



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

**INTERNAL ADMINISTRATION GROUP**  
CENTRAL RECORDS MANAGEMENT DIVISION

August 09, 2018

**The Director**

Office of the National Administrative Register (ONAR)  
UP Law Center Diliman, Quezon City

Sir/Ma'am:

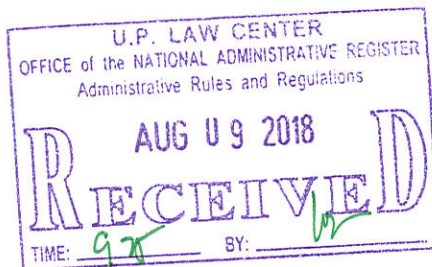
Transmitted are three certified true copies and soft copy (word format in compact disc rewritable) of the following Customs Memorandum Order, to wit:

**CMO 11-2018: DONATION ACCEPTANCE POLICY FOR MISTG.**

Thank you.

Very truly yours,

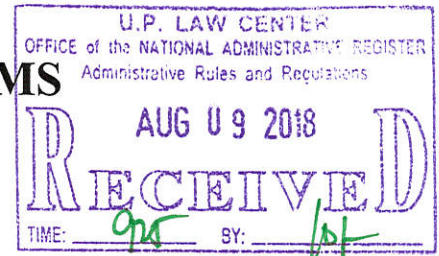
  
GLADYS C. CABUGAWAN  
Chief, CRMD



*Dr #*



Republic of the Philippines  
Department of Finance  
**BUREAU OF CUSTOMS**



**CUSTOMS MEMORANDUM ORDER (CMO)**  
NO. 11-2018

**SUBJECT: Donation Acceptance Policy for MISTG**

**Introduction.** The Bureau of Customs welcomes and encourages donations which support the advancement of its mission and goals.

In observance of the principles of transparency and impartiality adhered to by the Bureau of Customs, the following policies and guidelines shall govern the procedure and criteria for acceptance of donations made to the Management Information Systems and Technology Group of the Bureau of Customs (BOC-MISTG).

Donors are encouraged to seek the assistance of their respective legal and financial advisors in matters relating to their donations, including the resulting tax consequences.

**Section 1. Scope.** This CMO shall cover all donations made to the MISTG.

**Section 2. Objectives.**

- 2.1. To provide a framework for evaluating donation proposals to the MISTG
- 2.2. To ensure consistency and transparency in the review and acceptance of donation proposals to the MISTG.
- 2.3. To promote public participation and cooperation in the achievement of the mission and goals of the MISTG.

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

- 3.1. **Bureau or BOC** shall refer to the Bureau of Customs
- 3.2. **MISTG** shall refer to the Management Information Systems and Technology Group created under E.O. No. 463, series of 1998
- 3.3. **Commissioner** shall refer to the Commissioner of the Bureau of Customs
- 3.4. **Donation or Gift** may be in the form of infrastructure, real estate property, use of facilities, equipment or machinery, supplies, technology support or license rights to specific technologies, training and skills development.

Donations may not be in the form of-

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Website: [www.customs.gov.ph](http://www.customs.gov.ph) . Email: [Boc.cares@customs.gov.ph](mailto:Boc.cares@customs.gov.ph) (PIAD)

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- (a) cash or cash equivalents, i.e., gift check, credit certificates, or other monetary substitutes, whether given directly or by other schemes
- (b) company stocks or securities, whether or not publicly traded
- (c) personal services, except in the form of training services as an incident of a donation of a technology (hardware or software) that has been properly evaluated and accepted

**3.5. Donors** may be individuals, partnerships, associations, corporations, foundations, organizations, or joint venture companies. Donors may be from the private sector or government entities or its agencies, either local or foreign.

**Section 4. Guidelines and Principles in Accepting Donations**

**4.1.** The Bureau of Customs must always maintain its independence and integrity. Before accepting a donation from any source, the Bureau of Customs will identify whether doing so may give rise to a real or apparent conflict of interest, or whether the Bureau of Customs' mission, objects, strategic priorities, independence, integrity or objectivity may be compromised as a result.

