



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

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CUSTOMS ADMINISTRATIVE ORDER (CAO)

NO. 8-2020

**SUBJECT: EXPORT CARGO CLEARANCE FORMALITIES AND ISSUANCE OF
CERTIFICATE OF ORIGIN AND PROOF OF ORIGIN**

Introduction. This CAO implements Sections 500, 501, 502 and 503, Chapter 1, Title V; and Section 1226, Chapter 3, Title XII, in relation to Section 204, and other relevant provisions of Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA), in line with the commitments of the Philippines to the Revised Kyoto Convention (RKC), free trade agreements and other relevant international agreements.

Section 1. Scope.

- 1.1. All export shipments loaded at any airport or seaport in all collection districts and its sub-ports, including those coming from free zones, customs bonded warehouses, and other premises under the jurisdictional supervision and control of the Bureau of Customs, whether subject to export duty or not.
- 1.2. Foreign goods for transit and immediate exportation.
- 1.3. Certificate of Origin (CO) and other proofs of origin to be issued in accordance with the Operational Certification Procedures (OCP) on Rules of Origin under various Free Trade Agreements (FTAs) and other similar international arrangements or agreements.

Section 2. Objectives.

- 2.1. To facilitate the clearance of export cargo through simplified and uniform procedures.
- 2.2. To provide policy guidelines for the availment of preferential tariff treatment under the various FTAs or any trade agreement
- 2.3. To promote trade facilitation by streamlining the issuance of certificate of origin and proof of origin for preferential and non-preferential tariff treatment consistent with international best practices.

- 2.4. To utilize information and communications technology (ICT) and other modern techniques in the processing of export declarations, issuance of certificate of origin and proof of origin.
- 2.5. To establish a comprehensive reporting and monitoring system for all export transactions.

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

- 3.1. **Bureau** — shall refer to the Bureau of Customs.
- 3.2. **Certificate of Identification** — shall refer to a document secured upon departure and issued by the District Collector or authorized customs officer identifying goods to be exported and subsequently brought back to the Philippines.¹
- 3.3. **Certificate of Origin (CO)** — shall refer to the declaration of the exporter, certified by the Bureau or any other authorized government agency, that his or her export complies with the origin requirements specified under bilateral, regional or multilateral trading arrangements to which the Philippines is a party.²
- 3.4. **Certificate of Shipment or Non-Shipment** — shall refer to a certification issued by the Export Division of the port, upon request by the exporter, that a particular shipment has been shipped out or otherwise.
- 3.5. **Exportation** — shall refer to the act, documentation, and process of bringing goods out of Philippine territory.³
- 3.6. **Export Declaration** — shall refer to a statement made in the manner prescribed by the Bureau and other appropriate agencies, by which the persons concerned indicate the procedure to be observed for taking out or causing to be taken out any exported goods and the particulars of which the Bureau shall require.⁴
- 3.7. **Free Zone** — shall refer to special economic zones registered with the Philippine Economic Zone Authority (PEZA) under Republic Act No. 7916, as amended, duly chartered or legislated special economic zones and freeports such as Clark Freeport

¹ cf. CAO 6-2016, Section 3.3.

² cf. PD 930 Section 1.C; CMTA, Title V, Chapter 1, Section 503.

³ CMTA, Title I, Chapter 2, Section 102-s.

⁴ cf. CMTA, Title I, Chapter 2, Section 102-t.

Zone, Clark Special Economic Zone, Clark Green City; Poro Point Freeport Zone; John Hay Special Economic Zone and Subic Bay Freeport Zone under Republic Act No. 7227, as amended by Republic Act No. 9400; the Aurora Pacific Economic Zone and Freeport Authority under Republic Act No. 9490, as amended by Republic Act No. 10083; the Cagayan Special Economic Zone and Freeport under Republic Act No. 7922; the Zamboanga City Special Economic Zone Authority under Republic Act No. 7903; the Freeport Area of Bataan under Republic Act No. 9728, Morong Special Economic Zone under Proclamation 984 s. 1997; and such other free ports as established or may be created by law.⁵

