



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

April 24, 2003

CUSTOMS MEMORANDUM ORDER

NO. 8-2003

**SUBJECT : Clearance of Air Express Consignments of DHL
WORLDWIDE EXPRESS PHILIPPINES CORP.
at the Mactan-Cebu International Airport**

Pursuant to the rule-making power of the Commissioner under Section 608 of the Tariff and Customs Code of the Philippines, as amended, and the exercise of the inherent powers of the Bureau of Customs under Section 602 of the same Code, the following procedures and guidelines governing Customs clearance of air express consignments of DHL Worldwide Express Phils. Corp. at the Mactan-Cebu International Airport are hereby prescribed :

1. OBJECTIVES

- DHL
- 1.1 To attune existing operational procedures for the clearance of all express consignments by DHL in line with the World Customs Organization (WCO) "Guidelines for the Immediate Release of Consignments by Customs in conjunction with other international agreements or covenants."
 - 1.2 To adopt the salient applicable provisions of CMO No. 18-2002 and CMO No. 37-2002 that best suit DHL's operations at Mactan-Cebu International Airport with the end in view of ensuring fair competition through a level playing arena amongst air express companies enhancing efficiency as well as guaranteeing the delivery of expeditious service to their customers.

2. ADMINISTRATIVE PROVISIONS

- 2.1 Cargo Categories - for Customs purposes, DHL's import consignments shall be generally categorized as follows :
 - a. DOCS or Document Shipments - Shipments of documents generally considered as business, inter-office or personal in character of no commercial value, to include diplomatic shipments in pouches or bags officially sealed containing official documents. It may include printed matters consisting of not more than ten (10) copies per shipment which have no appreciable commercial value.
 - b. NON-DOCS or Non-Document Shipments - Shipments which do not fall under the DOCS category. For Customs clearance purposes, the shipment shall be sub-categorized as follows : *Ann*

- b.1 Low Value Non-Dutiable Import Consignments - This category comprises consignments excluding prohibited or restricted items, where duties and taxes payable would be negligible or below the minimum waivable duty under the Tariff and Customs Code of the Phils., as amended. This category covers low-value goods which are not dutiable in their own right, the filing of which can be consolidated in one Consolidated Manifest Entry.
- b.2 Low Value Dutiable Import Consignments - This category comprises consignments excluding prohibited or restricted items, which are above the value and/or duty tax limits of b.1. These are consignments that do not qualify for duty and tax remission/waiver and the filing of which can be made under one Consolidated Manifest Entry.
- b.3 High Value Dutiable Import Consignments - Refers to shipments whose declared value ranges from USD500.00 and above. This is subject to ACOS and therefore should be covered by Formal Entry.

3. SPECIAL PROVISIONS

3.1 Misrouted Shipments

Any shipment misrouted or whose final destination is a foreign country but mistakenly sent to the Philippines, must immediately be re-sorted to the final or correct destination country and loaded on the next available flight. A separate log will be maintained for monitoring purposes.


3.2 Request for Return to Shipper (RTS)

In the event the shipper decides to have the shipment returned, the shipment may be returned to shipper without having to undergo any other Customs formalities. Shipments subjected to this provision shall only be allowed under the following circumstances.

- 3.2.1 If the address indicated in the airwaybill is not for the Philippines.
- 3.2.2 If the articles do not conform with order or shipper made an error in the consignment wherein the same is not really intended for consignee in the Philippines.
- 3.2.3 If the consignee refuses to accept and/or cancel the order for whatever reason. In no case shall RTS be allowed after filing of either informal or formal import entry.

3.3 Export Declaration

All Export Declarations (EDs) shall be filed after the export consignments have been exported subject however to the following :

- 3.3.1 All export manifests must be submitted to Customs before the actual departure of the flights.
- 3.3.2 All export licenses shall be completed before export except shipments with declared value of USD1,000 and below. 

3.4 Assessment of Duties and Taxes

Duties and taxes to be paid, if any, shall be based on the value stated in the commercial invoices furnished by DHL. Freight charges shall be based on the following :

- 3.4.1 Freight Charges as reflected in the airwaybill.
- 3.4.2 In the absence of any freight charges in the airwaybill, the schedule of freight charges furnished by DHL to BOC from time to time and accepted by the latter.
- 3.4.3 If no freight charges can be determined under 3.4.1 and 3.4.2, apply IATA rate less thirty percent (30%).
- 3.4.4 Such other rates as may be required by subsequent rules/regulations in which case the same shall be controlling over 3.4.1, 3.4.2 and 3.4.3.

DHL shall make a cash bond deposit with the Collection Division in the amount of Five Hundred Thousand Pesos (P500,000.00) for payment of customs duties and taxes to be assessed on import consignments. The cash bond deposit shall be replenished when the running balance reaches Two Hundred Thousand Pesos (P200,000.00).

4. REPEALING CLAUSE

All Customs rules, regulations, orders and other issuances which are in conflict or inconsistent with this Order are hereby revoked, repealed or superseded accordingly.

5. EFFECTIVITY CLAUSE

This Order shall take effect immediately.


ANTONIO M. BERNARDO
Commissioner