



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

26 August 2003

CUSTOMS MEMORANDUM ORDER

No. 26-2003

Subject: Rules and Regulations for the Implementation of CSO No. 15-2003 dated 08 July 2003 pursuant to Executive Order No. (E.O.) 218, entitled "STRENGTHENING THE SUPPORT MECHANISM FOR THE PHILIPPINE DRUG ENFORCEMENT AGENCY."

OBJECTIVE:

To provide operational mechanisms to ensure effective containment and interdiction of illicit traffic of dangerous drugs and controlled chemicals.

SCOPE:

This Order shall cover all Philippine ports of entry, to include all areas considered as Customs zone.

GENERAL PROVISIONS:

1. Prohibited Acts. - The acts prohibited or declared unlawful under Section 4 of R.A. 9165 are adopted as the same acts that are prohibited by these rules.
2. Parties Liable. - The parties who are liable under Section 4 of R.A. 9165 are likewise made liable under these rules.
3. Upon the filing of import, export and transshipment documents of all chemicals and pharmaceutical products, the Entry Processing Division or its equivalent office shall furnish copies of the said documents to the Task Force on Dangerous Drugs and Controlled Chemicals, for statistical and monitoring purposes.
4. All shipments of dangerous drugs and controlled chemicals under the 1961 Convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances and the 1988 U.N. Convention, a non-exclusive list is hereto attached, shall be subject to 100% examination at the Port of Entry.

5. PDEA duly issued import/export/transit authorizations/permits covering importations of dangerous drugs and controlled chemicals shall be officially transmitted directly to the Deputy Task Group Commander for Operations, for dissemination and distribution to the Task Force Core Team Operations Officers concerned. In the case of outports, however, said authorizations/permits shall be transmitted directly to the Deputy Task Force Commander/ESS District Office Commander of the port concerned.
6. The following documents shall be used in clearing of all shipments of chemicals and pharmaceutical products as well as dangerous drugs and controlled chemicals mentioned in paragraph 4 hereof, to wit:
 - a) Import Entry and Internal Revenue Declaration (IEIRD) Form – BC Form 236;
 - b) Bill of Lading or Air Way Bill or House Bill of Lading, where applicable;
 - c) Commercial Invoice;
 - d) Packing List;
 - e) Technical Manuals such as the Material Safety Data Sheet (MSDS) and/or Certificate of Analysis form of the port of origin for chemical shipments and Brochure/Literature for pharmaceutical shipments as per CMC 210-93;
 - f) Permits, Clearances. Licenses from government agencies concerned; and
 - g) Other documents as may be required.
7. All shipments mentioned in Paragraphs 3 and 4 hereof shall be declared in the import, export and transshipment documents in sufficient detail for proper identification and classification in accordance with CMO 46-94 utilizing tariff terms as stated in the TCCP or terminologies/chemical nomenclature contained in published chemical and pharmaceutical dictionaries and manuals such as but not limited to the condensed Chemical Dictionary (Hawley's) Merck Index, the United States Pharmacopoeia, the Japanese Pharmacopoeia, and the Chemical Abstract Service.
8. Selectivity System for chemicals and pharmaceutical products not included in the attached list of dangerous drugs and controlled chemicals:
 - 8.1. For ports where the Automated Customs Operations System (ACOS) is in operation.
 - 8.1.a. If hit RED – the working copy of the import entry and its supporting documents shall be forwarded by the COOIII to the Task Force Core Team Operations Officer who shall subject the documents to rigid document verification and assign a Task Force Core Team Member to witness the mandatory 100% examination of the shipment. A **Clearance** shall be issued by the Task Force Commander/District Collector allowing the continue processing of the entry and the release of the shipment.
 - 8.1.b. If hit YELLOW – the shipment shall be subject to rigid document verification by the assigned COOIII. If in doubt, the concerned COOIII may cause the examination of the shipment in the presence of a Task Force Core Team Member.

In the latter case, a **Clearance** shall be issued by the Task Force Commander/District Collector allowing the continue processing of the entry and the release of the shipment.

8.1.c. If GREEN Channel – After the processing of the entry, the shipment may be released except when an Alert/Hold Order has been issued.

8.2. For ports which are not equipped with ACOS, and where the Selectivity System does not apply, Paragraphs 3 and 4 hereof shall be strictly followed.

