/Sell;
- c. Signed Certificate of Identification;
- d. Sales Contract/Purchase Order/Pro-forma Invoice;  
and
- e. Other documents as may be required.

5.6.4. The CBW Warehouseman shall retrieve the Declaration for Constructive Export in the AIMS and check if the documents uploaded by the CBW operator are complete.

5.6.5. The CBW Warehouseman shall only allow withdrawal of the bonded goods if the documents uploaded in the AIMS system by the CBW operator are complete and in order.

5.6.6. The CBW Warehouseman shall tag the said Declaration as "**Completed**" once the goods have been actually released. After tagging, the AIMS will automatically update the inventory.

5.6.7. The Constructive Export Declaration shall be manually created in the AIMS in case the Constructive Export Declaration is not yet implemented in the E2M System. The submitted Constructive Export Declaration in the AIMS by the CBW operator shall be auto-approved by the AIMS.

5.7. **Toll Manufacturing Process.** A CBW operator may sub-contract the processing of its imported materials in case of insufficiency of operational facilities or lack of material time to meet export commitments. Provided, that only duly accredited sub-contractors may undertake sub-contracting jobs. Provided, further that the transfer of bonded goods to accredited sub-contractors shall be subject to the approval of the District Collector or authorized Customs Officer.

5.7.1. The CBW operator or its duly authorized representative shall create a **Toll Manufacturing Declaration Release** in the AIMS. The submitted formula of manufacture, the stages to be subcontracted shall, whenever practicable, be specified. For garment manufacturer, unless otherwise approved by GTIDO, only pre-cut or cut-to-pattern materials shall be transferred.

5.7.2. The AIMS system shall automatically check and allow the submission of the Toll Manufacturing Declaration Release if the CBW has the Item in its Product Master List.

- 5.7.3.** The CBW Warehouseman shall retrieve the Toll Manufacturing Declaration Release in the AIMS, validate and approve the Toll Manufacturing Declaration Release by tagging it as "**Completed**" with remark "**Released**" in the AIMS system upon actual release of the bonded goods from the CBW.
- 5.7.4.** Once the declaration has been tagged as "**Released**", AIMS shall update the existing balance in the inventory.
- 5.7.5.** Email notification shall be sent by the AIMS to the Chief, Operating Division in case the sub-contracted items exceed the 30 days allowable period to return the goods to the CBW of origin.
- 5.7.6.** The accredited Sub-contractor shall file Withdrawal-Manufacturing Declaration in the AIMS to withdraw the transferred raw materials. The details to be encoded as to the quantity, UOM, description and product in the Withdrawal-Manufacturing Declaration must correspond to the details in the Toll Manufacturing Declaration Release.
- 5.7.7.** The CBW Warehouseman shall approve the Withdrawal Declaration by tagging it as "**Completed**" in the AIMS. The AIMS shall update the inventory of the accredited Sub-contractor on the goods transferred to it for production. The quantity indicated therein will be reflected as Work-In-Progress Quantity in the AIMS Inventory Report.
- 5.8. Toll Manufacturing Return.** When the sub-contracted goods are to be returned by the accredited sub-contractors to the CBW, the following procedures shall be followed:
- 5.8.1.** The accredited Sub-Contractor shall create Entry of Finished Goods Declaration in the AIMS after completion of the specific toll activity.
- 5.8.2.** The CBW Warehouseman shall approve the Entry of Finished Goods Declaration as "**Completed**" after verification on the existence of the finished goods. Inventory of finished goods is automatically updated by the AIMS. Once updated and the item withdrawal is completed, the inventory of the goods from the Sub-contractor will then be deducted or reverted to zero.