- 3.8. Free Zone Locators** — shall refer to a sole proprietorship, partnership, corporation or entity duly registered with the Free Zone Authorities and issued a Certificate of Registration and/or Tax Exemption that is not expired or has not been revoked, suspended or cancelled.⁶
- 3.9. Non-Regular Exporters (NRE)** — shall refer to any person, whether natural or juridical, who is:
- a. Not accredited as a regular exporter with the Bureau under existing laws, rules and regulations; and
 - b. A once-a-year exporter who had one (1) exportation within 365 days prior to application for registration as Non-Regular Exporter.
- 3.10. Proof of Origin** — any commercial document other than a CO, sufficient to ascertain the origin of goods such as under Self-Certification scheme.
- 3.11. Regular Exporters (RE)** — shall refer to any person, whether natural or juridical, who is accredited as an exporter with the Bureau under existing laws, rules and regulations.
- 3.12. Rules of Origin (ROO)** — shall refer to laws, regulations and administrative determinations of general application applied by any member country to determine the country of origin of goods, for purposes of international trade.⁷
- 3.13. Self-Certification** — shall refer to a system which enables an eligible exporter to make a declaration that its products for export have satisfied the ROO under a specific trade agreement.⁸

⁵ cf. CMTA, Title I, Chapter 2, Section 102-w; CAO 11-2019, Section 3.4.

⁶ CAO 11-2019, Section 3.5.

⁷ cf. WTO Agreement on ROO, Part I, Article I, par1-2.

⁸ cf. CMO 18-2015.



3.14. Special Permit to Load (SPL) — shall refer to a document that grants the authority to load goods for export in a situation where no Export Declaration is required as provided in this CAO and relevant Customs Memorandum Order. It may also refer to the Authority to Load (ATL).

3.15. Stuffing — shall refer to the loading of export shipment to the container, which is conducted at the designated examination area of the Bureau or exporter's warehouse.

3.16. Third Parties — shall refer to any person who deals directly with the Bureau, for and on behalf of another person, relating to the exportation of goods⁹ such as logistics providers, exporters, carriers, airlines, shipping lines, shipping agents, forwarders, consolidators, port and terminal operators, and warehouse operators.¹⁰

Section 4. General Provisions.

4.1. Export Declaration (ED). Except those identified in Section 4.2 all shipments intended for export, whether subject to export duty or not, shall be covered with an Export Declaration electronically lodged by exporters or authorized representatives to the Bureau's automated system.

The description of goods in the Export Declaration shall contain sufficient and specific information for statistical purposes as well as for the proper valuation and classification of the goods.¹¹

The Management Information System and Technology Group (MISTG) of the Bureau shall provide the necessary IT infrastructure to the Export Division or equivalent units in the various ports for the electronic processing of the Export Declaration .

4.2. Contents of Export Declaration. All Export Declarations shall contain the following:

- a. Name of the exporter;
- b. Name of the consignee;
- c. Name of the exporting vessel or aircraft;
- d. Country and Port of destination/discharge;
- e. Date of loading;
- f. The number and marks of packages, or the quantity, if in bulk;
- g. The nature and correct commodity description of the goods contained therein;

⁹ cf. CMTA, Title I, Chapter 2, Section 102-uu.

¹⁰ cf. CMTA, Title XII, Chapter 3, Section 1226.

¹¹ cf. CMTA, Title V, Chapter 1, Section 500.



- h. The value of the goods for customs valuation and statistical purposes;
 - i. The quantities in the weights or measures of the goods shipped; and
 - j. Such other information as may be required by rules and regulations.
- 4.3. Special Permit to Load.** The Bureau shall, in lieu of the Export Declaration to be filed by the exporter, issue a Special Permit to Load for the following:
- 4.3.1. Foreign goods for immediate re-exportation;¹²
 - 4.3.2. Empty containers;¹³
 - 4.3.3. Transit goods from inland customs office to a port of entry as exit point for outright exportation;¹⁴
 - 4.3.4. Human remains;
 - 4.3.5. Diplomatic shipments;
 - 4.3.6. Misrouted or mis-sorted baggage or shipments;
 - 4.3.7. Accompanied baggage under Section 800 (h) of CMTA;
 - 4.3.8. Shipments of documents generally considered as business, interoffice or personal in character of no commercial value, to include properly marked diplomatic shipments in pouches or bags containing official documents. It may include printed matters consisting of not more than ten (10) copies per shipment which have no appreciable commercial value; and
 - 4.3.9. Other goods as may be identified by the Commissioner through a Customs Memorandum Order.

The application and processing of Special Permit to Load shall follow existing procedures on its issuance.