8.3. If the shipment is coursed through the SUPER GREEN LANE channel, a copy of the complete set of documents with all the attachments, shall be submitted to the Task Force Core Team Operations Officer/Deputy Task Force Commander for Operations simultaneous with the submission of the same to the Bureau of Customs.

9. Recording

9.1. The Deputy Task Force Commander/ESS District Commander of each port shall have the responsibility of maintaining separate logbooks for shipments mentioned in Paragraphs 3 and 4 above by using the official logbooks to be provided by the Deputy Task Group Commander for Operations.

9.2. Import documents of all shipments under Paragraph 4 above and those referred by COOIII under Paragraphs 8.1.a and 8.1.b hereof, shall be stamped "RECORDED" by the Task Force Core Team Operations Officer, who shall affix his/her signature on the space on the stamp provided for that purpose, and shall indicate the time and date of the recording and verification. He shall likewise obtain a photocopy of the complete set of import documents to be submitted to the Deputy Task Group Commander for Operations, for filing.

10. Examination

10.1. Upon receipt of the import documents of shipments under Paragraph 4 above and those falling under Paragraphs 8.1.a and 8.1.b, the COOIII assigned shall coordinate with the Task Force Core Team Operations Officer/Deputy Task Force Commander for Operations, who shall assign a Task Force Core Team member to witness the examination and shall submit a report of his findings to the Task Force Core Team Head for recording in the official logbook.

10.2. If after examination and document verification, shipments under Paragraph 4 and those referred under Paragraphs 8.1.a and 8.1.b were found to be in order, the Task Force Commander shall immediately issue clearance for its release. Accordingly, the Task Force Core Team Operations Officer shall stamp boldly the word "**USED**" across the corresponding

Import Permit/Certificate issued to shipments under Paragraph 4 above, indicating the Entry Number and the date and time of such cancellation.

- 10.3. If the shipment is unlabelled/mislabelled or a discrepancy has been noted in the physical properties of the shipment, the Task Force Core Team member assigned shall cause the issuance of an Alert Order pursuant to CMO 104-92 and samples shall be obtained following established sampling procedures for laboratory analysis by the Philippine Customs Laboratory and/or the DDB/NBI/PNPCL. The Task Force Commander may solicit the services of other competent and accredited laboratories, public and/or private, as the case may be. Under the aforementioned circumstances, expenses incurred in the conduct of the laboratory analysis shall be borne by the consignee.

11. Reporting

- 11.1. For centralized recording of shipments under paragraph 4 hereof, it shall be the duty of the officials mentioned in Paragraph 5 above to transmit to the Task Group Deputy Commander for Operations thru the Task Force Commander, all used PDEA/DDB Permits with the accompanying "Return" duly accomplished and signed, every Monday of the week and all unused DDB/PDEA permits, within six (6) months for controlled chemicals, and within one (1) year for dangerous drugs, from issuance by the DDB/PDEA. The Deputy Task Group Commander for Intelligence shall likewise be furnished a copy of all unused DDB/PDEA permits for monitoring purposes.
- 11.2. Shipments under Paragraph 3 hereof which were covered by Alert/Hold Order or referred to the Task Force pursuant to Paragraph 8.1.a and 8.1.b. hereof shall be reported to the Deputy Task Group Commander for Operation, thru the Task Force Commander every Monday of the week. The report shall indicate the action taken and accompanied by import documents.

ADMINISTRATIVE PROVISIONS:

- 1. The Task Force Commander/District Collector having initial custody of said dangerous drugs and/or paraphernalia shall, immediately, after seizure or confiscation, have the same physically inventoried and photographed in the presence of the consignee/broker, if there be any, who shall be requested to sign the copies of the inventory and be given a copy thereof;
- 2. The weighing, marking, and taking of adequate representative samples of the articles seized to be submitted for laboratory examination, and each turn-over of the same, shall be continuously monitored, recorded, and documented by the Task Force Core Team Operations Officer/Duty Task Force Commander for Operations, to properly preserve the chain of custody;

