



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

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CUSTOMS ADMINISTRATIVE ORDER (CAO)
NO. 9-2020

SUBJECT: CLEARANCE PROCEDURES FOR GOODS ENTERED FOR CONSUMPTION UNDER THE FORMAL ENTRY PROCESS

Introduction. This CAO implements Sections 103 to 109, Chapter 2, Title I; Sections 400 to 416 Chapter 1, Title IV; Sections 419 to 422, Chapter 2, Title IV; Sections 423 to 436, Chapter 3, Title IV; Sections 700 to 708, Chapter 1, Title VII; Sections 1506 to 1507, Title XV and Sections 1610 to 1611, Chapter 3, Title XVI pursuant to Sections 204 and 1800 of Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA).

Section 1. Scope. This CAO shall apply to all importations entered for consumption through a Formal Entry Process, whether or not subject to payment of duties and taxes.

Section 2. Objective. To prescribe the procedures in the customs clearance of imports covered by goods declaration for consumption through a Formal Entry Process, that are aligned with international standards and best practices.

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

- 3.1. **Air Waybill (AWB)** — shall refer to a transport document for airfreight used by airlines and international freight forwarders which specifies the holder or consignee of the bill who has the right to claim delivery of the goods when they arrive at the port of destination. It is a contract of carriage that includes carrier conditions, such as limits of liability and claims procedures. In addition, it contains transport instructions to airlines and carriers, a description of the goods, and applicable transportation charges.¹
- 3.2. **Alert Order** — shall refer to a written Order issued by the Commissioner, District Collector, or other customs officers authorized in writing by the Commissioner after the Lodgement of Goods Declaration and before their actual release from customs custody, on the basis of Derogatory Information

¹ CMTA, Title I, Chapter 2, Section 102(d).

regarding possible non-compliance with the CMTA and other laws, rules and regulations enforced by Customs.²

- 3.3. **Assessment** — shall refer to the process of determining the amount of duties and taxes and other charges due on imported goods.³
- 3.4. **Authorized Agent Bank (AAB)** — shall refer to banks authorized by the Bureau to collect payment of duties, taxes and other charges.⁴
- 3.5. **Accredited Cargo Surveying Company (ACSC)** — shall refer to a surveying company possessing a duly approved accreditation issued by the Committee for Accreditation of Cargo Surveying Companies (CACSC).⁵
- 3.6. **Bill of Lading (BL)** — shall refer to a transport document issued by shipping lines, carriers and international freight forwarders or non-vessel operating common carrier for water-borne freight. The holder or consignee of the bill has the right to claim delivery of the goods at the port of destination. It is a contract of carriage that includes carrier conditions, such as limits of liability and claims procedures. In addition, it contains transport instructions to shipping lines and carriers, a description of the goods, and applicable transportation charges.⁶
- 3.7. **Break Bulk Cargo** — shall refer to non-containerized general cargo stored in boxes, bales, pallets or other individual units to be loaded onto or discharged from vessels, not shipped in containers or in bulk.⁷
- 3.8. **Bulk Cargo** — shall refer to cargoes in a mass of one commodity not packaged, bundled, bottled or otherwise packed.⁸
- 3.9. **Clearance** — shall refer to the completion of customs and other government formalities necessary to allow goods to enter for consumption.⁹
- 3.10. **Commercial Quantity** — shall refer to the quantity for a given kind or class of articles which are in excess of what is compatible

² CAO No. 7-2019 "Prelodgement and Control Order and Alert Order, Section 3.1.

³ cf. CMTA, Title I, Chapter 2, Section 102(f); cf Revised Kyoto Convention (RKC), General Annex, Chapter 2 "Definitions", E2/F19.

⁴ Manual on Cargo Clearance, Definition of Terms, page vii.

⁵ CMO No. 18-2010 on "Procedure for the Bulk and Break Bulk Cargo Clearance Enhancement Program Mandated under Administrative Order No. 243 as amended by AO No. 243-A", Section 2.1.

⁶ CMTA, Title I, Chapter 2, Section 102(h).

⁷ CMO No. 18-2010 on "Procedure for the Bulk and Break Bulk Cargo Clearance Enhancement Program Mandated under Administrative Order No. 243 as amended by AO No. 243-A", Section 2.4.

⁸ CMO No. 18-2010 on "Procedure for the Bulk and Break Bulk Cargo Clearance Enhancement Program Mandated under Administrative Order No. 243 as amended by AO No. 243-A", Section 2.3.

⁹ cf. CMTA, Title I, Chapter 2, Section 102(k); cf RKC, General Annex, Chapter 2 "Definitions", E5/F9.



with or commensurate with a person's normal requirements for personal use.¹⁰

- 3.11. Conditionally Tax and/or Duty-Exempt Importation** — shall refer to goods exempt from the payment of import duties and/or taxes upon compliance with certain formalities prescribed under pertinent customs issuances.¹¹
- 3.12. Consignee** — shall refer to the party appearing in the transport document to whom delivery may be lawfully made in accordance with the contract of carriage.¹²
- 3.13. Customs Broker** — shall refer to any person who is a *bona fide* holder of a valid Certificate of Registration or Professional Identification Card issued by the Professional Regulatory Board and Professional Regulation Commission pursuant to Republic Act No. 9280, as amended, otherwise known as the "Customs Brokers Act of 2004",¹³ as further amended by Republic Act No. 9853. As used in this CAO, Customs Broker shall mean those registered and authorized to transact with the Bureau in behalf of the importer pursuant to CAO No. 5-2019.
- 3.14. Declarant** — shall refer to any person who makes a goods declaration or in whose name a goods declaration is made,¹⁴ as enumerated under Section 5.1 of this CAO. Further, in the processing of goods declaration under the Formal Entry Process, the declarant must be accredited and registered with the Bureau and authorized to electronically lodge the goods declaration.
- For non-regular importation, the declarant must comply with the rules on the registration of Non-Regular Importer (NRI).¹⁵
- 3.15. Deferred Payment Government Account (DPGA)** — shall refer to the approval and processing of tax expenditures subsidies on National Internal Revenue Taxes and import duties payable or assumed by departments, bureaus, and other offices of the National Government including constitutional offices enjoying fiscal autonomy, and state universities and colleges.¹⁶
- 3.16. Discharge of Last Package** — shall refer to the completion of the unloading of the entire shipment from the international carrier

¹⁰ CAO No. 06-2016 on "Conditionally Tax and/or Duty Exempt Importation of "Returning Residents" and Overseas Filipino Workers (OFWS)", Section 3.4.

¹¹ cf. CMTA, Title VIII, Chapter 1, Section 800, 1st paragraph.

¹² CAO No. 01-2007 on "Penalties Related to Inward Foreign Manifest and Consolidated Cargo Manifest", Glossary of Terms, Section 2.7.

¹³ CMTA, Title I, Chapter 2, Section 102(n).

¹⁴ cf. RKC, General Annex, Chapter 2 "Definitions", E14/F7.

¹⁵ cf. CMO 44-2009, Section 2.1.

¹⁶ cf. Department of Finance, Department of Budget and Management Joint Circular No. 1 dated April 30, 2014.

which is the reckoning period within which to lodge the goods declaration.

- 3.17. Discharge Port Survey (DPS) Report** — shall refer to a report issued by an ACSC for bulk or break bulk cargo after the conduct of a survey at the port of discharge.¹⁷
- 3.18. Due Notice** — shall refer to the notification to the owner, importer, consignee or interested party to lodge or file, pay, claim, or mark by the Collector of Customs through:
- a. Electronic notice sent to the registered electronic mail address of concerned accredited importers;
 - b. Registered mail or personal service; or
 - c. Public posting in bulletin boards or other conspicuous places within the customshouse in case of unknown consignees.
- 3.19. Electronic Inward Foreign Cargo Manifest (e-IFCM)** — shall refer to the advance electronic conveyance of freight information to the Bureau prior to the arrival of the shipment at the port of entry¹⁸ and provides the detailed list of cargo (freight) on board a vessel or aircraft giving the commercial particulars of the goods, such as transport document numbers, consignors, consignees, marks and numbers, number and kind of packages, weight, descriptions, quantities of the goods and destination.¹⁹
- 3.20. Entry** — shall refer to the act, documentation and process of bringing imported goods into the customs territory, including goods coming from free zones.²⁰
- 3.21. Examination of Goods**²¹ — shall refer to the physical, documentary, or non-intrusive inspection of goods to ensure that the nature, origin, condition, quantity, value and tariff classification of the goods are in accordance with the particulars furnished in the goods declaration and other supporting documents.
- 3.22. Formal Entry Process** — shall refer to the cargo clearance process for imported shipments considered to be of commercial nature which are those in excess of FOB or FCA value limitation for informal entry and those for which the informal entry process

¹⁷ CMO No. 18-2010 on "Procedure for the Bulk and Break Bulk Cargo Clearance Enhancement Program Mandated under Administrative Order No. 243 as amended by AO No. 243-A", Section 2.6.

¹⁸ cf. <http://www.farrow.com/article-what-is-emanifest>.

¹⁹ cf. WCO Glossary of International Terms.

²⁰ CMTA, Title I, Chapter 2, Section 102(r).

