



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

March 31, 2000

CUSTOMS MEMORANDUM ORDER
NO. 2-2000

TO: All Deputy Commissioners, Service Directors, District Collectors, Collectors, Division Chiefs, COO V, COO III, Importers, Brokers & Representatives, and All Others Concerned

SUBJECT: Guidelines on Super Green Lane Procedures

PURSUANT TO CUSTOMS ADMINISTRATIVE ORDER NO. 2-2000 AND SECTION 608, TARIFF AND CUSTOMS CODE OF THE PHILIPPINES, AS AMENDED, THE FOLLOWING RULES AND REGULATIONS ARE HEREBY PROMULGATED:

I. OBJECTIVES

- A. To efficiently and effectively implement the Super Green Lane (SGL) facility for shipments of qualified importers;
- B. To define responsibilities among Bureau of Customs (BOC) offices involved in the SGL facility;
- C. To provide clear and transparent SGL operating procedures.

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II. SCOPE

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This Order shall initially cover shipments entered at the Port of Manila (POM) and the Manila International Container Port (MICP) by qualified importers for Super Green Lane transactions, as provided hereunder.

III. ADMINISTRATIVE PROVISIONS

A. Qualification Requirements

A shipment shall be accorded SGL treatment, if the following elements/criteria are established:

1. The subject shipment is consigned to a holder of a Certificate of Qualification (CQ) and is a BOC-Electronic Data Interchange (EDI) facility registered user;
2. The subject shipment does not contain prohibited commodities;
3. The subject shipment, if a regulated commodity, is covered by the relevant permits and/or clearances from the concerned government agencies;
4. The import entry is lodged/filed through the EDI facility; and
5. The importer has paid the duties, taxes and other charges due on the shipment.

B. A Super Green Lane Task Group is hereby created, to be headed by the Deputy Commissioner for Customs Assessment & Operation Coordinating Group, and shall be composed of:

1. An Accreditation Sub-Group (ASG) and
2. An Import Compliance Sub-Group (ICSG).

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C. The Accreditation Sub-Group (ASG) shall:

1. Determine, on the basis of the list of importers by revenue contribution, whether or not an importer qualifies for accreditation under the following criteria:
 - a. The importer is a duly BOC-registered/accredited importer;
 - b. The importer is not and has not been subjected to any disciplinary action or similar penalties for violation of the Tariff and Customs Code of the Philippines;
 - c. The intended importations are not prohibited;
 - d. The intended regulated importations are/will be covered by the proper permits from the concerned government agency;
 - e. The importer has been transacting with the BOC for at least one (1) year and falls within the top 1000 importers in terms of duties and taxes paid;
 - f. The importer has submitted (or has obligated itself to submit), for purposes of valuation and classification, the following documents:
 - i) the importer's list of regular imports sufficiently described;
 - ii) contracts of sale;
 - iii) applicable import permits covering the shipments; and
 - iv) such other documents deemed necessary for the accurate valuation and classification of imports.
 - g. The importer is a duly registered EDI user or has committed to register within ten (10) days from accreditation but before the issuance of the Certificate of Qualification.
2. Transmit immediately to the ICSG the required documents for purposes of valuation and classification submitted by the importer;
3. Consult and/or verify with other government agencies (e.g. Bureau of Internal Revenue, Security and Exchange Commission, etc.) information pertinent to the importer's profile.

4. Submit to the Head, SGL Task Group the result of its evaluation of each importer and its recommendations.
5. Perform such other related functions as may be directed by higher authorities from time to time.

D. The Import Compliance Sub-Group (ICSG) shall:

1. Determine the value and classification of an importer's regular imports based on the list submitted by the importer, and in the process, hold consultations as necessary with the importer so as to aid the latter in complying with BOC valuation and classification regulations;
2. Verify whether the declared values are within the established value ranges in the GATT Valuation Support System;
3. Conduct a post clearance check of declarations made under the SGL and conduct inspections of imports as necessary; and
4. Perform such other related functions as may be directed by higher authorities

E. The Management Information System and Technology Group (MISTG) shall be responsible for the following:

1. Provide ASG with a list of importers by revenue contribution;
2. Provide ICSG with a daily list of import entries processed through the SGL facility;
3. Develop/install the necessary computer system to support the SGL Task Group/Sub-Groups; and
4. Register SGL-accredited importers to EDI Gateway and provide access thereto.

