



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

January 9, 1998

CUSTOMS MEMORANDUM ORDER

NO. 2-98

**Subject: *GUIDELINES IN THE IMPLEMENTATION OF
COMPUTERIZED PROCESSING OF WAREHOUSING
ENTRIES DESTINED TO FTI CUSTOMS OFFICE &
DEFINING JURISDICTIONAL RESPONSIBILITIES
UNDER THE NEW PROCEDURE***

1.0 Objectives

- 1.1 To further facilitate customs clearance of bonded goods destined for customs bonded warehouses under the supervision and control of the FTI Customs Office.
- 1.2 To facilitate legitimate cargo clearance by subjecting declared shipments with the Selectivity System.
- 1.3 To implement centralized recording and accounting of bond application.

2.0 Scope

- 2.1 This order shall be applicable only to importation destined to customs bonded warehouses under the supervision and control of the FTI Customs Office.

3.0 General Provisions

3.1 Use of Warehousing Entry to Transfer Goods.

The use of special or transshipment permit to transfer goods from port of discharge to FTI bonded warehouses is hereby discontinued. In lieu of the permits, a warehousing entry shall be filed directly at the Entry Encoding Center of the port of discharge.

3.2 Payment of Import Processing Fee (IPF).

The payment of IPF is covered by CMO 23-97 (Automated Collection of Import Processing Fee). Operators shall set-up a fund as pre-payment of the IPF to be deposited in the following banks:

- POM - Philippine National Bank (Port Area Branch)
- MICP - Land Bank of the Philippines (MICP Branch)
- NAIA - Land Bank of the Philippines (NAIA Branch)

In the meantime that this IPF prepayment fund has not been set-up, payment shall be made at the Collection Division of the port of discharge.

3.3 Bonds Service.

A central bond record shall be installed and managed by the Bonds Division of POM. This unit shall then be called the Central Bonds Unit (CBU).

4.0 Operational Provisions

4.1 Copy of entry for FTI Office. Before filing the entry, two (2) photo copies of the IEIRD working copy shall be sent to the FTI Office as an advance notice that a shipment is being cleared.

4.1.1 One copy for the account officer shall be used to record into the logbook information regarding the shipment.

4.1.2 The other copy shall serve as the authority or mission order for the assigned personnel to conduct "underguarding" procedure of the goods from the port of discharge to the Customs Bonded Warehouses.

4.1.3 The names of the assigned CBW guards and any special instruction on conduction duty shall be indicated by the FTI Customs Office in Box 37 (Free Disposal) of the IEIRD copy.

4.1.4 The mission order shall be presented to the Deputy Collector for Operations (for MICP & NAIA) or to the Chief Public/Private Bonded Warehouse Division (for POM) as a requirement for "underguarding" otherwise the shipment shall not be released.

4.1.5 A copy of the boatnote shall be given by the personnel that conducted the "underguarding" duty to the guard at the CBW as evidence of proper delivery of shipment.

4.2 Processing of Entry

The warehousing entry shall be processed under the Automated Customs Operating System (ACOS) and shall follow rules set forth in CMO 20-97 (Guidelines in the Implementation of Computerized Processing of

Warehousing Entries). Aside from the usual information declared in the warehousing entry, the **bond number** shall be indicated in **box #28 - Bank Reference No.** to identify the particular bond the shipment shall be covered with. Refer to Annex "A" for the graphical representation of the general procedure.

4.3 Review, Examination and Appraisal of Entries.

The assessment units for FTI entries are as follows:

POM	-	Warehousing Assessment Division
MICP	-	Special Warehousing Assessment Unit
NAIA	-	Warehousing Assessment Unit

Aside from the usual assessment functions of the assessment units mentioned above, checking of importables shall also be their responsibility.

4.4 Bond transactions.

Bond for Bonded Warehouses & General Warehousing Bond for raw materials shall be filed at the Bonds Division of POM (CBU) which shall approve the bonds. CBU shall be responsible for keeping track of all bond transactions.