²¹ cf. RKC, General Annex, Chapter 2 "Definitions", E17/F27.

may not be used, subject to the exceptions provided under the CMTA.²²

- 3.23. Free Carrier (FCA)** — shall mean that the seller delivers the goods to the carrier or another person nominated by the buyer at the seller's premises or another named place. The parties are well advised to specify clearly as possible the point within the named place of delivery, as the risk passes to the buyer at that point.²³
- 3.24. Free on Board (FOB)** — shall mean that the seller delivers the goods on board the vessel nominated by the buyer at the named port of shipment or procures the goods already delivered. The risk of loss of or damage to the goods passes when the goods are on board the vessel, and the buyer bears all costs from that moment onwards.²⁴
- 3.25. 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 Zone; 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 Special Economic Zone under Republic Act No. 9490, as amended; the Cagayan Special Economic Zone and Freeport under Republic Act No. 7922; the Zamboanga City Special Economic Zone under Republic Act No. 7903; the Freeport Area of Bataan under Republic Act No. 9728; and such other freeports as established or may be created by law.²⁵
- 3.26. Freely Importable Goods** — shall refer to goods that may be freely imported into the Philippines without need for import permits, clearances or licenses, unless otherwise provided by law or regulation.²⁶
- 3.27. Goods** — shall refer to articles, wares, merchandise and any other items which are subject of importation.²⁷
- 3.28. Goods 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 in the application for the entry or admission of imported

²² cf. CMTA, Title IV, Chapter 1, Section 402.

²³ cf. CAO No. 02-2016 on "Imported Goods with *De Minimis* Value Not Subject to Duties and Taxes", Section 3.3.

²⁴ cf. CAO No. 02-2016 on "Imported Goods with *De Minimis* Value Not Subject to Duties and Taxes", Section 3.4.

²⁵ CMTA, Title I, Chapter 2, Section 102 (w).

²⁶ cf. CMTA, Title I, Chapter 3, Section 116.

²⁷ cf. CMTA, Title I, Chapter 2, Section 102(x).



goods and the particulars of which the customs administration shall require.²⁸

- 3.29. Goods Entered for Consumption** — shall refer to goods entered for domestic or local use.
- 3.30. Importation** — shall refer to the act of bringing in of goods from a foreign territory into Philippine territory, whether for consumption, warehousing, or admission.²⁹
- 3.31. Inadvertent Error** – shall refer to a mechanical, electronic or clerical error committed unintentionally by the Importer and occurred notwithstanding the maintenance of internal controls necessary to avoid such errors.³⁰
- 3.32. Load Port Survey (LPS) Report** — shall refer to a report issued by an ACSC for bulk or break bulk cargo to be imported into the Philippines. The report shall be submitted to the Bureau directly from the ACSC in a secure electronic format.³³
- 3.33. Lodgement** — shall refer to the electronic registration of a goods declaration with the Bureau,³⁴ in a manner prescribed under customs laws, rules and regulations.
- 3.34. National Single Window (NSW)** — shall refer to the system that enables a single submission of data and information that is synchronously processed by other Departments and Agencies of the government, resulting in a single point of decision for the release of cargoes by the Bureau.³⁵
- 3.35. Non-Regular Importer** — shall refer to one importation for the period of 365 days from date of approval by the District Collector of the port.
- 3.36. Online Release System (OLRS)** — shall refer to the electronic transmission to deliver instruction messages from the Bureau to the concerned operator of the facilities handling the goods which include terminal operators, off-dock container yard-container freight station (CY-CFS) operators, and warehouse operators, granting these entities authority to release the goods to the rightful owner.³⁶
- 3.37. Port of Entry** — shall refer to a domestic port open to both domestic and international trade, including principal ports of entry

²⁸ cf. CMTA, Title I, Chapter 2, Section 102(y)-

²⁹ cf. CMTA, Title I, Chapter 2, Section 102(z).

³⁰ CAO No. 01-2019 on "Post Clearance Audit and Prior Disclosure Program" , Section 3.6.

³³ CMO No. 18-2010 on "Procedure for the Bulk and Break Bulk Cargo Clearance Enhancement Program Mandated under Administrative Order No. 243 as amended by AO No. 243-A", Section 2.5.

³⁴ CMTA, Title I, Chapter 2, Section 102(dd).

³⁵ cf. EO No. 482, s.2005 on "Creating the National Single Window Task Force for Cargo Clearance".

³⁶ cf. Manual on Cargo Clearance Procedure, page ix.



and supports of entry. A principal port of entry is the chief port of entry of the Customs District wherein it is situated and is the permanent station of the District Collector of such port. Supports of entry are under the administrative jurisdiction of the District Collector of the principal port of entry of the Customs District. Port of Entry as used in this CAO shall include airport of entry.³⁷

3.38. Prohibited Goods — shall refer to the following goods, the importation and exportation of which are prohibited:

- 3.38.1.** Written or printed goods in any form containing any matter advocating or inciting treason, rebellion, insurrection, sedition against the government of the Philippines, or forcible resistance to any law of the Philippines, or written or printed goods containing any threat to take the life of, or inflict bodily harm upon any person in the Philippines;
- 3.38.2.** Goods, instruments, drugs and substances designed, intended or adapted for producing unlawful abortion, or any printed matter which advertises, describes or gives direct or indirect information where, how or by whom unlawful abortion is committed;
- 3.38.3.** Written or printed goods, negatives or cinematographic films, photographs, engravings, lithographs, objects, paintings, drawings or other representation of an obscene or immoral character;
- 3.38.4.** Any goods manufactured in whole or in part of gold, silver or other precious metals or alloys and the stamp, brand or mark does not indicate the actual fineness of quality of the metals or alloys;
- 3.38.5.** Any adulterated or misbranded food or goods for human consumption or any adulterated or misbranded drug in violation of relevant laws and regulations;
- 3.38.6.** Infringing goods as defined under the Intellectual Property Code and related laws; and
- 3.38.7.** All other goods or parts thereof, which importation are explicitly prohibited by law or rules and regulations issued by the competent authority.³⁸

3.39. Regulated Goods — shall refer to goods, the importation and exportation of which are subject to regulation and shall only be allowed after securing the necessary clearances, licenses, and any other requirements, prior to importation or exportation. In case

³⁷ cf. CMTA, Title I, Chapter 2, Section 102 (hh).

³⁸ cf. CMTA, Title I, Chapter 3, Section 118.



of importation, submission of requirements after arrival of the goods but prior to release from customs custody shall be allowed but only in cases provided for by governing laws or regulations.³⁹

- 3.40. Release of Goods** — shall refer to the action by the Bureau to permit goods undergoing clearance to be placed at the disposal of the consignee or holder of the covering BL or AWB concerned upon compliance with legal formalities and payment of duties, taxes and other charges in case of dutiable imports.⁴¹
- 3.41. Restricted Goods** – shall refer to the following goods, the importation and exportation of which are prohibited, except when authorized by law or regulation:
- 3.41.1.** Dynamite, gunpowder, ammunitions and other explosives, firearms and weapons of war, or parts thereof;
 - 3.41.2.** Roulette wheels, gambling outfits, loaded dice, marked cards, machines, apparatus or mechanical devices used in gambling or the distribution of money, cigars, cigarettes or other goods when such distribution is dependent on chance, including jackpot and pinball machines or similar contrivances, or parts thereof;
 - 3.41.3.** Lottery and sweepstakes tickets, except advertisements thereof and lists of drawings therein;
 - 3.41.4.** Marijuana, opium, poppies, coca leaves, heroin or other narcotics or synthetic drugs which are or may hereafter be declared habit forming by the President of the Philippines, or any compound, manufactured salt, derivative, or preparation thereof, except when imported by the government of the Philippines or any person duly authorized by the Dangerous Drugs Board, for medicinal purposes;
 - 3.41.5.** Opium pipes or parts thereof, of whatever materials; and
 - 3.41.6.** Any other goods the importation of which is restricted,⁴² e.g. Weapons of mass destruction and goods included in the National Strategic Goods List (NSGL) as provided under Republic Act No. 10697 or the Strategic Trade Management Act (STMA) and Toxic and Hazardous goods under Republic Act No. 6969 or

³⁹ cf. CMTA, Title I, Chapter 3, Section 117

⁴¹ cf. CMTA, Title I, Chapter 2, Section 102(kk); cf RKC, General Annex, Chapter 2 "Definitions", E24/F20.

⁴² cf. CMTA, Title I, Chapter 3, Section 119.



the "Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990".⁴³

The restriction to import the above stated goods shall include the restriction on their transit.

- 3.42. **Return** — shall refer to the findings made by the customs officer after examination as to the description, appraisal and classification of the goods.
- 3.43. **Security** — shall refer to any form of guaranty, such as a surety bond, cash bond, standby letter of credit or irrevocable letter of credit, which ensures the satisfaction of an obligation to the Bureau.⁴⁴
- 3.44. **Single Administrative Document (SAD)** — shall refer to an internationally used form as customs declaration or goods declaration, designed to standardize customs documents, harmonize codification and simplify procedures in international trade exchanges.⁴⁵
- 3.45. **Supplemental Declaration on Valuation (SDV)** — shall refer to the form prescribed by the Bureau and accomplished under oath containing information pertaining to the circumstances surrounding the import transaction such as on the existence or non-existence of relationship between the buyer and the seller, payment of royalties or license fees, provision for assists, and/or any other adjustments to the price paid or payable as provided in this CAO.⁴⁶
- 3.46. **Tax Credit Certificate (TCC)** — shall refer to certification duly issued to the grantee-importer named therein by the Commissioner or his duly authorized representative acknowledging that the grantee-importer named therein is legally entitled tax credit, the money value of which may be used in payment or in satisfaction of any of his customs duty or tax obligations or may be converted as a cash refund.⁴⁷
- 3.47. **Tax Debit Memo (TDM)** — shall refer to the document authorizing the utilization of the TCC as payment for customs duties or tax obligations of the grantee-importer. A TCC cannot

⁴³ CAO 6-2016 on "Conditionally Tax and/or Duty-Exempt Importation of Returning Residents and Overseas Filipino Workers (OFWs)" .