4.4. Regulated Exportation. Goods which are subject to regulation shall be exported only after securing the necessary Export Declaration, clearances, licenses, and any other requirements, prior to exportation of goods.¹⁵

4.5. Certificate of Origin.

4.5.1. Any exporter may apply for the issuance of CO, with or without preferential tariff treatment, through a system allowing electronic exchange of CO among members of respective FTAs. In the event the system is not yet

¹² cf. CMTA, Title VI, Chapter 2, Section 604.

¹³ CAO 8-2019, Section 5.2.1. (b).

¹⁴ cf. CMTA, Title VI, Chapter 2, Section 600.

¹⁵ cf. CMTA, Title I, Chapter 3, Section 117.



available, CO in paper form shall be issued by the Export Division or its equivalent unit.¹⁶

4.5.2. The Bureau or any other designated government agency may determine the origin of goods for export and may carry-out proper examination, if warranted. After verification, the Certificate of Origin may be issued by the Bureau, or by the concerned special economic and/or freeport zone authority subject to the concurrence of the Bureau.¹⁷

4.5.3. The criteria for granting CO shall be in accordance to the Rules of Origin (ROO) and Operational Certification Procedure (OCP) under a particular Free Trade Agreement (FTA) or tariff preference scheme to which the Philippines is a party or beneficiary.

4.5.4. Self-Certification Scheme. The Bureau may authorize an exporter to issue a proof of origin certifying the origin of the goods concerned pursuant to ATIGA, or any international agreement, treaty or memorandum of understanding that the Philippines may enter into.¹⁸

4.6. Export Product to Conform to Standard Grades. If applicable, products shall conform to export standard grades established by the appropriate agency. The packaging of the said goods shall likewise be labeled and marked in accordance with related laws and regulations. Goods for export violating the aforementioned requirements may not be given clearance by the Bureau.¹⁹

Section 5. Classification of Exporters. For the purpose of this CAO, the following are classified as exporters and shall be governed by this rules and regulations:

5.1. Regular Exporters such as the following;

5.1.1. Customs Bonded Warehouse (CBW) operators;

5.1.2. Free Zone Locators;

5.1.3. Third parties acting in behalf of the Exporters;

¹⁶ cf. CMO 27-2004, Sec. III-A.2.

¹⁷ cf. CMTA, Title V, Chapter 1, Section 503. Implementing Rules and Regulations of Executive Order No. 148 (s. 2013) entitled "Amending Section 1 of Executive order No. 214 (s. 2003) and Imposing the Applicable Tariff Rates Under the ASEAN Trade in Goods Agreement on Qualified Imports from Special Economic and/or Freeport Zones", 27 November 2019.

¹⁸ cf. CMO 18-2015.

¹⁹ cf. CMTA, Title V, Chapter 1, Section 501.



In the case of export lodgement in the name of an Exporter's agent, the primary responsibilities or liabilities of the exporter shall remain with the principal whose name shall be disclosed in the Export Declaration with the phrase "For the account of" or any other similar terms, subject to the provisions on NRE; or

5.1.4. Other Regular Exporters not covered by the preceding subsections.

5.2. Non-Regular Exporters.

Section 6. Registration of Exporters. Entities intending to export goods shall be registered with the Bureau's Client Profile Registration System or future automated system as may be developed by the Bureau.

Section 7. Clearance Process involving Export Declarations.

7.1. Lodgement of Export Declaration. Exporters enumerated in Section 5 of this CAO shall electronically lodge their Export Declaration in the Bureau's automated system.

In the event that electronic lodgement will not be available, manual processing of Export Declarations may be allowed. Provided, that Export Declarations processed manually must be electronically lodged as soon as practicable.²⁰

7.1.1. Documentary Requirements. Until such time the Bureau is operating in a paperless environment, the printout of Export Declaration which is signed by the exporter or authorized representative, must be submitted to the Export Division or its equivalent office or unit, together with the following documents:

- a. Proforma/Commercial Invoice;
- b. Packing List; and
- c. Documents as may be required by rules and regulations, such as, but not limited to:
 - i. Certificate of Identification;
 - ii. Certificate of Inspection and Loading;
 - iii. Transfer Note; or
 - iv. Applicable permits or clearances.

7.2. Examination. The following export shipment shall be subject to physical examination or non-intrusive inspection:

7.2.1. Export shipments as directed by the Commissioner on account of a derogatory information;

²⁰ cf. CMO 54-2010, Sec. 7.



