



Republic of the Philippines
Department of Finance
Bureau of Customs
1099 Manila

G. M. LAW CENTER
OFFICE OF THE NATIONAL
ADMINISTRATIVE REGISTER
(ONAR)
ADMINISTRATIVE RULES & REGULATIONS
RECEIVED
23 September 2015
09 OCT 2015

CUSTOMS MEMORANDUM ORDER
NO. 35-2015

SUBJECT : REVISED RULES FOR THE ELECTRONIC/MANUAL ISSUANCE AND LIFTING OF ALERT ORDERS AT ALL PORTS OF ENTRY

I. Objectives

This Order is issued for the following purposes:

- 1.1 To protect the integrity of the Alert Order System;
- 1.2 To promote transparency and accountability in the execution of duties and responsibilities with regard to the issuance/lifting of Alert Orders;
- 1.3 To avoid bureaucratic red tape and protect legitimate importers against unnecessary delay in the release of their lawful importations; and
- 1.4 To provide clear guidelines and procedures in the processing of shipments that is/are subject of an Alert Order.

II. Coverage

This Order shall apply to ALL shipments unloaded at all ports of entry under the jurisdiction of this Bureau.

III. General Provisions

3.1 An Alert Order is issued to enjoin all concerned customs personnel to be cautious and thorough in the examination of the alerted shipment and its accompanying import documents in order to verify derogatory information or suspected violation of the shipment.

3.2 The following Officers are hereby authorized to issue Alert Orders::

- 3.2.1 The Commissioner of Customs;
- 3.2.2 The Deputy Commissioner, Intelligence Group (IG);
- 3.2.3 The Deputy Commissioner, Enforcement Group (EG);
- 3.2.4 The Deputy Commissioner, Assessment and Operations Coordinating Group (AOCG), on issues concerning rules of origin, valuation and classification of goods; and
- 3.2.5 All District Collectors, for shipments arriving within their District, including sub-ports within their District.

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3.3 The authority to lift Alert Orders shall only be exercised by the District Collector concerned, by authority of the Commissioner. Provided further, the Commissioner of Customs may lift, *motu proprio*, Alert Orders issued by other Alerting Officers.

3.4 Only the Office of the Commissioner can issue Alert Orders for the following shipments:

- 3.4.1 Shipments under the Super Green Lane (SGL); and
- 3.4.2 Request for issuance of Alert Order from other government agencies.

The Alerting Officer/s who finds sufficient reason to issue an Alert Order against shipment/s under SGL or upon request of other government agencies, shall make a recommendation to the Commissioner of Customs for the issuance thereof.

3.5 Subject to the written approval of the Commissioner, the Deputy Commissioners of the Intelligence Group, Enforcement Group and AOCG shall in their absence, authorize or delegate the power to issue Alert Order to Service Directors under their respective groups, and the District Collector to any of his/her respective Deputy Collectors.

3.6 The Alerting Officer shall be given unique usernames and passwords to the e2m system. The Alerting Officers are strictly enjoined from using usernames and passwords other than those given to them.

3.7 Shipment/s can only be held through a validly issued Alert Order. Any request to hold in abeyance the entry processing of a shipment, by any official/employee, in any form is PROHIBITED. Any official, employee or person who aides in detaining a shipment in a manner not compliant with this Order shall be subject to administrative and criminal actions.

3.8 MANUAL Alert Orders may only be issued under any of the following instances:

- 3.8.1 The e2m Customs system is NOT accessible;
- 3.8.2 For unmanifested cargoes/shipments;
- 3.8.3 For entries processed under Informal Entry; and
- 3.8.4 For export cargoes.

3.9 No Alert Order shall be issued against shipments which have already been tagged in the On-Line Release System (OLRS). The Alerting Office who finds reasonable grounds to hold a shipment already tagged in the OLRs, shall make a recommendation to the Office of the Commissioner for issuance of "Special Stop".

3.10 For shipments arriving in International Airports, the House Airway Bill must be specified in the Alert Order.

3.11 Once an Alert Order is issued, the shipment or any part of it shall NOT be released until:

- 3.11.1 100% physical examination has been conducted; and
- 3.11.2 The Commissioner of Customs or the District Collector concerned by authority of the Commissioner has ordered its release, copy furnished the Alerting Officer.

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- 3.12 A shipment or any part thereof already alerted and examined in accordance with this Order shall NOT be subjected to another alert or examination. Only the Commissioner of Customs can have a shipment re-examined.
- 3.13 The Office of the Commissioner shall have direct access to the e2m Alert System for monitoring of all electronically issued Alert Orders.