F. The Head, Super Green Lane Task Group shall:

1. Recommend the accreditation of the importer to the Commissioner for approval;

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2. Render a monthly report to the Commissioner on the progress of the SGL facility.
3. Perform such other related functions as may be assigned by higher authorities.

G. Certificate of Qualification

The issuance of the Certificate of Qualification by the Commissioner of Customs to qualified importers shall entitle the grantee to the privileges under the SGL facility and require it to comply with the obligations and conditions as provided for.

II. EDI Facility

The remote lodgment through EDI of importation covering SGL shipments shall be in accordance with CMO 22-99 (General Procedures and Guidelines for the Remote Lodgment of Import Entries), and the following shall be observed:

1. Remote lodgment facilities at the BOC
 - a. The Philippine Chamber of Commerce and Industries (PCCI), as part of its trade facilitation efforts, shall provide the necessary Gateway infrastructure and the communication facilities to enable electronic lodgment of SGL entry declaration through EDI.
 - b. The Gateway shall be the sole communication link to BOC-ACOS for this purpose.

The SGL qualified importer shall be connected to the Gateway via accredited Value Added Network (VAN) service providers of their choice which shall be responsible for the installation and the registration as provided for in the Memorandum of Agreement (MOA) between the SGL importer and BOC.

- c. The BOC recognizes that PCCI shall charge minimal fees to cover the costs of these facilities as well as their continuous maintenance and upgrade.

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2. EDI Client Registration

The EDI lodgment facility shall be made available to duly registered SGL qualified importers and their designated brokers. Procedures in the registration of EDI clients shall follow the procedures provided in CMO 18-99 (Re-registration Procedures for EDI/DTI Clients).

I. Payment of Duties and Taxes through AAB

The payment of duties and taxes shall be made at any authorized agent bank (AAB) accepting Customs payment. The amount payable as shown in the assessment notice shall be the amount paid (Refer to CMO 25-95 for payment procedure).

J. Document Submission and Payment of Fees

1. The EDI generated entry declaration (hard copy) shall be in the design/specification of the Import Entry and Internal Revenue Declaration (IEIRD - BOC Form 236) as described in CMO 1-96A and shall be permitted in lieu of the normal IEIRD. The SGL qualified importer/broker shall sign the hard copy of the EDI-generated Entry in the spaces provided for, have it notarized, affix the required documentary stamps and together, with the assessment notice and supporting documents, submit it to the Entry Processing Unit (EPU) of the port concerned, on the 2nd working day of the week following electronic lodgment.
2. Any fees related to the use of the IEIRD shall be included in the payment for processing of the import document using EDI entry declaration.

K. Support Measures

1. Authorized Agent Bank (AAB) - upon receipt of payment of the duties and taxes for SGL shipment, the concerned AAB shall ensure the immediate transmission of the payment information to BOC via the Payment Abstract Secure System.
2. Arrastre Operator - The concerned arrastre contractor shall provide the necessary infrastructure to facilitate the delivery of SGL shipment to the importers.

3. Shipping Lines (Agent)/Freight Forwarders (Consolidators) - The concerned shipping line (agent)/freight forwarder (consolidator) shall ensure the advanced submission to BOC of the electronic inward cargo manifest of shipments consigned to SGL qualified importers prior to the shipment's arrival at the concerned port.

IV. PROCEDURAL PROVISIONS

The importation of SGL qualified importers shall be processed according to the following procedures:

A. Prior Arrival/Prior Release of Cargo

1. The importer shall electronically lodge its import entry declaration with the BOC-ACOS system by EDI through the BOC Gateway facility.
2. BOC-ACOS shall evaluate the importer's declaration, assessing the duties and taxes due thereon and automatically assign the declaration to the Super Green Lane Channel. Such assessment shall be electronically transmitted to the importer via the same EDI facility as in item 1 above.
3. Upon receipt of the BOC-ACOS assessment, the importer shall then make payment of the duties and taxes due with the Authorized Agent Bank (AAB).
4. Upon receipt of the payment by the importer, the AAB shall then transmit electronically the payment information to the BOC.
5. The BOC ACOS shall then verify whether the payment made matches the amount assessed. If matched, the BOC ACOS system shall generate and transmit an electronic cargo release message to the arrastre operator authorizing the release of the shipment to the duly authorized representative of the consignee.