⁴⁴ CMTA, Title I, Chapter 2, Section 102(mm); cf RKC, General Annex, Chapter 2 "Definitions", E26/F17.

⁴⁵ cf. UNCTAD, ASYCUDA.

⁴⁶ cf. A Brief Presentation by Philippine Customs at the WTO Seminar on Technical Assistance on Customs Valuation at Geneva, 6-7 November 2002.

⁴⁷ CAO 4-2019 on "Duty Drawback, Refund and Abatement" , Section 3.4.



be utilized as payment for duty or taxes without a duly approved TDM.⁴⁸

3.48. Tax Exemption Indorsement (TEI) — shall refer to an indorsement from the Revenue Office (RO) of the Department of Finance (DOF) evidencing exemption of a particular importer from payment of duties and/or taxes on his importations.

3.49. Tentative Assessment⁵⁰ — shall refer to the provisional character of the assessment in case of:

3.49.1. Provisional goods declaration pending completion by the declarant on the additional information or document required to complete the goods declaration within the period provided in Section 5.7.5 of this CAO; or

3.49.2. An importation whose goods declaration is under dispute pending its resolution.

3.50. Tentative Release — shall refer to the physical release of goods under tentative assessment.

Section 4. General Provisions.

4.1. When Importation Begins and Deemed Terminated. Importation begins when the carrying vessel or aircraft enters the Philippine territory with the intention to unload therein. Importation is deemed terminated when:

4.1.1. The duties, taxes and other charges due upon the goods have been paid or secured to be paid at the port of entry and legal permit for withdrawal has been granted; or

4.1.2. In case the goods are deemed free of duties, taxes and other charges, the goods have legally left the jurisdiction of the Bureau.⁵¹

4.2. Goods Liable for Duties and Taxes. All goods, when imported into the Philippines, shall be subject to duty and tax upon importation, including goods previously exported from the Philippines,⁵² except the following:

4.2.1. Those considered as *de minimis* importations pursuant to Section 423, Chapter 3, Title IV of the CMTA;

⁴⁸ CAO 4-2019 on "Duty Drawback, Refund and Abatement" , Section 3.5.

⁵⁰ cf. CMTA, Title IV, Chapter 3, Sections 425 and 426.

⁵¹ CMTA, Title I, Chapter 2, Section 103.

⁵² cf. CMTA, Title I, Chapter 2, Section 104, 1st paragraph.

- 4.2.2. Those that are conditionally tax and/or duty-exempt importations under Section 800, Chapter 1, Title VIII of the CMTA;
 - 4.2.3. Importations under the customs bonded warehousing system subject to conditions of Section 812, Chapter 2, Title VIII;
 - 4.2.4. Goods for admission into Free Zones;
 - 4.2.5. Relief consignments under Section 120 and 800 (m) of the CMTA;
 - 4.2.6. Stores under Sections 818 to 821, Chapter 4, Title VIII of the CMTA; and
 - 4.2.7. Goods granted exemption privileges under other laws.
- 4.3. **Entry of Imported Goods.** All goods imported into the Philippines shall be entered through a customs office at a Port of Entry, or may be admitted to or removed from a Free Zone, as the case may be.⁵³

Imported goods shall be deemed "entered" in the Philippines for consumption when the goods declaration is electronically lodged, together with any required supporting documents⁵⁴ in the BOC electronic cargo clearance system portal.

- 4.4. **Importations by the Government.** Except those which are considered as conditionally tax and/or duty-exempt importations, all importations by the government for its own use or that of its subordinate branches or instrumentalities, or corporations, agencies owned or controlled by the government, shall be subject to duties, taxes, fees and other charges.⁵⁵

In case of deferred payment, it shall comply with the pertinent regulations of Department of Budget and Management (DBM) and other government agencies on deferred payment scheme.

- 4.5. **Owner of Imported Goods.** The following shall be deemed owners of imported goods:
- 4.5.1. Consignee;
 - 4.5.2. Holder of the negotiable BL, AWB, or other equivalent transport document if duly endorsed by the consignee therein or if consigned to order, duly endorsed by the consignor; and

⁵³ cf. CMTA, Title IV, Chapter 1, Section 400.

⁵⁴ cf. CMTA, Title I, Chapter 3, Section 115.

⁵⁵ cf. CMTA, Title IV, Chapter 1, Section 406.



4.5.3. Underwriters of abandoned goods and salvors of goods saved from wreck at sea, coast, or in any area of the Philippines.⁵⁶

4.6. **Liability for Duties and Taxes.** Unless relieved by laws and regulations, the importer or owner shall be liable for duties, taxes, fees and other charges plus interests, if any, due for each importation. Such liability constitutes a personal debt of the importer or owner to the government and shall be discharged only upon full payment. It also constitutes a lien on the imported goods which may be enforced while such goods are under customs' custody.⁵⁷

4.7. **Documentary Requirements.** Unless and until the Bureau is operating in a paperless environment, the printout of the SAD signed by the declarant and the customs broker, if any, and duly notarized, must be submitted to the Formal Entry Division (FED) or its equivalent office or unit, together with the following documents which shall form an integral part of the Goods Declaration:

4.7.1. Duly accomplished SDV form. The Bureau shall require the submission of the SDV in the prescribed form or the printed electronic copy thereof and should be notarized, until such time the SDV is incorporated in the customs system;

4.7.2. Duly endorsed BL or AWB, or in the absence thereof, a written order (Delivery Order, Telex Release or Release Order) by the carrier or agent of the vessel or aircraft;

4.7.3. Commercial invoice, letter of credit or any other verifiable commercial document evidencing payment; in cases where there is no sale for export, by any commercial document indicating the commercial value of the goods;⁵⁸

4.7.4. Packing list, or the commercial invoice, provided, it contains the itemized specific information; and

4.7.5. Documents as may be required by rules and regulations, such as:

a. Import authority, permit, clearance or license for imported goods listed in the official list of regulated goods as posted in the BOC website. For this purpose, the Bureau shall periodically update the official list of regulated goods;

⁵⁶ cf. CMTA, Title IV, Chapter 1, Section 404.

⁵⁷ cf. CMTA, Title IV, Chapter 1, Section 405.

⁵⁸ cf. CMTA, Title IV, Chapter 1, Section 402, last paragraph.

- b. Sanitary and Phytosanitary Import Clearance (SPSIC);
- c. Authority to Release Imported Goods (ATRIG);
- d. Certificate of Origin (for various Free Trade Agreements and Economic Partnership Agreements) or other Proof of Origin such as Invoice Declaration by Certified Exporter when the Self Certification System is availed of by contracting countries and Origin Declaration by Approved Exporter for PH-EFTA FTA;
- e. Advance Ruling, if the ruling was applied in the lodgement of the goods declaration;
- f. LPS or DPS report for bulk or break bulk importations;
- g. TEI, if applicable; and
- h. Other documents as may be required by the Bureau or existing regulations.

To enhance customs control and support a cost-effective customs operations geared towards a paperless customs environment, the Bureau shall, after due consultation with directly affected parties and stakeholders, develop and implement an ICT-enabled customs cargo clearance system based on international standards. Towards this end, the Bureau shall communicate, exchange and process trade-and logistics-related information in the national and international level through the NSW facility for the efficient and prompt clearance of goods and commodities in a technology-neutral and secured infrastructure for business, industries, and government.⁵⁹

4.8. Acceptability of Electronic Documents. For purposes of customs procedures, electronic documents, permits, licenses or certificates shall be acceptable and shall have the legal effect, validity or enforceability as any other document or legal writing. Provided, that when the prescribed requirements are duly complied with, the Bureau shall:

- a. Recognize the authenticity and reliability of electronic documents;
- b. Transmit approval in the form of electronic data messages or electronic documents; and

⁵⁹ cf. CMTA, Title I, Chapter 2, Section 109, 1st, 2nd, 3rd and last paragraphs.

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- c. Require and/or accept payments and issue receipts acknowledging such payments through systems using electronic data messages or electronic documents.⁶⁰

Electronically submitted goods declaration shall be governed by Republic Act No. 8792, otherwise known as the "Electronic Commerce Act of 2000" and its Implementing Rules and Regulations. Such declarations when printed and certified by a competent customs officer as a faithful reproduction of the electronic submission shall be considered as actionable documents for purposes of prosecuting a declarant if the declarations are found to be fraudulent.⁶¹

4.9. Methods of Valuation.

4.9.1. Sequential Application of Valuation Method. Imported goods shall be valued in accordance with the provisions of Section 4.9.2 of this CAO whenever the conditions prescribed therein are fulfilled.