IV. Procedure for Issuance of Alert Orders

- 4.1 In case of an Electronic Alert, the Alerting Officer shall first issue the Alert Order in the e2m Alert System with the accomplished prescribed Alert Order Form (Annex "A") in quadruplicate copies.
- 4.2 In case of Manual Alert, the Alerting Officer shall submit within twenty-four (24) hours from its issuance, the duly accomplished quadruplicate copies of the Alert Order Form (Annex "A") to the Office of the Commissioner and shall send copies thru electronic mail at ocomstaff@yahoo.com or ocomstaff@gmail.com and facsimile at (02) 527-1935.

V. Procedure for the Implementation of Alert Orders

- 5.1 The Alerting Office, shall within the same day of issuance of Alert Order shall disseminate/distribute the same thru personal service, electronic mail and facsimile, to the following:
 - 5.1.1 The District Collector where the alerted shipment is located;
 - 5.1.2 Customs Wharfinger;
 - 5.1.3 Customs Gatekeeper;
 - 5.1.4 Arrastre Operator or its equivalent; and
 - 5.1.5 Consignee, broker or their authorized representative, within twenty-four (24) hours from the issuance thereof. In case personal service, electronic mail and facsimile of the Alert Order cannot be made to the consignee, broker or their authorized representative, the corresponding Alert Order shall be posted at the port's bulletin board or in any conspicuous place within the port of discharge for three (3) consecutive days. After the lapse of the three-day period and the consignee, broker or their authorized representative fails to coordinate with the Alerting Office, the latter may cause the examination of the alerted shipment, without the consignee, broker or their authorized representative.

- 5.2 The District Collector concerned shall, within twenty-four (24) hours from receipt of the Alert Order, assign a Customs Examiner, who shall perform the following functions:

- 5.2.1 Determine if the shipment has been released from Customs, or if the shipment has been transferred to another Customs Bonded Warehouse under Transfer Under Guard (for airports), or if the shipment has been examined prior to the issuance of the Alert Order;

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- 5.2.2 If examination has already been conducted or it has been released from Customs or transferred to a Customs Bonded Warehouse, prior to the issuance of the Alert Order, copy of the Examination Report and/or details and documents showing proof of the release shall be furnished to the Alerting Office, for reference.
- 5.2.3 If no previous examination has been conducted, inform the District Collector concerned, the Alerting Office, and the consignee, broker or his authorized representative, of the date and time of the examination.
- 5.2.4 Conduct a 100% examination of the alerted shipment/s within seven (7) days from the issuance of the Alert Order. Once commenced, the conduct of examination must be done continuously, until the completion thereof.
- 5.2.5 Within twenty-four (24) hours from completion of the examination, submit duly accomplished Alert Order Report Form (*Annex "B"*) to the District Collector, Alerting Office and Office of the Commissioner.
- 5.3 The Alerting Officer shall designate a representative, who shall witness the conduct of the 100% examination of the alerted shipment. Provided, that if the Alerting Officer is the District Collector, representatives from the IG and/or EG shall be the witnesses thereof.
- 5.4 Physical examination of alerted shipments shall be under the direct supervision and control of the District Collector concerned. In case an alerted shipment involves twenty-five (25) containers or more, the number of containers to be examined may be limited to thirty percent (30%) of the entire number of containers, at the option of the District Collector. However, if in the course of the examination of the selected containers, a violation is determined, then the entire shipment shall be subject to full examination at the expense of the consignee.
- 5.5 Examinations of shipments with Alert Orders shall be given priority. Any undue delay in the examination of shipments with Alert Orders shall be a ground for administrative and/or criminal action against the officer or personnel causing the delay.

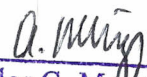
VI. Disposition of Alerted Shipments

- 6.1 The District Collector concerned shall within twenty-four (24) hours from receipt of Alert Order Report Form with corresponding findings from the Customs Examiner, make a Final Disposition of the Alert Order.
 - 6.1.1 If the Final Disposition is "continuous processing" or "no discrepancy" in value, classification or description of goods, no violation of the TCCP, as amended and other pertinent Customs rules and regulations, the District Collector shall sign his approval in the Alert Order Form for Manual Alerts or tag as "Recommend for Lifting" in the e2m Alert System for Electronic Alerts.

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6.1.2 If the Final Disposition is "payment of additional duties and taxes" or "payment of surcharge", the District Collector shall sign his approval in the Alert Order Form for Manual Alerts or tag as "Recommend for Payment" in the e2m Alert System for Electronic Alerts, upon payment of the amount due.