The general warehousing bond thus posted shall be available for charging through a central record and shall be accessed thru the ACOS Accounting Module (MODACC) by the bonds unit of the port of discharge.

4.5 Lifting of Duty Stop.

The Public/Private Bonded Warehouse Division - POM, Deputy Collector for Operations - MICP & NAIA, shall perform the functions of the operating division cited in item 4.5 of CMO 20-97 as follows: post transaction, account for quota balances, require presentation of mission order issued as per item 4.1.4, co-ordinate transfer requirements, and lift duty stop.

4.6 Reports on Goods Cleared at the Port of Discharge.

The designated operating units in POM, MICP and NAIA shall furnish FTI with an electronic copy of posted transactions. These reports shall be collected by an FTI messenger on a weekly basis. The account officer shall reconcile the copy of entry earlier furnished to FTI with the report on posted transactions and the report of receipt of goods submitted by the BOC-Warehouseman.

4.7 Storage of Entries.

The warehousing entry shall be stored at the Liquidation and Billing Division (LBD) of the Port of Discharge. Aside from safekeeping of the entries, LBD shall be responsible for the verification of declared data.

4.8 Responsibility of the FTI Customs Office.

- 4.8.1 Supervise & monitor warehousing operations including the examination of manufactured goods for export.
- 4.8.2 Account for raw material usage of imports without retrieving entries now stored at the Liquidation & Billing Divisions (LBD) of the port of discharge. Reference on imports shall be made on the information gathered under item 4.6 above.
- 4.8.3 Recommend to POM Bond Division the cancellation of bonds for entries cleared in item 4.9.2. Simultaneously, send to respective LBDs document files on the "Statement of Raw Material Usage".

4.9 Responsibility of the Bonds Division, POM.

- 4.9.1 Cancel bonds as recommended by FTI.
- 4.9.2 Issue "Notice of Cancellation of Bonds" to CBW Operators, copy furnished FTI or inform FTI regarding problems on cancellation.
- 4.9.3 Prepare demand letters on due and demandable accounts, copy furnished FTI.

4.10 Responsibility of the Liquidation & Billing Division.

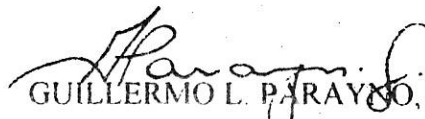
- 4.10.1 Retrieve entry corresponding to documents received from FTI.
- 4.10.2 Liquidate entry.

5.0 Repealing Clause

All rules and regulations inconsistent with this Order are hereby deemed repealed, superseded or modified accordingly.

6.0 Effectivity

This Order shall take effect upon approval.