Where the customs value cannot be determined under the provisions of Section 4.9.2. of this CAO, it is to be determined by proceeding sequentially through the succeeding sections under which the customs value can be determined. Except as provided in Section 4.9.5. of this CAO, it is only when the customs value cannot be determined under the provisions of a particular section that the provisions of the next section in the sequence can be used.

If the importer does not request that the order of Sections 4.9.5. and 4.9.6. of this CAO be reversed, the normal order of the sequence is to be followed. If the importer so requests but it is impossible to determine the customs value under Section 4.9.6. of this CAO, the customs value shall be determined under Section 4.9.5. of this CAO.

When the customs value cannot be determined under Section 4.9.2. through Section 4.9.6., it may be determined under Section 4.9.7. of this CAO.⁶²

4.9.2. Transaction Value System – Method One. The transaction value shall be the price actually paid or payable for the goods when sold for export to the Philippines adjusted in accordance with the provisions of this section. Provided that:

- a. There are no restrictions as to the disposition or use of the goods by the buyer other than restrictions which:

⁶⁰ CMTA, Title I, Chapter 2, Section 109, 5th paragraph.
⁶¹ CMTA, Title IV, Chapter 1, Section 412, last paragraph.
⁶² cf CMTA, Title VII, Chapter 1, Section 700.



- i. Are imposed or required by law or by Philippine authorities;
 - ii. Limit the geographical area in which the goods may be resold; or
 - iii. Do not substantially affect the value of the goods.
- b. The sale or price is not subject to some condition or consideration for which a value cannot be determined with respect to the goods being valued; and
- c. The buyer and the seller are not related, or where the buyer and the seller are related, that the transaction value is acceptable for customs purposes under the provisions hereof.

For the purposes of this CAO, persons shall be deemed related only if:

- i. They are officers or directors of one another's businesses;
- ii. They are legally recognized partners in business;
- iii. There exists an employer-employee relationship between them;
- iv. Any person directly or indirectly owns, controls or holds five percent (5%) or more of the outstanding voting stocks or shares of both seller and buyer;
- v. One of them directly or indirectly controls the other;
- vi. Both of them are directly or indirectly controlled by a third person;
- vii. Together they directly or indirectly control a third person; or
- viii. They are members of the same family, including those related by affinity or consanguinity up to the fourth civil degree.

Persons who are associated in business with one another in that one is the sole agent, sole distributor or sole concessionaire, however described, of the other shall be deemed to be related for the purposes of this CAO if they fall within any of the eight (8) cases cited in the preceding paragraph.

In a sale between related persons, the transaction value shall be accepted as basis for customs valuation whenever the importer demonstrates that such value closely approximates one of the following occurring at or about the same time:



- a. The transaction value in sales to unrelated buyers of identical or similar goods for export to the same country of importation;
- b. The customs value of identical or similar goods as determined under the provisions of Section 4.9.5. of this CAO; or
- c. The customs value of identical or similar goods are determined under the provisions of Section 4.9.6. of this CAO.

In determining the transaction value, the following shall be added to the price actually paid or payable for the imported goods:

- a. To the extent that they are incurred by the buyer but are not included in the price actually paid or payable for the imported goods:
 - i. Commissions and brokerage fees except buying commissions;
 - ii. Cost of containers;
 - iii. Cost of packing, whether for labor or materials;
 - iv. Value, apportioned as appropriate, of the following goods and services: materials, components, parts and similar items incorporated in the imported goods; tools; dies; moulds and similar items used in the production of imported goods; materials consumed in the production of the imported goods; and engineering, development, artwork, design work and plans and sketches undertaken elsewhere than in the Philippines and necessary for the production of imported goods, where such goods and services are supplied directly or indirectly by the buyer free of charge or at a reduced cost for use in connection with the production and sale for export of the imported goods; and
 - v. Amount of royalties and license fees related to the goods being valued that the buyer must pay either directly or indirectly, as a condition of sale of the goods to the buyer.
- b. Value of any part of the proceeds of any subsequent resale, disposal or use of the imported goods that accrues directly or indirectly to the seller;

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- c. Cost of transport of the imported goods from the port of exportation to the port of entry in the Philippines;
- d. Loading, unloading and handling charges associated with the transport of the imported goods from the country of exportation to the port of entry in the Philippines; and
- e. Cost of insurance.

All additions to the price actually paid or payable shall be made only on the basis of objective and quantifiable data.⁶³

- 4.9.3. Transaction Value of Identical Goods – Method Two.** Where the dutiable value cannot be determined under method one, the dutiable value shall be the transaction value of identical goods sold for export to the Philippines and exported at or about the same time as the goods being valued. For purposes of this section, "Identical goods" refer to goods which are the same in all respects, including physical characteristics, quality and reputation. Minor differences in appearances shall not preclude goods otherwise conforming to the definition from being regarded as identical.

If in applying this section, more than one transaction value of identical goods are found, the lowest value shall be used to determine the customs value.⁶⁴

- 4.9.4. Transaction Value of Similar Goods – Method Three.** Where the dutiable value cannot be determined under the preceding method, the dutiable value shall be the transaction value of similar goods sold for export to the Philippines and exported at or about the same time as the goods being valued. For purposes of this section, "Similar goods" refer to goods which, although not alike in all respects, have like characteristics and similar component materials which enable them to perform the same functions and to be commercially interchangeable. The quality of the goods, its reputation and the existence of a trademark shall be among the factors to be considered in determining whether goods are similar.

If in applying this section, more than one transaction value of similar goods are found, the lowest value shall be used to determine the customs value.⁶⁵

- 4.9.5. Deductive Value – Method Four.** Where the dutiable value cannot be determined under the preceding method, the dutiable value shall be the deductive value unless otherwise requested by the importer as provided in Section 4.9.1. of this CAO. The

⁶³ cf CMTA, Title VII, Chapter 1, Section 701.

⁶⁴ cf CMTA, Title VII, Chapter 1, Section 702.

⁶⁵ cf CMTA, Title VII, Chapter 1, Section 703.

deductive value which shall be based on the unit price at which the imported goods or identical or similar imported goods are sold in the Philippines, in the same condition as when imported, in the greatest aggregate quantity, at or about the time of the importation of the goods being valued, to persons not related to the persons from whom they buy such goods, subject to deductions for the following:

- a. Either the commissions usually paid or agreed to be paid or the additions usually made for profit and general expenses in connection with sales in such country of imported goods of the same class or kind;
- b. The usual costs of transport and insurance and associated costs incurred within the Philippines;
- c. Where appropriate, the cost of:
 - i. Transport of the imported goods from the port of exportation to the port of entry in the Philippines;
 - ii. Loading, unloading and handling charges associated with the transport of the imported goods from the country of exportation to the port of entry in the Philippines; and
 - iii. Insurance.
- d. The customs duties and other national taxes payable in the Philippines by reason of the importation or sale of the goods.

If neither the imported goods nor identical nor similar imported goods are sold at or about the time of importation of the goods being valued in the Philippines in the conditions they were imported, the customs value shall, subject to the conditions set forth in the preceding paragraph, be based on the unit price at which the imported goods or identical or similar imported goods sold in the Philippines in the condition they were imported and at the earliest date after the importation of the goods being valued, but before the expiration of ninety (90) days after such importation.

If neither the imported goods nor identical nor similar imported goods are sold in the Philippines in the condition as imported, then, if the importer so requests, the dutiable value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons in the Philippines who are not related to the persons from whom they buy such goods, subject to allowance for the



value added by such processing and deductions provided under subsections a to d hereof.⁶⁶

4.9.6. **Computed Value - Method Five.** Where the dutiable value cannot be determined under the preceding method, the dutiable value shall be the computed value of the sum of:

- a. The cost or the value of materials and fabrication or other processing employed in producing the imported goods;
- b. The amount for profit and general expenses equal to that usually reflected in the sale of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to the Philippines;
- c. The freight, insurance fees and other transportation expenses for the importation of the goods;
- d. Any assist, if its value is not included under subsection a hereof; and
- e. The cost of containers and packing, if their values are not included under subsection a hereof.

The Bureau shall not require or compel any person not residing in the Philippines to produce for examination, or to allow access to, any account or other record for the purpose of determining a computed value. However, information supplied by the producer of the goods for the purposes of determining the customs value may be verified in another country with the agreement of the producer and provided that said producer will give sufficient advance notice to the government of the country in question and that the latter does not object to the investigation.⁶⁷

4.9.7. **Fallback Value - Methods Six.** If the dutiable value cannot be determined under the preceding methods described above, it shall be determined by using other reasonable means and on the basis of data available in the Philippines. If the importer so requests, the importer shall be informed in writing of the dutiable value determined under method six and the method used to determine such value.

No dutiable value shall be determined under method six on the basis of:

- a. The selling price in the Philippines of goods produced in the Philippines;

⁶⁶ cf CMTA, Title VII, Chapter 1, Section 704.

⁶⁷ cf CMTA, Title VII, Chapter 1, Section 705.

- b. A system that provides for the acceptance for customs purposes of the higher of two (2) alternative values;
- c. The price of goods in the domestic market of the country of exportation;
- d. The cost of production, other than computed values, that have been determined for identical or similar goods in accordance with method five hereof;
- e. The price of goods for export to a country other than the Philippines;
- f. Minimum customs values; or
- g. Arbitrary or fictitious values.⁶⁸

4.10. **Ascertainment of the Accuracy of the Declared Value.**⁶⁹ The Bureau has the right to ascertain the truth and accuracy of any statement, document or declaration presented for customs valuation purposes. When a declaration has been presented and when the Bureau has reason to doubt the truth or accuracy of the particulars or of documents produced in support of such declaration, it may ask the importer to provide further explanation, including documents or other evidence, that the declared value represents the total amount actually paid or payable for the imported goods, adjusted in accordance with the provisions of this CAO.

