



Republic of the Philippines
Department of Finance
Bureau of Customs
1099 Manila

January 22, 2016

CUSTOMS ADMINISTRATIVE ORDER

NO. 01 - 2016

SUBJECT: Advance Cargo Declaration, Inward Foreign Manifest and Consolidated Cargo Manifest Rule

1. Objectives. —

- 1.1 To require Shipping Lines/ Ship Agents, Non- Vessel Operating Common Carriers (NVOCCs), Freight Forwarders/ Cargo Consolidators/ Co-loaders to electronically transmit cargo information to the Bureau of Customs (BOC) within 24 hours after the time of departure of carrying vessel from the port of origin, first from the mother vessel or any vessel departing from the actual exporting port of origin and finally, if any, from feeder vessel destined to any importing port in the Philippines;
- 1.2 To make available to the different offices of the Bureau of Customs (BOC) accurate data and information concerning vessels and cargoes at the earliest possible time in order that said offices may freely utilize the same for risk management, anti-terrorism, law enforcement, and other related purposes;
- 1.3 To ensure that the Inward Foreign Manifest and Consolidated Cargo Manifest are submitted in the prescribed form, with all the required information of the Cargo Declaration, at the prescribed time, and to the designated customs officials and offices;
- 1.4 To enable BOC to have advance information of cargoes destined to the Philippines in order to track and trace the movement of cargoes from the origin and evaluate the nature & degree of risk of incoming shipments;
- 1.5 To enable the BOC to receive the required details and information of incoming importations from the exporting country and exporter/ seller, thereby minimize the possibility of unscrupulous entities engaging in altering the actual origin of the cargoes or other original data elements of the cargo declaration and/or understating the actual freight costs incurred before the arrival of the cargoes in the Philippines; and
- 1.6 In order to enable BOC to expedite the release of legitimate cargo following its arrival in the Philippines.

Richard

MASTER COPY

2. **Scope.** — This Order shall apply to both containerized and non-containerized cargoes as well as to all Shipping Lines/ Ship Agents, NVOCCs, and Freight Forwarders/ Cargo Consolidators/ Co-loaders whose cargoes are ultimately destined to the Philippines.

3. **Glossary of Terms.** — For the purposes of this Order, the following terms are defined:

3.1 **Shipping Line** – is a company owned by certain persons engaged in the business that transports cargoes aboard ships or vessels across oceans or seas.

3.2 **Ship Agent** – as enshrined by international maritime convention, is primarily the servant of the master and owners of the vessel or the “principal”; which acts as the local representative of the principal, providing local knowledge and expertise and ensuring that the principal’s requirements are performed with utmost efficiency & dispatch; and accordingly, which possesses the capacity to be fully conversant with all the appropriate regulations and requirements relating to the port, area or sector in which it operates, to have a wide range of relevant contacts and be well-established to provide the level of service and support the principal needs.

3.3 **Feeder Vessel** – is normally small in size compared to a mother vessel, serving between smaller ports and major ports; in other words, a feeder vessel either brings export cargoes from a smaller port to the mother vessel berthed in a major port, or receives import cargoes from the mother vessel at a major port for transport to a smaller port.

3.4 **Consolidated shipment** — two or more shipments from several shippers which are assembled and consolidated at one point of origin, each covered by individual house/forwarder's bill of lading and consigned to consignees which are shipped together under one master ocean bill of lading by a freight forwarder/consolidator to break bulk agent at the port of destination for delivery to their respective consignees.

3.5 **Consolidated Cargo Manifest (CCM)** — a true and accurate manifest, of all the individual shipments in the consolidation destined and intended to be unloaded at a port entry in the Philippines, submitted as rider to the inward foreign manifest of the carrying vessel.

3.6 **Non-Vessel Operation, Common Carrier (NVOCC)** — a carrier that does not operate the vessel by which the ocean

MASTER COPY

transportation is provided, and is a shipper in its relationship with an ocean common carrier but which issues bills of lading in its name to shipper under its solicitation to whom it directly assumes the liabilities and responsibilities of a carrier.

3.7 Freight Forwarder – is an agent who acts on behalf of importers, exporters or other companies to organize the safe, efficient and cost-effective transportation of goods; specializes in arranging storage and shipping of goods; generally provides full range of services including: tracking inland transportation, preparation of shipping and export documents, warehousing, booking cargo space, negotiating freight charges, freight consolidation, cargo insurance, filing of insurance claims, document delivery, deconsolidation and freight collection services and usually also operates as NVOCC.

3.8 Cargo Consolidator — a foreign forwarder acting as an NVOCC which, in the ordinary and usual course of its undertaking, assembles and consolidates or provides for assembling and consolidating such articles or performs or provides for the performance of break-bulk and distributing operations with respect to consolidated shipments, and is responsible for the transportation of articles from the point of receipt to point of destination and utilizes for the whole or any part of such transportation the services of the ocean carrier.

3.9 Co-loader — a consolidator who cannot fully fill up a container and utilizes the services of another consolidator (master loader) to assume the responsibility of transporting cargoes from named port/point of origin to named port/point of destination. Co-loader acts as the shipper in its relationship to the master loader. It could also refer to a shipping line using the services of another shipping line for the transport of the former's cargo from the port of origin to the port of destination.

3.10 Shipper — shall mean the owner or person for whose account the ocean transportation of cargo is provided.

3.11 Consignee— the party appearing in the transport document to whom delivery may be lawfully made in accordance with the contract of carriage.