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3. Specimens and/or paraphernalia confiscated and photographs thereof shall, within twenty-four (24) hours from the time of arrest or seizure, be submitted to the NBI, and/or the PNPCL for laboratory examination and confirmatory test;
4. All dangerous drugs enumerated in Section 11, Article II of R.A. 9165, seized by the Task Group/Task Forces shall be turned-over to the PDEA, after the issuance of a "summary decision of forfeiture" by the District Collector of Customs concerned, and formalities of weighing, picture-taking, inventory, marking and signing and confirmation of the illegal substance, through laboratory analysis shall have been complied with in order to preserve the chain of custody, but which shall not exceed 24 hours from the issuance of the "Certification" issued by the authorized, competent, forensic laboratory expert, confirming the identity of the substance seized;
5. With regard to other interceptions of dangerous drugs not included in Section 11, Article II, and controlled chemicals under Tables I and II of the 1988 UN Convention, an integral part of R.A. 9165, the regular Customs processes and procedures effecting forfeiture shall first be strictly complied with, before turn-over of the said items to the PDEA;
6. All dangerous drug interceptions and investigations shall be under the control and supervision of the Customs Task Force Commander from the time of its inception until termination, even if the information emanated from an outside agency;
7. In case of dangerous drugs other than those enumerated in Section 11, Article II, where it could be immediately and readily established beyond reasonable doubt, based on circumstances obtaining, that the same are imported contrary to law, the items may be outrightly seized and the person having possession and/or seeking for its release, if present, be subject to immediate investigation;
8. No outside agency(s) shall be allowed to operate in any area under the exclusive jurisdiction of the Bureau of Customs, unless prior coordination thereof is made with and approved by the Task Group Head/Commissioner of Customs, or when the time is of the essence, coordination shall be made directly with the Task Group Commander/Deputy Commissioner, IEG; the Deputy Task Group Commander for Operations/Director, ESS; the Deputy Task Group for Intelligence/Director, CIIS; or the Task Force Commander/District Collector of Customs concerned, who shall inform the Commissioner of Customs of such operations;
9. Any person apprehended in connection with any forfeiture of dangerous drugs enumerated in Section 11, Article II of R.A. 9165, shall be turned-over to the PDEA after an "Investigation" has been jointly undertaken by the PDEA and Customs Investigators assigned to the case. Thereafter, the filing of the case with the Department of Justice (DOJ) or the regular courts, and the prosecution thereof shall be undertaken by the PDEA;
10. Copies of the investigation report shall be submitted to the Deputy Task Group Commander for Operations/Director, ESS and the Deputy Task Group Commander for Intelligence/Director, CIIS for proper recording.

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documentation, and reporting to concerned local agencies. Foreign counterparts shall be informed through the Regional Intelligence Liaison Officer (RILO) of the Bureau;

- 11. Continuous monitoring of the criminal case shall be conducted by the Investigators assigned to the case from the time the information is filed in court, up to the promulgation of the decision, for statistics and recording purposes.

DUTIES AND RESPONSIBILITIES:

The following are the duties and responsibilities of the officials, officers and personnel of the operating Task Forces having been assigned to the drug interdiction project in concurrent capacity to their existing assignments:

- 1. The **Director, ESS**, being the *Deputy Task Group Commander for Operations* shall have operational control and supervision over-all constituent Task Forces. Likewise, being the Director of the Enforcement and Security Service, he, in coordination with the District Collector of Customs, may exercise, direct operational supervision and control over the Task Force members. He may also direct operational coordination and cooperation between the Customs offices involved in the drug interdiction project.
- 2. The **Director, CIIS**, being the *Deputy Task Group Commander for Intelligence*, shall ensure that the constituent Task Forces are properly briefed on the latest over-all drug situational assessments. He shall ensure that information available with his office, and needed by the Task forces, are disseminated for operational use. Likewise being the Director of the Customs Intelligence and Investigation Service, he, in coordination with the Deputy Task Group Commander for Operations, and in conjunction with the Task Force Commander, may exercise, direct supervision and control over the Task Force.
- 3. The **District Collector of Customs**, shall have operational supervision and control over the Task Force. He/She being the *Task Force Commander* of his/her port shall ensure and direct a smooth operational coordination and cooperation, and an open line of communication, between offices operating within his/her jurisdiction and Task Force Core Team field operatives. It shall be his/her duty to ensure that import documents covering chemical and pharmaceutical shipments are referred to the Task Force Core Team, for recording and verification.
- 4. The **ESS District Commander** being the *Deputy Task Force Commander for Operations* shall have operational supervision over the Task Force Core Team in tandem with the Task Force Core Team Operation Officer. He/she shall ensure that all information from all sources are obtained, such as but not limited to: cargo/passenger manifests (if possible disk-based); Import Entries of daily releases, transshipments, transfers to warehouses; lists of abandoned/overstaying cargo/containers; lists and records of seizure/forfeiture cases etc..., and shall submit the same to the Deputy Task Group Commander for Operations, through the Task Force Commander, for data analysis.