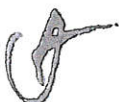
If in the course of determining the dutiable value of imported goods, it becomes necessary to delay the final determination of such dutiable value, the importer shall nevertheless be able to secure the release of the imported goods upon posting of a sufficient security in an amount equivalent to the duties and taxes, if any, as may be determined subject to the CAO on Dispute Settlement and Protest⁷⁰, Provided, that prohibited goods shall not be released under any circumstance.

If after receiving further information, or in the absence of a response, the Bureau still has reasonable doubts on the truth or accuracy of the declared value, it may deem that the customs value of the imported goods cannot be determined under method one, without prejudice to an importer's right to appeal pursuant to Section 1104, Chapter 1, Title XI of the CMTA. Before taking a final decision, the Collector of Customs shall communicate to the importer, in writing if requested, the grounds for doubting the truth or accuracy of the particulars or documents produced and give the importer a reasonable opportunity to respond. When a final decision is made, the Bureau shall communicate its decision and the grounds therefor in writing.

⁶⁸ cf CMTA, Title VII, Chapter 1, Section 706.

⁶⁹ CMTA, Title VII, Chapter 1, Section 707.

⁷⁰ cf. CAO No. 02-2020 on "Dispute Settlement and Protest"



4.11. Rules on Classification. Classification of goods and its tariff nomenclature shall be governed by the following principles under the General Rules for the Interpretation (GRI):

4.11.1. Rule One (1). The titles of sections, chapters and subchapters are provided for easy reference only. For legal purposes, classification shall be determined according to the terms of the headings and any relative section or chapter notes and, provided such headings or notes do not otherwise require, according to the following provisions:

4.11.2. Rule Two (2).

a. Rule 2(a) — any reference in a heading to the goods shall be taken to include a reference to the same in their incomplete or unfinished form or state: Provided, that the incomplete or unfinished goods have the essential character, as presented, of the complete or finished goods. It shall also be taken to include a reference to the same, in their complete or finished form or state (or falling to be classified as complete or finished by virtue of this Rule), presented unassembled or disassembled.

b. Rule 2(b) — any reference in a heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance. The classification of goods consisting of more than one material or substance shall be according to the principles of Rule 3.

4.11.3. Rule Three (3). When by application of Rule 2(b) or for any other reason, goods are, *prima facie*, classifiable under two (2) or more headings, classification shall be effected as follows:

a. Rule 3(a) — the heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two (2) or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods.

b. Rule 3(b) — mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified



by reference to 3(a), shall be classified as if they consisted of their essential character, insofar as this criterion is applicable.

- c. Rule 3(c) — when goods cannot be classified by reference to 3(a) or 3(b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration;

4.11.4. Rule Four (4). Goods which cannot be classified in accordance with the above Rules shall be classified under the heading appropriate to the goods to which they are most akin.

4.11.5. Rule Five (5). In addition to the foregoing provisions, the following Rules shall apply with respect to the goods referred to therein:

- a. Rule 5(a) — camera cases, musical instrument cases, gun cases, drawing instrument cases, necklace cases and similar containers, specially shaped or fitted to contain specific goods or set of goods, suitable for long-term use and presented with the goods for which they are intended, shall be classified with such goods when of a kind normally sold therewith. The Rule does not, however, apply to containers which give the whole its essential character; and

- b. Rule 5(b) — subject to the provisions of Rule 5(a), packing materials and packing containers presented with the goods therein shall be classified with the goods if they are of a kind normally used for packing such goods. However, this provision does not apply when such packing materials or packing containers are clearly suitable for repetitive use.

4.11.6. Rule Six (6). For legal purposes, the classification of goods in the subheadings of a heading shall be determined according to the terms of those subheadings and any related subheading notes and, *mutatis mutandis*, to the above Rules, on the understanding that only subheadings at the same level are comparable. For the purposes of the Rule, the relative section and Chapter Notes also apply, unless the context otherwise requires.⁷¹

4.12. Tariff Nomenclature and Rates of Import Duty. The provisions of Section 104 on Rates of Import Duty of Presidential Decree No. 1464, otherwise known as the Tariff and Customs Code of the Philippines of 1978, as amended, specifically providing for the tariff sections, chapters, headings and subheadings and the rates of import duty, shall still apply and shall supplement the CMTA. There shall be levied, collected and paid

⁷¹ of CMTA, Title XVI, Chapter 3, Section 1610.



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upon all imported goods the rates of duty indicated thereon except as otherwise specifically provided for in the CMTA: Provided, that the maximum rate shall not exceed one hundred per cent (100%) ad valorem.

The rates of duty provided or subsequently fixed pursuant to Sections 1608 and 1609, Chapter 2, Title XVI of the CMTA shall be subject to periodic investigation by the Tariff Commission and may be revised by the President, upon the recommendation of the National Economic Development Authority (NEDA).

It shall also apply to all products, whether imported directly or indirectly, of all foreign countries, which do not discriminate against Philippine export products. An additional one hundred per cent (100%) across-the-board duty shall be levied on the products of any foreign country which discriminates against Philippine export products.⁷²

4.13. Rate of Exchange. For the assessment and collection of customs duty on imported goods and for other purposes, the value of the goods quoted in foreign currency shall be converted into the currency of the Philippines at the current rate of exchange specified or published, from time to time, by the Bangko Sentral ng Pilipinas (BSP) and as circularized by the Bureau.⁷³

4.14. Effective Date of Rates of Import Duty. Imported goods shall be subject to the import duty rates under the applicable tariff heading that are effective at the date of importation or upon withdrawal from the warehouse for consumption (i.e. upon lodgement of the goods declaration for consumption). In case of withdrawal from free zones for introduction to the customs territory, the duty rate at the time of withdrawal shall be applicable on the goods originally admitted, whether withdrawn in its original or advanced form.⁷⁴

Section 5. Lodgement of Goods Declaration.

5.1. Who may be a Declarant.⁷⁵ A declarant is any person who makes a goods declaration or in whose name a goods declaration is made, and may be:

5.1.1. The importer, being the holder of the BL or AWB;

5.1.2. A customs broker acting under the authority of the importer or from a holder of the bill; or

⁷² cf. CMTA, Title XVI, Chapter 3, Section 1611.

⁷³ cf. CMTA, Title VII, Chapter 1, Section 708.

⁷⁴ cf. CMTA, Title I, Chapter 2, Section 105, 1st paragraph.

⁷⁵ cf. CMTA, Title I, Chapter 2, Section 106.

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- 5.1.3. A person duly empowered to act as agent or attorney-in-fact for each holder of the bill consistent with international standards and customs best practices.
- 5.2. In case the importer is a juridical person, a responsible officer who must be an official of the business, shall be authorized to sign the goods declaration as declarant on its behalf.
- 5.2.1. For corporations, the responsible officer must be authorized by the Board of Directors to sign as the declarant on its behalf, as shown by the corporate secretary's certificate.
- 5.2.2. For partnerships, the responsible officer must be authorized by the partners, as shown by the certification of the managing partner.
- 5.2.3. For sole proprietorships, the declarant may be the owner or a responsible officer of the business authorized under oath by the owner.
- 5.3. **Rights and Responsibilities of the Declarant.**⁷⁶ The declarant shall be responsible for the accuracy of the goods declaration and for the payment of all duties, taxes and other charges due on the imported goods.
- The Customs Broker shall likewise be responsible for the accuracy of the goods declaration but shall not be responsible for the payment of duties, taxes and other charges due on the imported goods.⁷⁷
- The declarant shall sign the goods declaration, even when assisted by a Customs Broker, who shall likewise sign the goods declaration.
- 5.4. **Electronic Lodgement.**⁷⁸ No entry of imported goods shall be allowed unless the goods declaration has been lodged with the Bureau. All goods declaration shall be lodged through the BOC portal which allows the declarant to accomplish, submit and register goods declaration online at anytime, anywhere following a prescribed format.
- 5.5. **Period within Which to Lodge.** Goods declaration must be lodged within fifteen (15) calendar days from the date of discharge of the last package from the vessel or aircraft. The

⁷⁶ cf. CMTA, Title I, Chapter 2, Section 107; cf RKC, General Annex, Chapter 3(b) "The declarant", Section 3.8.

⁷⁷ cf. Republic Act No. 9280, Article IV, Section 30.

⁷⁸ cf. RKC, General Annex, Chapter 3(a) "The Goods declaration", Section 3.11 and 3(b) Section 3.21.

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period for the lodgement of the goods declaration may be adjusted by the Commissioner.

The period to lodge the goods declaration may, upon written request, be extended on valid grounds for another fifteen (15) calendar days subject to the approval of the Collector of Customs, as may be authorized by the Commissioner. Provided, that the request is made before the expiration of the original period within which to lodge the goods declaration and is based on the following grounds:⁷⁹

- a. Fraud committed against the owner, importer or consignee;
- b. Accident;
- c. Mistake
- d. Excusable negligence;
- e. Force Majeure;
- f. Technical issues as certified by the Management Information System Technology Group (MISTG);
- g. Other analogous circumstances.