- 5.8.3. The CBW shall file a **Toll Manufacturing Declaration Return** in the AIMS for the return the goods from the Sub-contractor.
  - 5.8.4. The AIMS shall automatically check and allow the submission of the Toll Manufacturing Declaration Return if the accredited Sub-contractor has the Item Code of the semi-finished goods in its Product Masterlist for finished goods.
  - 5.8.5. The CBW Warehouseman shall validate and approve the **Toll Manufacturing Declaration Return** by tagging it as "**Completed**" in the AIMS.
  - 5.8.6. The AIMS system shall automatically update the inventory of the CBW. The Toll Manufacturing Return Report is created automatically that is available for extraction in the AIMS system by the authorized user.
- 5.9. **Transfer Declaration for Transfer of Bonded Goods Between Members of Common Customs Bonded Warehouses (CCBWD).** Transfer of bonded goods between members of a CCBWD shall follow the following procedures for the AIMS:
- 5.9.1. The CBW operator or its duly authorized representative who intends to sell the bonded goods to to an accredited member of another CCBWD shall apply in writing to the District Collector for issuance of authority to sell/transfer;
  - 5.9.2. Once the request to sell/transfer is approved by the District Collector or authorized Customs Officer, the requesting accredited member or its duly authorized representative shall create Transfer Declaration in the AIMS. The accredited member shall also upload the Disposition Form and other documentary requirements and submit the Transfer Declaration in the AIMS;
  - 5.9.3. The CCBW Operator (Mother CBW) shall perform the first approval of the Transfer Declaration by tagging it as "**Completed**" in the AIMS system;
  - 5.9.4. The CBW Warehouseman of the CCBW of origin shall confirm the release of goods from the accredited member-seller/transferror by tagging it as "**Completed**" in the AIMS with remark as "**Released**"; and

**5.9.5.** The CBW Warehouseman of the receiving CCBW shall confirm the receipt of goods by tagging it as "Completed" in the AIMS system with remark as "Received". The AIMS system shall automatically update the inventory of both the releasing CCBW and the receiving CCBW.

**5.10. Entry of Finished Goods Declaration.**

**5.10.1.** The CBW Operator shall prepare a daily Production Report for finished goods produced for real-time monitoring.

**5.10.2.** The CBW Operator shall create an Entry of Finished Goods Declaration in the AIMS using the Excel File Format in the AIMS or manually and submit the same in the AIMS.

The creation of the Finished Goods Declaration using the Excel File Format shall no longer require the uploading of the Production Report since the same will serve as the Production Report in the AIMS.

If the CBW operator opts to manually create the Entry of Finished Goods Declaration, it must also upload the daily Production Report in the AIMS.

**5.10.3.** The CBW Warehouseman shall approve the Entry of Finished Goods Declaration in the AIMS system by tagging it as "Completed". Tagging the Entry of Finished Goods Declaration as "Completed" will cause the automatic update of the current inventory of the CBW Operator in the AIMS.

**5.11. Export Declaration.** The export declaration (Export SAD) tagged as "Assessed/Paid" in the E2M System, shall be transmitted to the AIMS in XML file. The Export SAD transmitted is not yet considered as final unless the supporting documents are uploaded to the AIMS by the CBW Operator.

**5.11.1.** The CBW Operator or its duly authorized representative shall create Exit Declaration in the AIMS by selecting the Export-SAD uploaded to the AIMS. It shall edit the Header and Item Details to input the Item Product Code and upload the following documents in the AIMS:

- a. Proforma Invoice;
- b. Packing List;
- c. Outward Bill of Lading/Airway Bill;

- d.** E-TRACC Upload Manifest;
- e.** Export Clearance, if applicable;
- f.** Export Declaration SAD from E2M System;
- g.** Signed Certificate of Identification; and
- h.** Signed Certificate of Inspection and Loading.

**5.11.2.** After completing the Declaration, the CBW Operator or its duly authorized representative shall submit it to the AIMS.

**5.11.3.** The AIMS shall check if the mode of transport is via SEA or via AIR.

**5.11.4.** If via SEA, the Exit Declaration shall be routed to the CCCD personnel for approval. The CCCD personnel shall view the Declaration and perform the necessary actions as well as input remarks. Once the Declaration is approved, the Exportation Ledger will be updated.

**5.11.5.** If via AIR, the Exit Declaration shall be routed to the AOD personnel for approval. The AOD personnel shall view the Declaration and perform the necessary actions. Additional instructions, observations, etc., if any, shall be inputted under the Remarks Column. Once the Declaration is approved, the Exportation Ledger will be updated.

**5.11.6.** In case the Declaration has been disapproved/rejected, the CBW operator or its duly authorized representative will amend the Declaration and will go through the same process.

**5.12. Wastages, Rejects and By-Products.**

**5.12.1.** The CBW operator or its duly authorized representative shall apply in writing to the District Collector for payment of duties and taxes on the wastages, rejects and by-products incurred in the production specifying the following:

- a.** W-SAD Reference Number covering the raw materials source of the waste material/by-products;
- b.** Description of waste material/by-products;
- c.** Quantity; and
- d.** Percentage against the total quantity of imported raw materials covered by the W-SAD.



**5.12.2.** The CBW operator or its duly authorized representative shall create the Wastage Declaration in the AIMS.

**5.12.3.** The CBW operator or its duly authorized representative shall upload the processed C-SAD and SSDT to the AIMS.