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Likewise, he/she shall advise and require officers and personnel under his Command to provide full operational assistance and support to the Task Force Core Team, who shall act on all dangerous drug and controlled chemical related cases.

In Collection Districts where there is no Task Force Core Team due to lack of personnel, he/she shall be responsible for the performance of the tasks of the Task Force Core Team, as mandated by this Order, within his/her area of responsibility.

He/she shall periodically render written reports on the activities, accomplishments, operational problems and requirements of the Task Force within his area of responsibility.

5. The **Task Force Core Team** headed by a Task Force Core Team Operations Officer, who will be designated by the Deputy Task Group Commander for Operations/Director, ESS, shall be responsible for the verification of import documents covering all chemical and pharmaceutical shipments referred to or coursed through the Team. He/she shall maintain the official record book provided for that purpose.

In case of dangerous drug and controlled chemical shipments, he/she shall cross check and match the conditions of the Permit duly issued by the PDEA, with the details as declared, and with the findings upon examination. After which he shall indicate on the covering Permit that the same has been used, by writing boldly across the Permit the word "USED," the date and Entry Number.

In case of an "open individual authorization," he/she shall maintain an individual file folder for each authorization. He/she shall indicate on the authorization the particulars of each importation, and shall attach copies of the covering import documents.

He shall likewise ensure the execution of the operational plans, programs, and policies of the Task Group/Task Force; suggest/recommend effective field operational procedures; and undertake measure that shall provide an effective suppression in the smuggling of dangerous drugs, controlled chemicals and other anti-social goods; and strictly enforce Customs rules, regulations, and processes, particularly on suspected shipments, and shipments originating from high risk countries, and take positive action for non-compliance thereto.

6. The **CIIS/ESS District field operatives** shall assist in the identification of target shipments/personalities suspected to be conduits or carriers in the illicit traffic of dangerous drugs and controlled chemicals. They shall notify immediately the Deputy Task Force Commander for Operations and/or the Task Force Core Team Operation Office of any suspect items discovered or suspicious personalities observed in the regular performance of their duties and assignments. These items shall remain undisturbed, and the personalities under close surveillance and monitoring, pending Task Force intervention. In case time is of the essence, established procedures shall be followed. *AW*

- 7. The assigned **X-ray Scanning Team** in the area of operation shall closely coordinate with the Task Force Core Team operatives, who are also authorized to witness X-ray scanning operations. They shall notify immediately the Task Force Commander and/or the Task Force Core Team Operation Officer of any suspect items discovered in the regular performance of their duties.

Likewise the X-ray Scanning Service shall provide operational assistance and full support to the Task Force Core Team.

- 8. **Search and Boarding Teams** shall be formed by the Task Force Commander and/or the Deputy Task Force Commander for Operations as the need arises. The Team shall be composed of Task Force Core Team members, ESS District field operatives, and personnel of the Aircraft Operations Division (AOD) or the Piers Inspection Division (PID).
- 9. Whenever the situation so requires, *"follow-up and monitoring"* activities outside of Customs zones, or the conduct of *"dog sweeps"* on suspicious shipments and cargoes, shall be made in coordination with the PDEA.
- 10. **Duty/assigned Examiners** shall be responsible for the conduct of rigid examinations on suspect shipments. As the situation so requires, rigid examination may be conducted after the completion of a dog sweep or X-ray scanning
- 11. The Philippine Customs Laboratory (PCL), in coordination with the Task Group, shall establish a drug identification and profiling system, whereby all chemicals and pharmaceuticals intercepted and referred to the Task Group, shall be registered following the procedures as provided in CMO 36-93.

REPEALING CLAUSE:

All Orders, Memoranda, Circulars or parts thereof which are inconsistent with this Order, are hereby deemed repealed and or modified accordingly.

EFFECTIVITY:

This Order shall take effect immediately.


ANTONIO M. BERNARDO
 Commissioner