Request for extension shall be acted upon within seven (7) working days otherwise the request for extension shall be deemed approved.⁸⁰ The 15-day extension period to lodge the goods declaration shall retroact to the day immediately after the expiration of the original period. No further extension shall be allowed.

The right to request for an extension to lodge a goods declaration before the expiration of the original period, if applicable, shall be without prejudice to the option of the importer to lodge provisional goods declaration.

5.6. Advance Lodgement and Clearance.⁸¹ The Bureau shall develop a facility to enable the lodgement and clearance of goods declaration prior to the arrival of the goods, i.e., express shipments, or for those enrolled in any of the trade facilitation programs of the Bureau, i.e. Super Green Lane (SGL) Program, Authorized Economic Operator (AEO) Program, and Bulk and Break Bulk Cargo Clearance and Enhancement Program (BBBCCEP).

5.7. Forms and Types of Goods Declaration.

5.7.1. Goods Declaration for Consumption.⁸² Goods of commercial nature with FOB or FCA value of Fifty Thousand Pesos (Php50,000.00) and above shall be

⁷⁹ cf. CMTA, Title IV, Chapter 1, Section 407, 3rd paragraph; cf RKC, General Annex, Chapter 3(b) "The Goods declaration", Sections 3.23 and 3.24.

⁸⁰ Republic Act No. 11032 "Ease of Doing Business Act", Section 9 (b)(1)

⁸¹ cf. CMTA, Title IV, Chapter 1, Section 409.

⁸² cf. CMTA, Title IV, Chapter 1, Section 402.



entered through a goods declaration for consumption and cleared under the Formal Entry Process.

5.7.2. Declaration of Goods that is Part for Consumption and Part for Warehousing. Goods covered by one (1) BL or AWB which are meant in part for consumption and in part for warehousing may both be entered simultaneously for release at the Port of Entry.⁸³

5.7.3. Contents of Goods Declaration. Except as otherwise provided for in Section 5.7.5 of this CAO covering the rules on provisional goods declaration, all goods declaration shall contain the following:

- a. Name of consignee;
- b. Name of the importing vessel or aircraft;
- c. Country of origin;
- d. Port of departure;
- e. Port of destination;
- f. Date of arrival;
- g. The number and marks of packages, or the quantity, if in bulk;
- h. The nature and correct commodity description of the goods contained therein.⁸⁴

The description of goods in the goods declaration must be sufficient and specific in detail to enable the goods to be identified for customs valuation, statistical purposes, and classification to the appropriate tariff heading and subheading, and in such other particulars necessary for the proper assessment and collection of duties and taxes. The quantity and value of each of the several classes of goods shall be separately declared according to their respective headings and subheadings and the totals of each heading and subheading shall be duly shown.⁸⁵

- i. The value of the goods for customs valuation purposes. This may include goods imported but not

⁸³ cf. CMTA, Title IV, Chapter 1, Section 410.
⁸⁴ cf. CMTA, Title IV, Chapter 1, Section 411; cf. RKC, General Annex, Chapter 3(a) "The Goods declaration, Section 3.12.
⁸⁵ cf. CMTA, Title IV, Chapter 1, Section 413; cf. CAO No. 08-2007 on "Description of Imported Articles in Tariff Terms".



covered by sale, such as goods on consignment or lease, samples, or donations, covered by a consignment, pro forma invoice, or other non-commercial invoice.

- j. The quantities in the weights or measures of the goods shipped;
- k. Adjustments, as may be required in determining the transaction value;⁸⁶ and
- l. Such other information as may be required by rules and regulations.⁸⁷

5.7.4. Statements to be provided in the Goods Declaration. The goods declaration shall, under penalties of falsification or perjury, contain the following statements:

- a. The invoice and goods declaration contain an accurate and faithful account of the prices paid or payable for the goods, and other adjustments to the price actually paid or payable, and that nothing has been omitted therefrom or concealed; and
- b. To the best of the declarant's information and belief, all the invoices and BLs or AWBs relating to the goods are the only ones in existence and that these documents are in the same state as when they were received by the declarant, and the declaration thereon are in all respects genuine and true.⁸⁸

It shall be the responsibility of the declarant to disclose and declare all relevant and applicable data and information in order to determine the proper duties, taxes and other charges due and payable.⁸⁹

5.7.5. Provisional Goods Declaration.⁹⁰ Provisional goods declaration may be allowed in order to facilitate trade and to prevent goods from being declared abandoned. The Bureau shall assign a specific code to identify that the goods declaration is provisional in nature upon lodgement. Goods declaration shall be considered full and complete insofar as supporting documents and

⁸⁶ cf. CMTA, Title IV, Chapter 1, Section 414.

⁸⁷ cf. CMTA, Title IV, Chapter 1, Section 411.

⁸⁸ cf. CMTA, Title IV, Chapter 1, Section 412, 1st paragraph, subparagraphs a and b.

⁸⁹ cf. CMTA, Title I, Chapter 2, Section 107.

⁹⁰ cf. CMTA, Title IV, Chapter 1, Section 403; cf. RKC, General Annex, Chapter 3(a) "Goods declaration format and contents", Section 3.13.



information are concerned if the declarant does not indicate the provisional nature of such lodgement.

- a. Lodgement of provisional goods declaration may be allowed in the following circumstances:
 - i. When no regulatory permit, clearance or license has been presented at the time of lodgement, provided that the importer has timely filed his application for such permit, clearance or license pursuant to the policy of the concerned regulatory agency;
 - ii. In case of relief consignment;⁹¹
 - iii. When the TEI has not been issued, provided an application has already been filed at the time of lodgement; or
 - iv. Any other situation where the declarant lacks certain information or document to make a complete goods declaration provided it is not due to the declarant's negligence or fault.

- b. Lodgement of provisional goods declaration may be allowed provided the following documents are presented:
 - i. Pro forma invoice;
 - ii. Duly endorsed BL or AWB, or in the absence thereof, a written order by the carrier or agent of the vessel or aircraft;
 - iii. Advanced copies of Certificate of Origin, if applicable;
 - iv. Duly notarized undertaking by the declarant that the other supporting documents required pursuant to this CAO shall be submitted within forty-five (45) calendar days from lodgement of provisional goods declaration. The 45-day period may be extended for another 45 calendar days for valid reasons upon approval of the written request by the Collector of Customs.⁹²

Request for extension shall be acted upon within seven (7) working days otherwise the request for

⁹¹ CMTA, Title I, Chapter 4, Section 120.

⁹² cf. CMTA, Title IV, Chapter 1, Section 403, 1st paragraph; cf. RKC, General Annex, Chapter 3(b) "The Goods declaration", Section 3.17.

extension shall be deemed approved.⁹³ The 45-day extension period to submit the required documents shall retroact to the day immediately after the expiration of the original period. No further extension shall be allowed.

The original grounds for filing a provisional goods declaration should be the same reasons for the extension of the period to submit the required document. Further, the request for extension of period to submit the required documents shall be under pain of falsification for untruthful narration of facts; and

- v. Other documents as may be found necessary by the Bureau.
- c. Effects of provisional goods declaration.
- i. If the Collector of Customs accepts a provisional goods declaration, the duty and tax treatment of the goods shall not be different from that of goods with complete declaration;⁹⁴
 - ii. Tentative assessment of duties, taxes and other charges on goods covered by a provisional goods declaration shall be completed upon final readjustment and submission by the declarant of the additional information or documentation required to complete the goods declaration within forty-five (45) calendar days from the lodgement of the provisional goods declaration, subject to extension period of another forty-five (45) calendar days for valid reasons;⁹⁵
- d. The conditional release of goods under provisional goods declaration shall be governed by the following rules:
- i. In case of regulated shipments, the conditional release of goods shall not be permitted unless the regulatory agency concerned allows⁹⁶ such release subject to the following conditions:

⁹³ Republic Act No. 11032 "Ease of Doing Business Act", Section 9 (b)(1)

⁹⁴ cf. CMTA, Title IV, Chapter 1, Section 403, 2nd paragraph; cf. RKC, General Annex, Chapter 3(b) "The Goods declaration", Section 3.14.

⁹⁵ cf. CMTA, Title IV, Chapter 3, Section 426.

⁹⁶ In cases where regulatory agency through its existing regulations allows the submission of permit, clearance or license after arrival of the goods but prior to release from customs custody, e.g., Bureau of Internal Revenue (BIR) Authority To Release Imported Goods (ATRIG), Bureau of Product Standard (BPS) Import Commodity Clearance (ICC), National Telecommunications Commission (NTC)

1. Goods shall be delivered to the importer's premises for storage and shall not be disposed until the required permit, clearance or license is issued and submitted to the Bureau within the prescribed period; and
 2. A specific and sufficient security⁹⁷ shall be required to cover the duties, taxes and other charges of the goods except in case of importers enrolled in any of the trade facilitation programs of the Bureau where a general security⁹⁸ or an undertaking may be required in lieu of a security.
- ii. In all other cases, the conditional release of goods provisionally declared shall be subject to the following rules:
1. A specific and sufficient security⁹⁹ shall be required to cover the amount of duties, taxes and other charges that shall be collected when the lacking information or document is not submitted within the prescribed period.
 2. In case of highly compliant importers such as those enrolled in any of the trade facilitation programs of the Bureau or when the ground for provisional goods declaration does not affect the final computation of duties, taxes and other charges, no security shall be required for the conditional release of the goods.
- e. Effects of the non-compliance with the conditions for the release of goods under provisional goods declaration.
- i. In case the declarant fails to submit the required permit, clearance or license from the regulatory agency within the prescribed period, the regulated goods shall be subject to seizure, provided due notice is given to the declarant.
 - ii. In case of release under the provisional goods declaration due to the lack of import documents to assess the correct duties, taxes and other charges, any security posted or undertaking

⁹⁷ cf. CMTA, Title XV, Section 1507.

