



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

CUSTOMS MEMORANDUM ORDER
NO. 37-94

AUG 30 1994

T O : All Deputy Commissioners
Collectors of Customs
Service/Division Chiefs
All Others Concerned

SUBJECT : GREEN LANE Clearance Procedures for
Containerized Shipments Sealed by the
Government Appointed Surveyor under the
CISS.

I. OBJECTIVES:

- 1.1 To achieve the 48-hour completion of processing objective under the GREEN LANE PROCEDURE provided for under CAO-2-94.
- 1.2 To properly implement the GREEN LANE PROCESSING SYSTEM as provided for under CAO 2-94.


II. SCOPE:

- 2.1 The provisions of this Order shall apply to all FCL containerized shipments sealed by the government appointed surveyor at the country of exportation, and with the covering import entry properly marked as provided for 3.6.1 hereof and filed pursuant to CAO 2-94 which provides for a Green Lane Clearance Procedure and processing fee.
- 2.2 Until further orders which shall be issued when the Green Lane Clearance process has stabilized and the 48-hour clearance objective has been satisfactorily achieved, the facilitation fee shall not be collected.

III. GENERAL PROVISIONS:

- 3.1 FCL shipments sealed by the government appointed surveyor under the CISS but have not been applied for clearance under the GREENLANE procedure pursuant to CAO 2-94 as evidenced by the absence of the green markings described in 3.6.1 hereof shall continue to be processed pursuant to CMO 96-92.

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- 3.2 FCL shipments inspected and sealed by the government surveyor at the port of exportation shall be deemed to have been examined for customs purposes pursuant to Section 1401 of the Tariff and Customs Code of the Philippines as amended and shall therefore no longer be re-examined upon arrival in the country but shall instead be immediately released/transferred to the importer's warehouse following the procedures described in this order except in the following situations:
- 3.2.1 the Surveyor's seal on the container has been broken or the container shows signs of having been opened or having its identity changed;
 - 3.2.2 the container is leaking or damaged;
 - 3.2.3 the number, weight, nature of packages indicated in the Customs entry declaration and supporting documents differ from that in the Manifest;
 - 3.2.4 the shipment is covered by alert/hold orders issued pursuant to existing orders;
 - 3.2.5 upon request of the importer if he disagrees with SGS findings reported in the CRF;
 - 3.2.6 if the importer disagrees with the SGS findings reported in the CRF as to any of the following: the value, classifications, quantity and description; and
 - 3.2.7 if the shipment has been selected for examination pursuant to a RANDOM SELECTION PROCESS.
- 3.3 For purposes of 3.2, containerized shipments shall be considered inspected and sealed by the government surveyor at the port of exportations when the container number is reflected in the CRF.
- For containerized shipments covered by CRF but the stuffing was not supervised which is the case when the container number(s) is/are not reflected in the CRF, REGULAR EXAMINATION and processing shall be conducted.
- 3.4 The Customs Inspectors on Board and the Guards of the carrying vessel in coordination with the checkers of the arrastre operator shall indicate in the TALLY sheet/Accomplished DSL (Discharge Sequence List) the absence or presence of SGS seals or evidence of tampering of the seals.
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A copy of the Tally Sheet/Accomplished DSL with the above notations shall be submitted to the Customs Intelligence and Investigation Service (CIIS) within 4 hours from completion of discharging which office shall evaluate whether or not to alert/hold the shipment in line with 3.2.1 on containers with broken seals or when the containers show sign of having been opened or having its identity changed.

- 3.5 The CIIS contractor shall make available to the CIIS an updated list of SGS containers sealed with their respective seal numbers for purposes of 3.4 above.
- 3.6 Shipments described in 3.2 shall be given GREENLANE CLEARANCE procedure described in PART IV of this Order whenever the following additional conditions are satisfied:
- 3.6.1 The entry has been marked by the importer, preferably in green color 1" long and 1/8" wide at the upper right hand corner and on all of the copies thereof, with the words "GREENLANE CLEARANCE PER CMO ___-94" and the procedure code "4GL" is indicated in box 18 of the entry.
- Importers who do not wish to avail of the GREENLANE PROCEDURE and pay the fee provided for under CAO 2-94 should not place the green markings above described.
- 3.6.2 There is no derogatory report or information.
- 3.6.3 There is no unsettled liability of the importer to the Bureau as reflected in a verified list to be prepared by the Commissioner of Customs and made available to the Entry Processing Division.
- 3.7 The CIIS shall on the basis of the CIIS copy of the import entry determine entries marked pursuant to 3.6.1 but which contains any of the disqualifications in 3.6.2. The entries covering such shipments thus determined must be immediately intercepted at the Collection Division of the port and returned to the Formal Entry Division (FED) for regular processing.
- 3.8 The ALERT/HOLD ORDERS issued on shipments pursuant to existing orders and the list of unsettled liability provided in 3.6.3 must be given immediately to the Entry Processing Division (EPD) and the Collection Divisions of the port to insure that shipments with such disqualifications are not processed under the greenlane clearance system.

IV. GREENLANE CLEARANCE PROCEDURE:

4.1 Processing of the Entry

The following shall be the clearance procedure to be observed for the shipments described in 3.2 and 3.6:

- 4.1.1 All entries marked as in 3.6.1 shall be SEGREGATED from the rest of the entries received at the Entry Processing Division and immediately transmitted to the COLLECTION DIVISION for processing. Entries not so marked shall be processed pursuant to existing orders.
- 4.1.2 The entries with the markings shall then be evaluated at the RECEIVING SECTION at the Collection Division for compliance with the provisions of Part III. Those not satisfying these provisions shall be forwarded to the FED to be processed pursuant to existing orders.

The Chief of the Formal Entry Division shall assign two FED personnel at the Evaluation Section, receiving unit at the Collection Division to evaluate compliance with the provisions of Part III and for shipments subject to excise/specific taxes as well as dumping duty/bond duty, that said taxes/duty have been declared in the entry.

- 4.1.3 Processing of the documents at the Collection Division shall be pursuant to existing orders.
- 4.1.4 After completion of processing at the Collection Division, entries given GREENLANE CLEARANCE pursuant to this ORDER shall be returned to the FED for POST AUDIT by the sections concerned. Any discrepancy observed by the FED resulting in the assessment of additional duties and taxes must be forwarded to the LIQUIDATION and BILLING DIVISION with the instructions to collect the amount involved. Copy of the entry and the additional assessment must be submitted to Office of the Commissioner for monitoring and evaluation purposes.

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V. REPEALING CLAUSE:

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

VI. EFFECTIVITY:

This Order shall take effect upon approval.

Guillermo L. Parayno, Jr.
GUILLERMO L. PARAYNO, JR.
Commissioner
30 Aug 94