**5.12.4.** The Account Officer of the Operating Division shall process the Wastage Declaration and manually tag the said declaration as "**Completed**" or "**Rejected**". The tagging as "**Completed**" will automatically update the Liquidation and Withdrawal Ledger.

**5.13. Liquidation of Warehousing Goods Declarations.**

**5.13.1.** The CBW operator or its duly authorized representative shall ensure that copies of the following documentary requirements are uploaded to the AIMS:

**a. Documents for Entry of Bonded Goods**

- i. Working copy of W-SAD;
- ii. Bill of Lading/Air Waybill;
- iii. Packing List/Commercial Invoice;
- iv. Transfer Note (Boatnote), if applicable; and
- v. Licenses, Permits and other documentations, if required by law.

**b. Documents for Constructive Export.**

- i. Working copy of W-SAD;
- ii. Approved Authority to Sell/Transfer;
- iii. Invoice of the Seller;
- iv. Transfer Note (Boatnote), if applicable;
- v. Packing List;
- vi. Certificate of Identification;
- vii. Goods Declaration for Constructive W-SAD; and
- viii. Customs EPZA Warehousing Entry (CEWE) and PEZA Form 8105 if the buyer is a Free Zone locator.

**c. Documents for Direct Export.**

- i. Outward Bill of Lading/Air Waybill;
- ii. Certificate of Identification;
- iii. Certificate of Inspection and Loading;
- iv. Transfer Note (Boatnote) or E-TRACC Booking, whichever is applicable;

- v. Export Declaration; and
- vi. Invoice.

**d. Documents for Payment of Wastages/Rejects or Buy-Products.**

- i. Goods Declaration for Consumption filed for the Wastages/Rejects or Buy-Products;
- ii. Approval for payment of Wastages/Rejects or Buy-Products; and
- iii. Proof of payment of duties and taxes on Wastages/Rejects or Buy-Products, if applicable.

**e. Signed Statement of Liquidation.**

**5.13.2.** The CBW operator shall create the Liquidation Declaration in the AIMS by selecting the Entry Declaration W-SAD to be liquidated in the AIMS. The system will automatically map the completed Withdrawals, Transfers, and Exports' link to the W-SAD to be liquidated.

**5.13.3.** The CBW operator shall print the Liquidation Report from the AIMS of the subject W-SAD, have it signed by the CBW Warehouseman, assigned Account Officer and Chief of the Operating Division and upload the same in the AIMS together with the submission of the Liquidation Declaration in the AIMS.

**5.13.4.** The CBW Warehouseman, assigned Account Officer and Chief of the Operating Division shall be given access to the AIMS for purposes of validation and authentication of the printed Liquidation Report before they shall sign the same.

**5.13.5.** The Liquidation and Billing Division (LBD) shall access the AIMS, search the W-SAD submitted for liquidation and view the submitted signed Liquidation Excel File Report to verify and check the entries reflected therein against the Liquidation Declaration and its attachments.

If the Liquidation Declaration and attachments are in order, the said declaration and Liquidation Report shall be tagged "**Completed**" and is updated. Once Liquidation Declaration is tagged "**Completed**", the Liquidation Report is updated and the W-SAD is tagged "**Liquidated**".

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In case of rejection, the LBD shall tag the Liquidation Declaration as "**Rejected**" and provide the reason/s for rejection in the Remarks column.

**Section 6. Fees Payable to the AIMS Service Provider.**

**6.1.** The AIMS Service Provider shall charge a transaction fee of Php160.00 exclusive of VAT for every lodgement of the following declarations in the AIMS:

No.	Process/Procedure Declaration	Type of Declaration/Transaction
1	Entry Declaration (Direct Import and Constructive Import) ( Raw Materials)	Entry/Arrival
2	Withdraw - Manufacture Declaration	Withdrawal Declaration
3	Toll Manufacturing Declaration Release or Return	Transfer Declaration
4	Transfer Declaration from Mother Warehouse to Member	Transfer Declaration
5	Entry Declaration (Finished Goods) within the CBW or Arrival from Sub-contractor	Entry/Arrival
6	Exit Declaration	Export
7	Withdraw - Local Sales Declaration (Raw Materials, Semi-Finished, or Finished Goods)	Withdrawal
8	Write off Declaration	Write off
9	Constructive Export	Constructive exportation
10	Filing of Liquidation in the AIMS	Liquidation