⁹⁸ cf. CMTA, Title XV, Section 1506.

⁹⁹ cf. CMTA, Title XV, Section 1507.



submitted shall be subject to forfeiture for failure of the declarant to submit the required supporting documents or information within the prescribed period; Provided that due notice is given to the declarant, and without prejudice to any other legal remedy to recover duties, taxes and other charges that may be due on the importation.

5.7.6. Amendment of Goods Declaration by Declarant. A declarant may amend the goods declaration that has already been lodged, provided, that the request to amend the goods declaration, together with the intended amendments, must be received prior to final assessment or examination of goods.¹⁰⁰

Amendment of the goods declaration may be allowed based on the following grounds:

- a. Inadvertent error;
- b. Amendment of e-IFCM; or
- c. Mistakes or omissions in good faith in the lodgement of the goods declaration without any fraudulent intent.

Section 6. Examination.

6.1. Application of Risk Management. The Bureau shall apply risk management in determining the nature and level of risks of imports using selectivity parameters as may be determined by the Bureau.

6.2. Examination of Goods. Examination of goods, when required by the Bureau, shall be conducted immediately after the goods declaration has been lodged.

6.3. Types of Examination of Goods.

6.3.1. Documentary check or the verification of completeness and authenticity of documents including submission of the required import permits, clearances or licenses, if any.

6.3.2. Non-intrusive inspection or the inspection by use of x-ray scanners or any other non-intrusive equipment.¹⁰¹

6.3.3. Physical examination of the goods to ascertain that the actual nature, origin, condition, quantity, value and tariff

¹⁰⁰ cf. CMTA, Title IV, Chapter 1, Section 408; cf RKC, General Annex, Chapter 3(b) "The Goods declaration", Section 3.27.

¹⁰¹ cf. CMTA, Title IV, Chapter 2, Section 420, 1st paragraph.



classification of the goods are in accordance with the particulars declared in the goods declaration.¹⁰²

6.4. Physical Examination of Goods.

6.4.1. Grounds for the Conduct of Physical Examination.¹⁰³

- a. The goods are electronically selected for physical examination;
- b. The goods are subject of an Alert Order issued by the competent authority;
- c. When the goods declaration is selected for documentary check only but there are issues and controversies surrounding the goods declaration and the import clearance process;
- d. It is directed in writing by the Commissioner on account of a derogatory information, in which case the shipment is considered alerted or subject to pre-lodgement control of the Bureau;
- e. The importer or declarant requests for the examination of the goods; or
- f. When the image result after non-intrusive inspection raises suspicion of irregularity that requires further physical examination.

6.4.2. Request for Examination by the Importer or Declarant. The importer or declarant may request the physical examination of the goods in the following instances:

- a. Prior to lodgement of goods declaration, upon justifiable grounds, as may be determined by the Commissioner; or
- b. After lodgement of goods declaration, when there are issues and controversies surrounding the goods declaration and import clearance process, unless the shipment is selected for physical examination or is subject of an Alert Order.

The request for examination shall be made in good faith and the expenses thereof shall be borne by the importer. In case the request is made to cover up any violation of the CMTA or other rules and regulations implemented by

¹⁰² cf. RKC, General Annex, Chapter 2 "Definitions", E17/F27.

¹⁰³ cf. CMTA, Title IV, Chapter 2, Section 420.

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the Bureau, the importer shall be subject to penalties and/or seizure and forfeiture as provided under the CMTA.

6.4.3. Conduct of Physical Examination.

- a. The Bureau shall ensure that the conduct of physical examination of goods shall be done in the correct and expeditious manner with due consideration to the surrounding circumstances. Priority in the examination shall be given to live animals, perishable goods and other goods requiring immediate examination.
- b. The Bureau may require the declarant to be present or to be represented at the examination of the goods or to render any assistance necessary to facilitate the examination.
- c. Whenever necessary, a system of coordination and joint examination of goods shall be established by the Bureau and other regulatory agencies under existing laws and regulations.¹⁰⁴
- d. The extent of the physical examination shall depend on whether the goods are containerized, bulk or break bulk, loose, refrigerated, in liquid or solid form, in crates or special containers, to be discharged at the pier or for shipside transfer, dangerous, and such other conditions which may be hazardous to the health and safety of those conducting the examination.
- e. The Bureau shall take samples of the goods only when needed to establish the tariff description and value of goods declared or to ensure compliance with the CMTA. Samples drawn shall be as minimal as possible.¹⁰⁵
- f. When the Bureau requires laboratory analysis of samples, detailed technical documents or expert advice, it may release the goods before the results of

¹⁰⁴ cf. CMTA, Title IV, Chapter 1, Section 419, 2nd paragraph; cf RKC, General Annex, Chapter 3(a) "Time required for examination of goods", Sections 3.33 to 3.35 and Chapter 3(b) "Presence of declarant at examination of goods", Sections 3.36 to 3.37.

¹⁰⁵ cf. CMTA, Title IV, Chapter 1, Section 419, last paragraph; cf RKC, General Annex, Chapter 3(c) "Sampling by Customs", Section 3.38.



such examination are known after posting of sufficient security by the declarant.¹⁰⁶

6.4.4. Physical Examination in the Absence of the Declarant or His Duly Authorized Representative. In exceptional circumstances, physical examination of goods in the absence of the declarant or authorized representative may be allowed under the following valid and justifiable grounds:

- a. Despite due notice, the declarant or his authorized representative fails to be physically present;
- b. Unknown or fictitious consignee; or
- c. Conduct of controlled delivery, subject to the approval of the Commissioner.¹⁰⁷

The conduct of physical examination shall be under the authority of the Collector of Customs. The Office of the Commissioner and concerned offices must be informed of the date, time and place of the scheduled examination to witness the said examination.

In all cases of physical examination under this section, the Bureau shall take the necessary steps to ensure that the entire proceeding is captured on video for documentation and record-keeping purposes.

6.4.5. Examination at Consignee's Premises or Warehouse. Physical examination of an alerted shipment shall be conducted at consignee's warehouse or premises in cases when the importation is consigned to an importer enrolled in any of the trade facilitation programs of the Bureau. In case where the Bureau does not have the necessary facility to conduct the examination without causing damage to the shipment, the examination may be conducted at the consignee's warehouse or special facility, subject to the conditions as may be imposed by the Bureau. Examination of bulk and break-bulk shipment shall be examined pursuant to the Rules on Bulk and Break-bulk Cargo Clearance Enhancement Program (BBCCEP).

¹⁰⁶ cf. CMTA, Title IV, Chapter 3, Section 431; cf. RKC, General Annex, Chapter 3 "Release of goods", Section 3.42.

¹⁰⁷ CAO No. 03-2019 Customs Jurisdiction and Exercise of Police Authority, Section 4.8



6.4.6. Duties of Customs Officer Tasked to Examine the Imported Goods. In the examination, classification, and valuation of the goods, the customs officer shall:

- a. Determine whether the packages for examination and their contents are in accordance with the goods declaration, invoice and other pertinent documents;
- b. Take samples of the imported goods for examination or laboratory analysis when necessary;
- c. Acknowledge and sign a receipt for any sample taken and retained during examination; and
- d. Report whether the goods have been correctly declared as to value, quantity, measurement, weight, tariff classification, and not imported contrary to law.

Failure on the part of the customs officer to perform the above duties shall be penalized in accordance with Section 1431, Chapter 2, Title XIV of the CMTA.¹⁰⁹

6.4.7. Customs Expenses Constituting Charges on Goods. The cost of examination shall be for the account of the importer. 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.¹⁰⁹

Section 7. Assessment.

7.1. Assessment. For purposes of assessing duties, taxes and other charges on imported goods, the customs officer shall classify, value, and determine the duties, taxes and other charges to be paid. The customs officer shall prepare and submit an assessment report as established under the CMTA.¹¹⁰

7.2. Tentative Assessment. Assessment shall be deemed tentative when:

7.2.1. Assessment is based on a provisional goods declaration filed by the declarant.

The assessment shall be completed upon final readjustment and submission by the declarant of the additional information or documentation required to

¹⁰⁹ cf. CMTA, Title IV, Chapter 2, Section 421.

¹⁰⁹ cf. CMTA, Title IV, Chapter 2, Section 422.

¹¹⁰ cf. CMTA, Title IV, Chapter 3, Section 424.

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complete the goods declaration within the prescribed period.¹¹¹

- 7.2.2. The duties and taxes initially assessed are subject of a valid dispute on the grounds of valuation, tariff classification issues, rules of origin or protest case involving the same, and other customs issues.