6.1.3 If the Final Disposition is to subject the entire shipment to seizure, the District Collector shall sign his approval in the Alert Order Form for Manual Alerts or tag as "Recommend for Seizure" in the e2m Alert System for Electronic Alerts.

6.1.4 If the Final Disposition is for partial seizure the shipment, the District Collector shall sign his approval in the Alert Order Form and issue the corresponding WSD for the items to be seized. After a WSD is issued for the items to be seized, the District Collector shall immediately cause the segregation of the shipment. Once segregation is completed, the District Collector shall tag the Alerted Shipment as "Recommend for Lifting" in the e2m Alert System for Electronic Alerts, indicating therein the items to be released under the "Description of Contents."

6.2 In case of disapproval by the District Collector of the recommendation of the Customs Examiner, he shall refer the same for comment/further review to the Import Assessment Service (IAS) on issues concerning rules of origin, valuation and classification of goods or issue the corresponding WSD, as the case maybe. If the Alerting Office is the AOCG, the matter shall be referred to the Office of the Commissioner.

6.3 All disposition under this Section shall be subject to the provisions of General Provisions, Par.3.3, hereof.

6.4 Any undue delay in the disposition of the Alert Orders shall be a ground for administrative and/or criminal action against the officer or personnel causing the delay.

VI. Reportorial Requirement

A weekly Status Report on ALL Alert Orders issued by Alerting Officers shall be submitted to the Office of the Commissioner following the attached format. (Annex "C")

VII. Repealing Clause

The provisions of the following Customs Memorandum Orders pertaining to the issuance and lifting of Alert Order are hereby repealed:

- Customs Memorandum Order No. 92-91 dated 13 November 1991;
- Customs Memorandum Order No. 104-92 dated 11 September 1992;
- Customs Memorandum Order No. 8-93 dated 24 February 1993;
- Customs Memorandum Order No. 4-94 dated 03 February 1994;
- Customs Memorandum Order No. 21-2014 dated 08 October 2014; and
- Customs Memorandum Order No. 24-2014 dated 04 November 2014.

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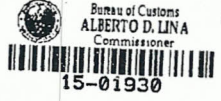
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VIII. Effectivity

This Order shall take effect immediately and shall remain valid unless revoked.

ALB
ALBERTO D. LINA
Commissioner



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Annex "A"

ALERT ORDER FORM

Per Customs Memorandum Order No. _____

ALERT ORDER NO. _____

Date of Alert: _____

Type of Alert: _____

Email Address/Telefax No: _____
(of the Alerting Office)

Shipment Particulars:

Consignee	
Consignee's Address	
Broker	
Broker's Address	
Bill of Lading No./ Airwaybill No.	
Entry No.	
Date of Arrival/ Discharge	
Vessel & Voyage No.	
Vessel Registry No.	
Port of Origin	
Port of Destination	
Container Nos./ Marks & Numbers for Breakbulk	
Contents as Declared	
Suspected Violation/s	
Reason/s for Recommendation	
Comment/s	

Name & Signature of Alerting Officer

Name & Signature of Requesting Officer

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Annex "B"

ALERT ORDER REPORT FORM

Per Customs Memorandum Order No. _____

Date:	
Alert Order No.:	
Entry No:	
Consignee:	
Customs Broker:	
Bill of Lading No.	
Exporter:	
Country of Origin:	
Date of Start of Examination:	Date of End of Examination:
Name/s of Witness/es:	

Channel: Green Yellow Red
 Violation: Undervaluation Misclassification Misdeclaration
 Others, pls. specify: _____

Computation of Discrepancy (Summary for all Items)

Particulars	As Declared	As Found	Difference	%Difference
Description				
Tariff Heading				
Exchange Rate				
Net Weight (kgs)				
Customs Value				
Customs Duty				
Dutiable Value				
Duty Rate				
VAT				
Excise Tax				
Marking Duty				
Ad Valorem				
IPS				
CDS				
Penalty/Surcharge				
Others				
Total				

Recommendation: (pls specify if: Lifting of Alert (continuous processing), Imposition of Surcharge, Non-Imposition of Surcharge, Issuance of WSD, etc.)

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Customs Examiner: _____

Approved by: _____
 District Collector, (Port)

[Handwritten Signature]



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Annex "C"

Alerting Office: _____

Inclusive Dates: (dd/mm to dd/mm 2015)

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Alert Order No. & Date of Alert	Type of Alert (Electronic or Manual)	Port	Consignee	Bill of Lading No.	Container No/s.	Suspected Violation/s	Findings	Status of the Alert	Disposition (Lifted, Lifted w/addtl payment/surcharge, WSD)	Officer-on-Case	Witness of the Alerting Office

 Alerting Officer

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