For purposes of identifying the SGL shipment of the importer for release from the arrastre operator, the EDI entry generated in the course of remote lodgment shall be presented.

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B. After Release of Cargo

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1. Inspection of SGL Shipments

- a. The inspection of the released SGL shipment shall be covered by a Mission Order issued by the Commissioner of Customs or his duly authorized representative and duly undertaken on the basis of:
 - i. the result of a selection process generated by the Automated Customs Operation System (ACOS); and/or
 - ii. the submission of derogatory intelligence information against the shipment of the importer; and/or
 - iii. a directive of the Head of the SGL Task Group

The Mission Order shall, among others, specify the extent of the inspection to be done and the number of containers to be inspected, if the shipment consists of multiple containers.

- b. The Import Compliance Sub-Group (ICSG) Leader shall assign a team to implement the Mission Order to conduct inspection of shipments at the consignee's premises during offloading or container stripping. The importer shall extend full cooperation and assistance to the inspecting team.
- c. The ICSG Leader shall monitor the conduct of the inspection and shall require from the assigned team the submission of an after-mission report within one (1) working day from the completion of the mission.

The Report shall include, among others, the following information:

- i. The Mission Order, specifying the purpose of the inspection
- ii. Date/Time started and completed
- iii. Findings
- iv. Recommendations
- v. Reason for delay in completion, if any
- vi. Selection Process utilized
- vii. Signed declaration from an authorized officer of the corporation attesting to the orderly conduct of the inspection.



2. Post Entry Validation

- a. The importer/broker shall submit to the EPU of the concerned port the hard copy of its electronic declaration along with other supporting documents on the second working day of the week following electronic lodgment.
- b. Failure to submit the entry documents on the second working day of the following week without prior notice to the BOC shall result to the immediate cancellation of importer's EDI registration.
- c. The EPU shall process the hard copy in accordance with existing regulations but forward the working copy together with the supporting documents to the ICSG.
- d. The ICSG shall check completeness of the entry document and conduct a documentary check using ACOS.
- e. The ICSG shall check the correctness of the declared value and classification.
- f. The ICSG shall submit a post-clearance validation weekly report to the Head, SGL Task Group, copy furnished the concerned District Collector, detailing the importer's compliance to SGL rules and regulations, including discrepancies in valuation and classification, if any and a report on the SGL entry declaration which has not been submitted on the second working day of the week following the electronic lodgment.
- g. If upon ICSG post-verification, deficiencies in the payment of duties and taxes are established, the concerned District Collector shall immediately send the necessary demand letter to the importer for the collection of additional duties and taxes.

V. DURATION AND REVIEW OF THE CERTIFICATE OF QUALIFICATION

- A. As a general rule, an importer's Certificate of Qualification (CQ) shall remain valid until suspended, cancelled or revoked by the BOC.

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- B. The BOC may suspend/cancel/ revoke an importer's CQ, on the following grounds:
1. When the importer fails to submit the necessary documents requested, within the period set by the ICSG;
 2. When the importer is suspected of having committed fraud through anomalous electronic declarations which are found not in conformity with the shipments actually received by the importer, upon recommendation of the ICSG; and/or
 3. When the importer fails to pay (within the prescribed period) of the additional duties/taxes arising from the post-verification conducted by the ICSG.
- C. Upon proper investigation of the Inspection Team's report, the ASG shall recommend the cancellation or revocation of the importer's CQ where there is a finding of fraud.
- D. In any case, all CQs granted shall be subject to periodic review by the BOC.

VI. REPEALING CLAUSE

All Orders, Memorandums, Circulars or parts thereof which are inconsistent with this Memorandum are hereby deemed repealed and/or modified accordingly.

VII. EFFECTIVITY

This order shall take effect upon signing.


RENATO A. AMPIL
Acting Commissioner