**4.2.** The Bureau of Customs reserves the right to decline a donation. The Bureau may decline to accept any donation at any time for any reason. In particular, the Bureau will decline donations that are likely to have any of the following effects or can reasonably be expected to be perceived as having any of the following effects:

- (a) Compromising the Bureau's independence or integrity.
- (b) Conflicting with the Bureau's mission, objectives or strategic priorities.
- (c) Infringing on the Bureau's sovereign functions and duty to its stakeholders or to the general public.
- (d) Causing harm to the reputation of the Bureau or its personnel.
- (e) Placing the Bureau in breach of any law or regulation applicable to it, or any policy of the national government, or any treaty.
- (f) Burdening the Bureau with costs or excessive administrative obligations.
- (g) Exposing the Bureau and/or its personnel to uncertain risks or potential liabilities.


**4.3.** The Bureau of Customs will not accept anonymous donations.


**Section 5. Qualifications of Donors.**

**5.1.** Private donating entities must possess the following qualifications:

- (a) The entity must have a good reputation in its industry
- (b) The entity must have been in existence for at least three (3) years

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- (c) The entity, its principal officers and owners, must not have any record of engaging in any illegal or unlawful activities.
- (d) The entity, its principal officers and owners, must not be affiliated with any entity or group whose association with the Bureau of Customs would prejudice the latter.

**Section 6. Donation Review and Acceptance Committee.**

**6.1.** The Commissioner shall have the authority to constitute, reconstitute and dissolve a Donation Review and Acceptance Committee composed of the following:

Chair: Dep Com, MISTG  
 Vice-Chair: Dep Com, IAG  
 Members: Director, Legal Service  
 Director, Technology Management Service  
 Director, Planning & Systems Development Service  
 Chief, General Services Division

**6.2.** The Commissioner may appoint additional members in a regular or ad hoc capacity, as the circumstances may require or as the Commissioner may deem appropriate.

**6.3.** The members, if unable to attend, may designate their respective alternate to sit in the committee meetings.

**6.4.** The Chairperson shall designate a Secretariat.

**6.5.** The Donation Review and Acceptance Committee shall exercise the following functions and obligations:

- (a) Officially accept, thru the Secretariat, donation proposals upon receipt of complete documents;
- (b) Review and evaluate donation proposals and establish criteria for such evaluation
- (c) Make the recommendation to the Commissioner to accept or reject the proposed donation;
- (d) Oversee the preparation of the Donation Acceptance Agreement and other material agreements.

**Section 7. Evaluation and Acceptance of Donation Proposals.**

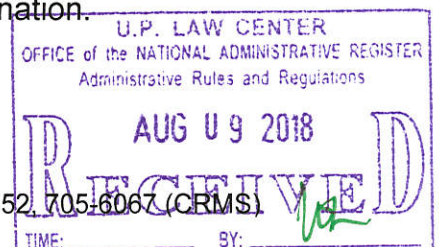
**7.1. Submission of Donation Proposal**

7.1.1. All prospective donors shall submit their donation proposal which shall include a detailed description of the subject of the donation, including its market value, and the terms and conditions, if any, of the donation.

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7.1.2. Whenever applicable, the donation proposal must be accompanied by the proposed donor entity's:

- i. Company profile
- ii. SEC and/or DTI registration
- iii. Latest available General Information Sheet (GIS)
- iv. If the donation will involve the use of proprietary technology, a certifications of ownership or authority to use and/or distribute

7.1.3. The Secretariat shall officially receive the donation proposal and shall determine if the documents are sufficiently complete to submit for evaluation of the Committee.

## 7.2. Proposal evaluation

7.2.1. In evaluating the donation proposal, the Committee shall develop its criteria framework, which may include, but not be limited to the following:

- (a) The potential of the donation to improve trade efficiency, border security, and/or revenue generation
- (b) The role of the donation in addressing present or anticipated resource gaps within the MISTG
- (c) The duration and timeline of implementing the donation
- (d) The cost of maintaining or operating such donation
- (e) The funding available to complete the intended use of the donation

7.2.2. In conducting the evaluation of the proposed donation, the Committee may do the following:


- (a) Require the submission of additional documents
- (b) Consult with subject matter experts outside the Bureau
- (c) Determine if the approval of other government agencies (i.e., DOF, NEDA, BIR, etc.) would be required or proper before the proposed donation shall be accepted.

