



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

INTERNAL ADMINISTRATION GROUP
CENTRAL RECORDS MANAGEMENT DIVISION

March 04, 2019

The Director

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


Sir/Ma'am:

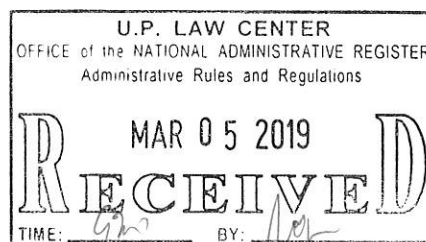
Transmitted are three certified true copies and soft copy (word format in compact disc rewritable) of the following Customs Memorandum Order, to wit:

CMO 13-2019: INTERIM GUIDELINES ON THE RETURN OF EMPTY CONTAINERS AT THE PORT OF MANILA (POM) AND MANILA INTERNATIONAL CONTAINER PORT (MICP).

Thank you.

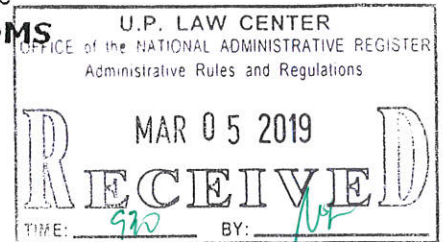
Very truly yours,


GLADYS C. CABUGAWAN
Chief, CRMD





Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS
1099 Manila



CUSTOMS MEMORANDUM ORDER
NO. 13-2019

To: District/Port Collectors of POM & MICP
Deputy Collectors for Operations of POM & MICP
Chiefs, Container and Control Division, POM & MICP
Chiefs, Pier Inspection Division, POM & MICP
Philippine Ports Authority (PPA)
International Container Terminal Services Inc. (ICTSI)
Asian Terminals Inc. (ATI)
All Foreign Shipping Lines/Agents
Truckers, Customs Brokers
All Concerned Port Stakeholders

Subject: **Interim Guidelines on the Return of Empty Containers at the Port of Manila (POM) and Manila International Container Port (MICP)**

Whereas, the Philippines is a party signatory to the Revised Kyoto Convention that adheres to the promotion of international trade by adopting measures that would enhance trade facilitation;

Whereas, pursuant to the said commitment of enhancing trade facilitation, the Philippines passed Republic Act 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA) of 2016;

Whereas, under the CMTA, the Bureau of Customs (BOC) is tasked with the following functions, to wit:

- i. Simplification and harmonization of customs procedures to facilitate movement of goods in international trade;¹
- ii. Supervision and control over the entrance and clearance of vessels and aircraft engaged in foreign commerce;²
- iii. Supervision and control on all import and export cargoes, landed or stored in piers, airports, terminal facilities, including container yards and freight stations for the protection of government revenue and prevention of entry of contraband;

¹ Section 202 (B), CMTA.

² Section 2020 (F), CMTA.

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Whereas, the Port of Manila (POM) and Manila International Container Port (MICP) have been continuously saddled with the problem/s of port congestion or high yard utilization.

Whereas, the port congestion or the high yard utilization at POM and MICP is due to the unreturned empty containers, overstaying imports stored in the premises of ATI, Port of Manila, and ICTSI at MICP, and the truck ban in the City of Manila;

Whereas, the delay in the discharge of containerized imported cargoes from the carrying vessels, and other related concerns generated unnecessary costs and charges on truckers, importers, brokers and other port stakeholders;

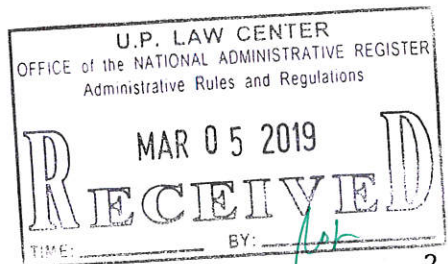
Whereas, on several occasions, several port stakeholders (*truckers, importers, brokers, etc.*) launched port holidays or suspension of their operations at POM and MICP, causing detrimental effects on the supply chain of goods in particular, and the economy in general;

Whereas, there is an urgent need for the BOC to exercise its regulatory power to immediately address the congestion and high yard utilization at POM and MICP;


Wherefore, pursuant to the CMTA and such related laws, rules and orders in furtherance of trade facilitation, the BOC hereby promulgates the following rules, to wit:

A. TEMPORARY PROHIBITION ON THE RETURN OF EMPTY CONTAINERS AT THE PORT PREMISES OF POM AND MICP

1. Starting __ February 2019, the return of empty containers by importers, truckers, brokers and other concerned port stakeholders at the port premises of POM and MICP is *temporarily disallowed* until further notice from the BOC.
2. In connection with paragraph A (1) hereof, only empty containers covered by Special Permit to Load (SPTL) issued by the Container Control Division (CCD) of the BOC will be allowed entry to the designated areas of ATI for POM or ICTSI for MICP.
 - 2.1. Shipping Lines and/or their agents must secure SPTL with the CCD and/or PID of the BOC to be allowed entry and loading of empty containers at the designated areas of ATI for POM or ICTSI for MICP. The SPTL must contain, among others, the particular description of the empty containers to be returned, their time of loading, and other related information.



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- 2.2. Empty containers covered by SPTL shall only be moved to the designated areas within seventy two (72) hours prior to the scheduled date and time of loading of the carrying vessel for re-exportation abroad.
- 2.3. Empty containers not covered by SPTL, and those with SPTL but arriving beyond the above-mentioned 72 hours shall not be allowed entrance at the designated areas of ATI for POM or ICTSI for MICP.
3. Shipping lines (*owning empty containers*) and/or their agents are hereby ordered to coordinate with the importers, truckers and brokers as to the return of their emptied containers to container yards, storage areas or depots.
 - 3.1. Shipping lines and/or their agents are directed to specify in the container delivery receipt/order or such other similar documents the container yard or depot where the empty container/s will be returned by the importer, trucker or broker.
 - 3.2. Absence of any such specifications, the importer, trucker or broker shall return the said container/s at any storage area of his or her own choice.
 - 3.3. The cost of returning the empty containers and the corresponding storage fees thereof, if applicable, shall be at the expense of the shipping lines and/or their agents.
 - 3.4. The shipping lines and/or their agents are prohibited from imposing detention charges on the importer, broker or trucker when the latter has returned to the former empty containers within the detention-free period, which is 72 hours from pulling out laden containers at ATI for POM or ICTSI for MICP.
 - 3.5. No detention charge shall also be imposed if there is no available space at the designated areas (*in the container delivery receipt/order*) for the shipping lines and/or their agents to load their empty containers, and the importer, broker or trucker signified his/her intention to return the same to the shipping lines and/or their agents within the detention-free period.

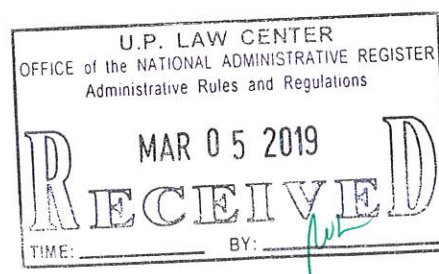
B. DISPOSITION OF EMPTY CONTAINERS CURRENTLY STORED AT ATI AND ICTSI

1. All shipping lines and/or their agents shall see to it that all their empty containers currently stored at ATI for POM and ICTSI for MICP, be re-exported or shipped out within a period of thirty (30) calendar days from date of the effectivity of this Order at their own expense.

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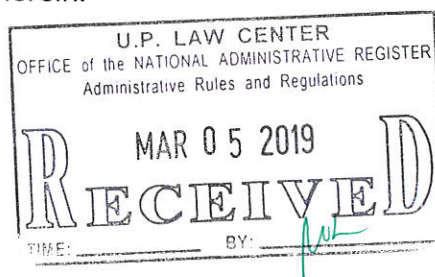