- 7.2.2. Export shipments subject of Alert Orders or pre-lodgement control order;
- 7.2.3. Export goods previously imported under re-export bond;
- 7.2.4. Export goods selected for inspection under risk management system;²³
- 7.2.5. Returned shipments;
- 7.2.6. Exportation of logs²⁴ which is subject to payment of export duty.

The cost of examination shall be for the account of the exporter. All expenses incurred by the Bureau for the handling or storage of goods and other necessary operations shall be chargeable against the goods, and shall constitute a lien thereon.²⁶

7.3. Stuffing. Bureau personnel shall supervise or monitor the stuffing of goods for export into the container at the exporter's premises or Bureau's designated examination area utilizing ICT enabled systems, CCTVs and other available technology. The physical examination or inspection may be conducted before or during the stuffing of the goods for export.²⁷

7.4. Issuance of Certificate of Identification.²⁸ Goods for export intended to be returned to the Philippines must be covered by a Certificate of Identification.

7.5. Payment. The Bureau shall assess and collect customs duties and other fees and charges, when required by applicable laws, rules and regulations.

7.6. Loading. Bureau personnel must be present during the loading of the export shipment on board vessel or aircraft.

Export shipments sent by air shall be under continuous guarding during their transfer from the customs facility warehouse (CFW) until they are received by Bureau personnel assigned at the airport terminal facility for loading on board the aircraft.

²³ cf. CMTA, Title IV, Chapter 2, Section 420.

²⁴ Executive Order No. 26, s. 1986.

²⁶ cf. CMTA, Title IV, Chapter 2, Section 422

²⁷ CAO No. 13-2019, Section 5.13.7.

²⁸ CMTA, Title XIII, Chapter 1, Section 800 (u) "Philippine goods previously exported from the Philippines and returned without having been advanced in value, or improved in condition by any process of manufacturing or other means, and upon which no drawback or bounty has been allowed..."



Export shipments by sea shall be under continuous guarding or any other means to ensure the integrity and security of the containers during their transit from the free zones and customs bonded warehouse (CBW) to the port of loading.

Section 8. Issuance of Post Loading Certificate. Upon request of the exporter and after the carrier has departed, the Export Division/Unit which processed the Export Declaration, shall issue a Certificate of Shipment or Non-Shipment based on the Inspector's Certificate of Loading.

Section 9. Requirement to Keep Records. Exporters as defined in this Order are required to keep records of all its activities, including in whole or in part, records on exported goods for a period of three (3) years from the date of filing of Export Declaration, unless otherwise required by international agreement.³²

Section 10. Data Monitoring. The Bureau shall institutionalize a reporting system for the proper monitoring of all export transactions and CO utilization. The collection, recording, storage maintenance, processing, sharing of data and information; and maintenance of data information in the CAO shall be secured and consistent with the principles and policy of Republic Act No. 10173, also known as "The Data Privacy Act".

Section 11. Risk Management. A risk management system shall be used to carry out the necessary export control mechanism.

Section 12. Penal Provision. Violations of this CAO committed by any person, officer, or employee shall be penalized in accordance with Title XIV of the CMTA and other applicable penal provision.

Section 13. Transitory Provision. Pending an electronic system governing the submission of documentary requirements, processing of Export Declaration and CO, and data monitoring, the current system shall be utilized to implement this CAO. The MISTG shall be responsible for the creation of the system allowing these.

Section 14. Periodic Review. Unless otherwise provided, this CAO shall be reviewed every three (3) years and be amended or revised, if necessary.

Section 15. Repealing Clause. Rules and regulations or parts thereof inconsistent with the provisions of this CAO are hereby expressly repealed, amended and/or modified accordingly.

Section 16. Separability Clause. If any part of this CAO is declared unconstitutional or contrary to existing laws, the other parts not so declared shall remain in full force and effect.

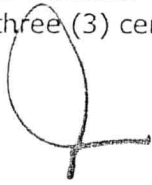
Section 17. Effectivity. This Order shall take effect thirty (30) days after its complete publication in the Official Gazette or a newspaper of general circulation.

³² CMTA, Title X, Section 1003.



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



REY LEONARDO B. GUERRERO

Commissioner of Customs

FEB 27 2020



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APPROVED:



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APR 16 2020