7.2.3. The Committee, upon evaluation, shall make a written recommendation report to the Commissioner to accept or reject the proposed donation. As far as practicable, the recommendation report shall be issued within three (3) months from the time of the official acceptance of the donation proposal.

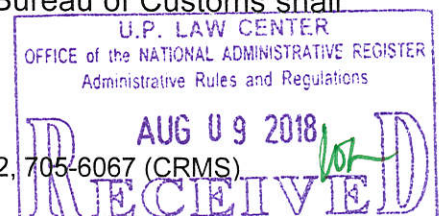
7.2.4. The Customs Commissioner may adopt or reject the recommendation of the Committee, or return the matter to the latter for further study.

**7.3. Donation Acceptance Agreement.** The parties shall enter into a Donation Acceptance Agreement which shall formalize the terms and conditions, including the value of the donation, under which the Bureau of Customs may accept the proposed donation. The signatory for the Bureau of Customs shall

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be the Commissioner. The Donation Acceptance Agreement is signed by all the parties prior to project execution.

**Section 8. Effects of Acceptance of Donation.**

8.1. The acceptance of the donation will not establish a partnership or joint venture of any kind between the donor and the Bureau of Customs.

8.2. The donation will not result in any portion of the Bureau of Customs' work being branded as a project sponsored by the donor.

8.3. To the extent permitted by law, the Bureau of Customs will publicly acknowledge the donation and will emphasize that the donor expressly made the donation at arm's length and without conditions.

8.4. The donor must agree not to portray the acceptance of the donation as an endorsement by the Bureau of Customs of the donor's products, services or business activities or any position advocated by the donor.

8.5. Donors will not be permitted to use the Bureau of Customs' name or logo or other property for commercial purposes or in connection with the promotion of any product or service.

8.6. The Bureau of Customs reserves the right to disclose full information about every donation, including the donor's identity and any relationship to the Bureau of Customs or its officers, in accordance with internal or external audits.


8.7. The parties' obligation of confidentiality and non-use of confidential information shall continue perpetually and all confidential information is and will remain the exclusive property of the disclosing party.

8.8. The acceptance by the Bureau of Customs of the donor's products, systems and/or services shall not preclude the Bureau from accepting or procuring similar or competing products, systems or services.

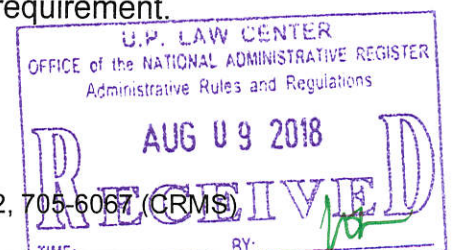
8.9. The donor shall not be allowed to restrict or impose conditions on the use of and access to the donated product, system or service.

**Section 9. Reports.** In compliance with government disclosure and accounting rules, the BOC shall submit to the Department of Budget and Management (DBM), the House Committee on Appropriations, the Senate Committee on Finance, and the Commission on Audit (COA), a quarterly report of all donations received, and the expenditures and disbursements thereon, during the covered period.

The MISTG shall keep a record of all donations and other material information necessary for the BOC to properly comply with the reporting requirement.

  
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The BOC shall make the quarterly reports available on its official website.

**Section 10. Repealing Clause.** All rules and regulations inconsistent with this CMO are hereby deemed repealed, superseded or modified accordingly.

**Section 11. Separability Clause.** If any part of this CMO is declared unconstitutional or contrary to existing laws, the other parts not so declared shall remain in full force and effect.

**Section 11. Effectivity Clause.** This CMO shall take effect immediately.

  
Bureau of Customs  
ISIDRO S. LAPEÑA  
Commissioner  
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Commissioner  
AUG 07 2018

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