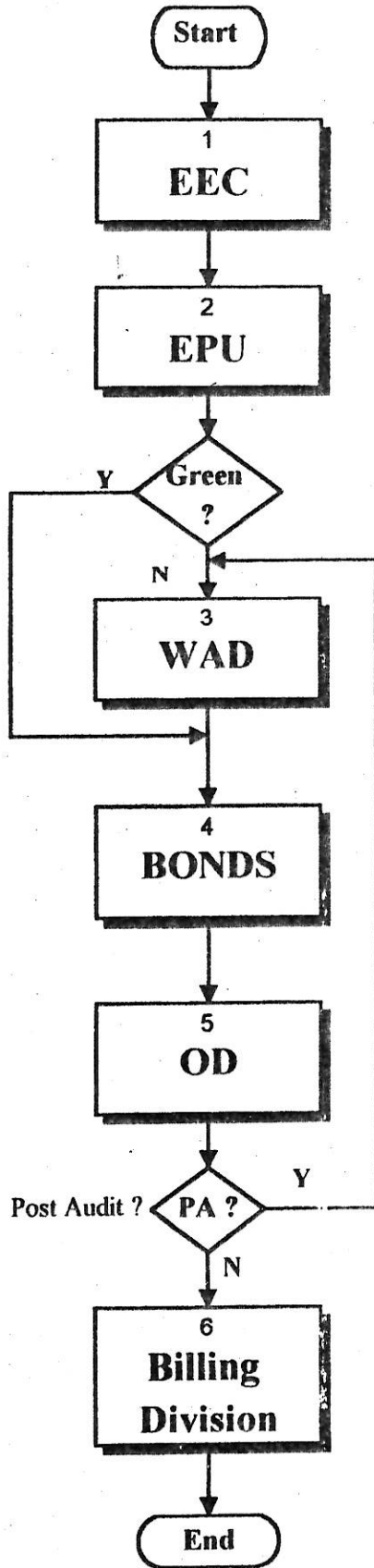

GUILLERMO L. PARAYNO, JR.
Commissioner

CMO-2-98

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FTI WAREHOUSE IMPORT CLEARANCE PROCESS Port of Discharge General Work Procedure

Annex A



- Entry Encoding Center
- * Encoding of entry
 - * Marking of "FTI Warehousing"
 - * Triggering of Selectivity & collection of IPF
 - * Printing of assessment notice

- Entry Processing Unit
- * Document check
 - * Manifest write-off
 - * CRF check
 - * Segregation & transmittal

- Warehouse Assessment Division/Unit of NAIA/MICP/POM
- * Document appraisal, amendment, & ACOS registration
 - * Checking of importables
 - * Final appraisal, re-routing, and electronic assessment
 - * Physical examination
 - * Post Entry

- Bonds Division
- * Checking of entry in MODCBB
 - * Bond application thru MODACC

- Operations Division:
PPBWD-POM, Dep. Coll. Operations-NAIA&MICP
- * Posting of transactions
 - * Accounting of quota balances
 - * Verification of authorized personnel for delivery underguarding
 - * Lifting of duty stop

- Liquidation & Billing Division
- * Safekeeping of Warehouse entries
 - * Verification of entry data

Note :
Accounting of raw materials & recommendation for the cancellation of bonds shall be the responsibility of FTI Customs Office



REPUBLIC OF THE PHILIPPINES
MINISTRY OF FINANCE
BUREAU OF CUSTOMS

"Support the New Society"

Customs Collection District No. 2
Port of Manila

November 19, 1982


CUSTOMS MEMORANDUM ORDER
No. 33 -82

TO COLLECTORS OF CUSTOMS
Port of Manila
Manila International Airport
Manila International Container Port
Customs Postal Branch
and OTHERS CONCERNED

Conformably with the provisions of CAO No. 9-76 dated February 20, 1976 creating the FTI Customs Office located at the FTI Complex, Taguig, Metro Manila, there is published hereunder the names of the Customs Bonded Warehouse under its jurisdiction as of this date:

<u>CBW No.</u>	<u>Name of Firm</u>
807	Gimbels Garments Mfg., Corporation
755	Gold-Zack Phils., Inc.
707	Grosby K-P Footwear, Inc.
624	International Pants Corporation
642	Lee Philippines, Inc.
614	Midas Diversified Export Corp.
675	Metro Garments Mfg., Inc.
785	Olymp Manila, Inc.
725	Phil. Inter-Fashion, Inc.
847	Super Garments Mfg., Inc.
621	Triumph Int'l. (Phils.), Inc., and
883	Tara of Manila, Inc.

The FTI Customs Office shall render the appropriate and required Customs services in connection with their importations and exportations. Relative thereto, the Customs Bonded Warehouse Branch, South Harbor, pursuant to paragraph IV, CAO No.9-76, shall exercise administrative functions only while the FTI Customs Office shall perform operational control and supervision over the hereinabove enumerated Customs Bonded Warehouses.


RAMON J. FAROLAN
Brig. Gen. PAF
Commissioner of Customs

of the
services