2. Empty containers that remain at ATI for POM and ICTSI for MICP after the expiration of the period under paragraph B (1), hereof, shall be pulled out from their designated areas to be transferred to container yards/depots outside of the POM and MICP premises.
3. The cost of transferring empty containers from the premises of ATI for POM and ICTSI for MICP to container yards/depots outside of the said ports, as well as payment of the attendant storage charges and all other relevant charges, shall be the sole responsibility of the shipping lines and/or their agents.
4. In case the empty containers are not re-exported within a period of ninety (90) days from the date of their return, the BOC shall notify the shipping lines and/or their agents to fill up Informal Entry for Declaration to be processed in Section 5, Formal Entry Division (FED) for the computation of the duties and taxes and the subsequent payment thereof. Failure to file the said entry and to pay the duties and taxes within the period as provided under the CMTA, shall be the basis for the BOC to declare the said empty containers as abandoned, and shall *ipso facto* be forfeited in favor of the government.
 - 4.1. In connection with paragraph B (4) hereof, the ninety (90) day period shall be reckoned from the date of the discharge of the last cargo from the vessel carrying the same.
 - 4.2. For monitoring purposes, shipping lines and/or their agents must submit to the Container Control Division of POM or MICP not later than every 30th day of the month a summary report of the empty containers returned, specifying when the subject empty containers were returned as well as the container yards or depots they were returned by importers, brokers and /or truckers.
 - 4.3. A penalty of Ten Thousand Pesos (Php10,000.00) per day of delay shall be imposed upon the shipping lines and/or their agents for failure to submit the reports under paragraph B (4.2) hereof, until submission of the required reports. For this purpose, days shall include Saturdays, Sundays and Holidays.
 - 4.4. For counter-checking purposes, the District Collector of POM or of MICP, shall assign an organic personnel for each and every container yard or depot where empty containers are stored to monitor their ins and outs. The assigned personnel of the BOC shall likewise submit to the CCD not later than every 30th day of the month a summary report of the number of empty containers brought inside said container yard or depot, and the date they were brought therein.

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- 4.5. The said assigned personnel of the BOC shall submit to the CCD not later than every 30th day of the month a summary report of empty containers brought out from the container yard or depot of which s/he is assigned specifying the day of transfer and the destination/place where said empty containers are to be transferred.
- 4.6. Failure on the part of the assigned personnel at the particular container yard or depot to submit the reports mentioned under paragraph B (4.5), within the 30 day period mentioned hereof, shall be a ground for disciplinary action (i.e. *suspension or removal from office*) under the pertinent customs and civil service rules.

b. MISCELLANY


1. This Memorandum Order is issued pursuant to the rule-making power of the Commissioner of the Bureau of Customs under Sections 201 (E) (1), and 202 (B, F and H) of the CMTA and such other powers deemed included therein.
2. In the event that any portion/s of this Memorandum Order will be declared unconstitutional, other unaffected portions shall remain to be valid and subsisting.
3. Orders, rules or regulations contrary or inconsistent with this Order or any of its provisions are hereby repealed or amended accordingly.
4. This Memorandum Order shall take effect immediately upon posting of copies in the bulletin boards of the Bureau of Customs with copies furnished to ATI, ICTSI, Philippine Ports Authority and all shipping lines and/or their agents in the Philippines.

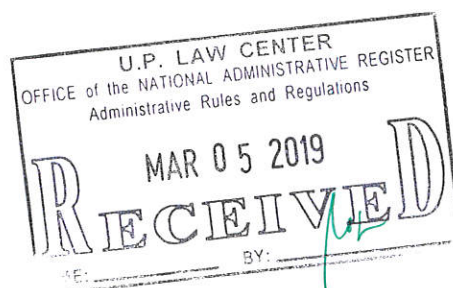

REY LEONARDO B. GUERRERO
Commissioner

FEB 28 2019



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MANIFESTO

We, the various associations and stakeholders agree for the Bureau of Customs to exercise its power under the CMTA to compel and mandate through the issuance of Customs Memorandum Order, the international shipping lines to repositions and ship out their empty containers with the same number of discharged import laden containers on the same vessel.

[Signed]

COL. RODOLFO T. DE OCAMPO (RET.)

Port Users Confederation of the Philippines, Inc. (PUCP)

[Signed]

MR. ALEXANDER C. ONG

Association of Off-Dock CY-CFS of the Philippines (ACOP)

[Signed]

MS. MARY B. ZAPATA

Aduana Business Club, Inc. (ABCI)

[Signed]

MR. ARMANDO R. CHAN

Professional Customs Broker Association of the Philippines (PCBAPI)

[Signed]

MS. MARILYN ALBERTO

Philippine Multimodal Transport and Logistics Association, Inc. (PMTLAI)

[Signed]

ATTY. FERDINAND A. NAGUE

Chamber of Customs Brokers, Inc. (CCBI)

[Signed]

MR. RICHARD OLEGO

Hauler and Truckers Association in the Watersouth (HATAW)

[Signed]

MS. IMEE C. GUILAS


Action Agad Samahan ng mga Personero sa Pantalan (AASAP)

[Signed]

MR. MARIO O. YAP

Confederation of Truckers Association of the Philippines (CTAP)

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