4. Advance submission of Cargo Declaration, Inward Foreign Manifest (IFM) and Consolidated Cargo Manifest (CCM) —

4.1 In case the containerized cargoes ultimately destined to the Philippines are loaded to the mother vessel at the exporting port of origin for intermediate discharge in the major main port and for later transport by a feeder vessel to any importing port in the Philippines, both the

port
MASTER COPY

concerned Shipping Line/ Ship Agent and NVOCC/ Freight Forwarder/ Consolidator shall electronically submit Cargo Declaration, IFM & CCM to the BOC within twenty four (24) hours from the time of departure of the mother vessel from the actual exporting port of origin.

4.2 In case the containerized cargoes are transported by a feeder vessel or any vessel with any port in the Philippines as the port of discharge, the concerned Shipping Line / Ship Agent shall electronically submit the IFM within twenty four (24) hours, and the CCM for NVOCC/ Freight Forwarders/ Consolidator within thirty six (36) hours, from the time of departure of the said vessel from the last port of call destined to any importing port in the Philippines.

4.3 In case of non-containerized cargoes, the concerned Shipping Line/ Ship Agent shall electronically submit the IFM within twenty four (24) hours, and the CCM by the NVOCC, if any, within thirty six (36) hours, from the actual exporting port of origin.

4.4 Transmission shall be done thru the gateway of the BOC directly or thru any of the Value Added Service Provider accredited by the BOC.

5. Contents of Cargo Declaration and inward foreign Manifest (IFM) and Consolidated Cargo Manifest (CCM). The following information must appear in the IFM/CCM for each cargo listed therein:

- 5.1 Bill of lading number
- 5.2 Marks and numbers of cartons, drums, boxes, crates and others forms of protective packaging;
- 5.3 Container and seal number if containerized and initials FCL, if full container load, and LCL, if less container load.
- 5.4 Number of packages
- 5.5 Kinds of packages (cartons, boxes, crates, drums, etc.)
- 5.6 Contents of Description of Cargo
- 5.7 Shipper
- 5.8 Consignee
- 5.9 Gross weight in metric tons
- 5.10 Measurement in cubic meters
- 5.11 Port of Origin
- 5.12 Notify Party
- 5.13 Voyage Number
- 5.14 Carrier Identifier
- 5.15 IMO Number of the Vessel

~~MASTER COPY~~

6. **Advance Submission of IFM and CCM Sanctions in Case of Delay.**

6.1 The IMF, in the case of shipping line and CCM in the case of NVOCC/Cargo Consolidator/Co-Loader/Breakbulk Agent shall be submitted by the parties concerned to BOC (Attn: MISTG) electronically twenty four (24) hours after departure of the carrying Vessel. Transmission shall be done thru the gateway of the BOC directly or thru any of the Value Added Service Provider accredited by the BOC.

6.2 The party failing to submit the required information within the period as above prescribed shall be subject to the payment of imposable fines in accordance with Section 2521 of the Tariff and Customs Code of the Philippines (TCCP), as amended and all other applicable laws pertinent thereto, without prejudice to whatever additional recourse the BOC may pursue against the delinquent shipping line or NVOCC/Consolidator/Co-Loader/Breakbulk Agent.

7. **Cargo Description. —**

7.1 Generic descriptions stated in the IFM of the carrying vessel such as FAK (Freight All Kinds), general cargo and/or similar terminologies shall not be allowed and shall be treated as incomplete information penalized under Section 2521¹ of the TCCP unless in the form of a consolidated cargo which shall be supported by the CCM submitted by the NVOCC/Consolidator/Co-loader/Breakbulk Agent to BOC under the procedures prescribed in the succeeding sections of this Order.

7.2 In any case, cargo description in the IFM or CCM shall be precise enough to enable BOC to identify the goods intended to be discharged in the port and take preemptive action if warranted. Hence, vague descriptions such as "chemicals", "foodstuffs", "electronics" should be avoided.

8. **Submission of Supplemental Cargo Manifest. —**

8.1 Cargoes/containers not listed in the IFM but are otherwise recorded in the Stowage Plan shall be covered by a Supplemental Manifest which shall be submitted not later than forty-eight (48) hours from date of discharge of the last package from the vessel.

8.2 For cargoes/containers not listed in the IFM and Stowage Plan, the Supplemental Manifest must be submitted not later than twenty-four (24) hour from date of discharge of last package.

8.3 Supplemental Manifest shall be submitted in hard copies and electronic form within the period prescribed in this Order; otherwise, the shipments subject of the Supplemental Manifest shall be considered unmanifested and subject to seizure proceedings.


¹**Sec.2521. Failure to Supply Requisite Manifest** - If any vessel or aircraft enter or departs from a port of entry without submitting the proper manifest to the customs authorities, or shall enter or depart conveying unmanifested cargo other than as stated in the next proceeding section hereof, such vessel or aircraft shall be fined in a sum not less than ten thousand pesos (Php 10,000) but not exceeding thirty thousand pesos (Php 30,000). The same fine shall be imposed upon any arriving or departing vessel or aircraft if the master or pilot in command shall fail to deliver or mail to the Commission on Audit a true copy of the manifest of the incoming or outgoing cargo as required by law.

MASTER COPY

- 9. **Submission of Hard Copies.** — Immediately upon arrival of the carrying vessel, the shipping company, NVOCC, freight forwarder, cargo consolidator, or their agents shall provide two (2) hard copies of the cargo manifest to the Bureau of Customs.
- 10. **Additional Rules and Regulations.** — The Commissioner of Customs may issue additional rules and regulations for the effective implementation of this Order.
- 11. **Repealing Clause.** — All Customs Memorandum Orders and other issuances in conflict or inconsistent with this Order are hereby deemed revised, amended or repealed accordingly.
- 12. **Effectivity.** — This order shall take effect immediately.


ALBERTO D. LINA
 Commissioner of Custom

APPROVED:


CEASAR V. PURISIMA
 Secretary of Finance
 Date: _____