- 6.2.** If the value of the shipment is less than Fifty Thousand Pesos (Php50,000.00), the CBW operator/accredited member of CCBW shall only pay for the creation of the entry declaration in the AIMS and the filing of liquidation thereof.
- 6.3.** Declarations made by accredited Sub-contractor in the AIMS shall not be subject to any charges.
- 6.4.** Generation from the AIMS of any other type of reports shall not be subject to any charges.
- 6.5.** The Bureau shall not collect any fees on behalf of the AIMS Service Provider.
- 6.6.** The Bureau shall collect from the Service Provider a service fee for monitoring and supervision of AIMS equivalent to ten percent (10%) of the fees collected exclusive of VAT in accordance with the published rate for the use of the AIMS.

- 6.7.** The VASP Accreditation Committee (VAC) shall conduct a review of the fee structure every two (2) years and may recommend changes thereto, subject to the approval of the Commissioner.

**Section 7. Protection and Treatment of Electronic Data from the AIMS.**

- 7.1.** For purposes of customs procedures, electronic data coming from the AIMS Service Provider shall be acceptable and shall have legal effect, validity or enforceability as any other document or legal writing.
- 7.2.** The AIMS Service Provider shall be fully compliant with the requirements under the Data Privacy Act, particularly the appointment of a regular Data Protection Officer and the submission of the electronic processing system to the National Privacy Commission.
- 7.3.** The AIMS Service Provider shall likewise be fully compliant with the guidelines issued by the Philippine Competition Commission in so far as processing of confidential business information are concerned.
- 7.4.** Any information or by-products of said information collected by the AIMS Service Provider arising from the implementation of the AIMS shall be the exclusive property of the Bureau.

**Section 8. Generation of Report.**

- 8.1.** The system should allow the user to search and retrieve information and historical data of the following which is downloadable in excel file format:
- 8.1.1.** Importation Ledger;
  - 8.1.2.** Withdrawal Ledger;
  - 8.1.3.** Arrival and Transfer Ledger;
  - 8.1.4.** Exportation Ledger;
  - 8.1.5.** Current Inventory Report;
  - 8.1.6.** Toll Manufacturing Return Report; and
  - 8.1.7.** Liquidation Report.
- 8.2.** The following CBW Dashboard Reports can also be viewed on a Per Port/ Per CBW basis:
- 8.2.1.** Current Inventory Value Sheet;
  - 8.2.2.** Total Open Entries Value Sheet;
  - 8.2.3.** Total Abandoned Value Sheet;
  - 8.2.4.** Approved vs. Completed Declarations Sheet; and
  - 8.2.5.** Imports vs. Export Declarations Sheet.

**Section 9. Sanctions and Penalties.**

- 9.1. The AIMS Service Provider that is not able to meet its Service Level Agreement (SLA) target shall be subject to the penalties stated in the SLA, without prejudice to the right of the Bureau to exercise its right to revoke or pre-terminate the accreditation status.
- 9.2. Any person or entity who obstructs, or attempts to obstruct, the implementation of this Order and its related rules and issuances, or who assists in the same, or allows himself/herself to be used in the commission of the same, shall be subject to the appropriate civil, criminal and/or administrative penalties.
- 9.3. In addition to the sanctions under the CMTA, and Civil Service laws, rules and regulations, any Bureau official and/or employee found to have violated any of the provisions of this Order or commit acts prejudicial to the effective implementation of this Order, shall be immediately relieved, transferred to another office, or assigned to a less sensitive position in the Bureau.
- 9.4. The penalties as prescribed under Sections 1422, 1423, 1424, and 1430 of the CMTA, as may be pertinent or applicable shall be imposed for violations of this Order and its related rules and issuances.

**Section 10. Implementation Plan.** The Deputy Commissioner, Assessment and Operations Coordinating Group (AOCG), in consultation with the Deputy Commissioner, Management Information and Systems Technology Group (MISTG) shall issue the necessary Memorandum informing the implementation of the AIMS for the different CBWs nationwide.

**Section 11. Help Desk.** A Help Desk shall be provided on a 24/7 basis by the accredited Service Provider to address any concern or issue that may arise in the course of the implementation of the AIMS.

**Section 12. Separability Clause.** If any part of this Order is declared unconstitutional or contrary to the existing law, the other parts not so declared shall remain in full force and effect.

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**Section 13. Effectivity Clause.** This Order shall take effect on JUL 01 2021.

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

**REY LEONARDO B. GUERRERO**

Commissioner

MAY 28 2021



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