The assessment shall be completed upon final readjustment based on the resolution of the disputed issues.¹¹²

- 7.3. **Completed Assessment.** The Bureau shall issue Final Assessment Notice (FAN) to the importer signifying that the assessment is complete. The FAN shall serve as payment instruction to the AAB to debit the amount of duties, taxes and other charges from the account of the importer. Assessment shall be deemed final fifteen (15) calendar days after receipt of the AN by the owner, importer or consignee.¹¹³

Section 8. Payment.

- 8.1. **Mode of Payment and Terms of Trade.** Subject to existing laws and rules on foreign currency exchange, the internationally accepted standards and practices on the mode of payment or remittance covering import transactions, including standards developed by international trading bodies such as the International Chamber of Commerce (ICC) on trading terms (incoterms) and on international letters of credit such as the Uniform Customs and Practice for Documentary Credits (UCPDC) shall be recognized.¹¹⁴

- 8.2. **Payment.** Customs duties, taxes and other charges payable can only be paid through the following modes:

- 8.2.1. Cash payment through debit from the importer's nominated account/s in an AAB.

Fines, surcharges and other charges must be paid in cash unless allowed under the electronic payment system.

- 8.2.2. Non-cash payment through any of the following:

- a. TDM issued by the BOC.

AABs shall not accept TCCs as payment for customs duties and taxes.

¹¹¹ cf. CMTA, Title IV, Chapter 3, Section 426.

¹¹² cf. CMTA, Title IV, Chapter 3, Section 425.

¹¹³ cf. CMTA, Title IV, Chapter 3, Section 429.

¹¹⁴ cf. CMTA, Title IV, Chapter 1, Section 415.



b. DPGA.

Procedures for the non-cash payments through TCCs, TDMs or DPGA shall be governed by separate regulations to be issued by the Commissioner.

Letter of credit requiring the deposit of the full amount of duties due on importation shall no longer be required except when otherwise required for certain commodities.¹¹⁵

8.3. **Final Payment for Cash Payment.** The final payment will be debited by the concerned AAB from the designated debit account upon receipt of the final payment instruction from the Bureau via the electronic payment portal, subject to the bank's confirmation and security procedures for payment instructions.¹¹⁶

8.4. **Transmittal of Payment Confirmation.** In all cases of cash payment instruction received from the Bureau's customs cargo clearance system, the AABs should complete the collection and thereafter transmit a payment confirmation to the electronic payment portal unless there is no sufficient balance in the debit account.¹¹⁷

8.5. **Abandonment.** If no payment confirmation is received within fifteen (15) calendar days from the date of receipt by the AAB of the payment instruction, then the importer or consignee shall be deemed to have failed to claim his importation after lodging the goods declaration rendering the same liable to abandonment.¹¹⁸

8.6. **Legal Interest for Unpaid Duties, Taxes and Other Charges.** Unpaid duties, taxes and other charges, shall incur a legal interest of twenty per cent (20%) per *annum* computed from the date of final assessment under Section 7.3. of this CAO, when payment becomes due and demandable. The legal interest shall likewise accrue on any fine or penalty imposed.

Upon payment of the duties, taxes and other charges, the Bureau shall issue the necessary receipt or document as proof of such payment.¹¹⁹

Section 9. Release.

9.1. Release of Imported Goods.

9.1.1. **Release of Goods under the On-Line Release System (OLRS).** Goods shall be released only after

¹¹⁵ CMTA, Title XVIII, Section 1803.

¹¹⁶ cf. CAO No. 10-2008 on "Payment Application Secure System Version 5.0 (PASS5), Section 4.2.3, last sentence.

¹¹⁷ cf. CAO No. 10-2008 on "Payment Application Secure System Version 5.0 (PASS5), Section 4.2.4.

¹¹⁸ cf. CAO No. 10-2008 on "Payment Application Secure System Version 5.0 (PASS5), Section 4.2.5.

¹¹⁹ cf. CMTA, Title I, Chapter 2, Section 104, 2nd and 3rd paragraphs.



payment of duties, taxes and other charges, or posting of appropriate security covering the same, in case of tentative release by reason of tentative assessment including any fine or surcharge, if applicable, and all pertinent rules and regulations have been complied with.¹²⁰ The Bureau shall electronically transmit the release instructions via Online Release System (OLRS) to the terminal facility, off-dock or off-terminal CFW operator, for the delivery of the goods to the consignee.¹²¹

9.1.2. Release of Goods without Production of Bill of Lading or Air Waybill. No customs officer shall clear the goods for delivery to any person without the submission of the BL or AWB covering the goods, except on written order of the carrier or agent of the vessel or aircraft, in which case neither the government nor the customs officer shall be held liable for any damage arising from wrongful delivery of the goods; Provided, that when the clearance for the delivery of goods is made against such written order, the customs officer shall require the submission of a copy of the bill.¹²²

9.1.3. Release of Goods upon Order of Importer. An importer may issue a written authorization for the release of goods stored in a customs facility warehouse to another person. Such authorization shall not relieve the importer from liability for duties, taxes and other charges due on the goods unless the person to whom the release was authorized assumes such liability,¹²³ as evidenced by a written agreement between the importer and his assignee.

9.1.4. Withholding Release of Goods Pending Satisfaction of Lien. When the Collector of Customs is duly notified through a lawful order of a competent court of a lien for freight, lighterage or general average upon any imported goods, the Collector of Customs shall withhold the release of the goods unless the claim has been paid or secured. In case of disagreement, the Collector of Customs may release the goods after payment of the freight and lighterage due on the quantity or weight landed as actually determined.¹²⁴

¹²⁰ cf. CMTA, Title IV, Chapter 3, Sections 431, 1st sentence and 436.

¹²¹ cf. Manual on Cargo Clearance Procedure, page 42.

¹²² cf. CMTA, Title IV, Chapter 3, Section 433.

¹²³ cf. CMTA, Title IV, Chapter 3, Section 434.

¹²⁴ cf. CMTA, Title IV, Chapter 3, Section 435.

- 9.1.5. **Non-liability for Misdelivery of Goods.** Any customs officer who releases goods to the consignee or lawful holder of the BL or AWB shall not be liable for any defect or irregularity in its negotiation unless the customs officer has notice of the defect or irregularity.¹²⁵
- 9.2. **Post Release Readjustment of Appraisal and Classification.** Returns made by the customs officers that are finally passed upon and approved or modified by the Collector of Customs or Commissioner, shall not be altered except:
- 9.2.1. Within one (1) year after payment of the duties, upon statement of error in conformity with Section 912, Chapter 2, Title IX of the CMTA, as approved by the Collector of Customs;
- 9.2.2. Within fifteen (15) calendar days after such payment, upon request for reappraisal or reclassification addressed to the Commissioner by the Collector of Customs, if the appraisal or classification is deemed to be low;
- 9.2.3. Upon request for reappraisal and/or reclassification, in the form of a timely protest or dispute addressed to the Collector of Customs by the interested party if the latter should be dissatisfied with the appraisal or return; or
- 9.2.4. Upon demand by the Commissioner after the completion of compliance audit.¹²⁶
- 9.3. **Period of Limitation.** In the absence of fraud and when the goods have been finally assessed and released, the assessment shall be conclusive upon all parties three (3) years from the date of final payment of duties and taxes, or upon completion of the post clearance audit.¹²⁷

Section 10. Dispute Mechanism. Issues dealing on purely Valuation, Classification, Rules of Origin, and other matters relating to the assessment of goods shall be settled under dispute settlement and shall be governed by the CAO providing for the rules on Dispute Settlement and Protest.

Section 11. Alert Orders. Valuation issues arising from the introduction of forged or spurious document and other enforcement issues shall be subject of Alert Orders and shall be governed by the provisions of CAO No. 07-2019.

Alert Orders may be issued by the Commissioner, District Collector or any customs officer authorized in writing by the Commissioner.

¹²⁵ cf. CMTA, Title IV, Chapter 3, Section 432.

¹²⁶ cf. CMTA, Title IV, Chapter 3, Section 427.

¹²⁷ cf. CMTA, Title IV, Chapter 3, Section 430.



In cases when the importation is consigned to an importer enrolled in any of the trade facilitation programs of the Bureau, only the Commissioner may issue an Alert Order. The physical examination shall be conducted at consignee's warehouse or premises, subject to conditions as may be imposed by the Bureau.

Section 12. Penal Provision. Any person who makes or attempts to lodge, process and clear imported goods by means of false or fraudulent statements, including non-disclosure in the Revised SDV Form in the existence of any relationship between the buyer and the seller and payment of other costs that should be included in the price paid or payable for the imported goods, shall be subject to sanctions and penalties provided under Section 1401, Chapter 1, Title XIV of the CMTA and other applicable penal provisions.

Section 13. Transitory Provision. Pending full implementation of a comprehensive system that will admit and store electronic commercial documents, including methodologies for authentication thereof, the existing procedure on the submission of documentary requirements by the declarant shall apply. The Bureau shall accept the submission of the documentary requirements herein stated.

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. This CAO specifically amends or repeals previously issued CAOs and CMOs which are inconsistent with the provisions here stated.

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 CAO shall take effect thirty (30) days from its publication at the Official Gazette or a newspaper of national circulation.

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


REY LEONARDO B. GUERRERO

Commissioner of Customs

FEB 20 2020

Approved:



BOC-02-01241


CARLOS G DOMINGUEZ

Secretary of Finance

MAR 06 2020

