



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

CUSTOMS MEMORANDUM ORDER

NO. 64-91

SUBJECT: RULES AND REGULATIONS ON THE EXAMINATION OF NON-COMMERCIAL INBOUND CONSOLIDATED SHIPMENTS WITH THE USE OF X-RAY EQUIPMENT AT A FACILITY WITHIN THE CUSTOMS ZONE DULY AUTHORIZED FOR THE PURPOSE.

In view of the installation of two (2) Linescan System X-Ray machines together with conveyor belt system at Warehouse 3 as part of Marina Port Services, Inc. back-up operations equipment under section 5.02 of the MPSI-PPA Contract for cargo handling services, dated March 10, 1987, the following rules and regulations are hereby promulgated supplementary to, and amending, CMO No. 79-90.

Section 1. OBJECTIVES

- 1.1 To further promote the objectives of CMO No. 79-90;
- 1.2 To further expedite the examination and identification of non-commercial inbound consolidated shipments; and
- 1.3 To ensure outright detection of the presence of guns and any other prohibited/banned items.

Section 2. SCOPE

- 2.1 The additional rules and regulations shall apply to all non-commercial consolidated shipments in ports where the X-Ray facility is available.

Section 3. ADMINISTRATIVE PROVISIONS

In addition to the Administrative Provisions prescribed under Section 2 of CMO No. 79-90, the following shall be observed and complied with:

- 3.1 The owner/operator of the X-Ray equipment shall guarantee its worthiness and good working condition and shall assume responsibility jointly with the Customs personnel concerned for the failure to detect the presence of guns and other prohibited/banned items.
- 3.2 It shall be the obligation and responsibility of the Consolidator/Forwarder abroad to:
 - 3.2.1 Indicate/Inscribe in every box/package, the name and address of the individual consignee as well as the pertinent marks and numbers;

Forwarder Mr. Heron

- 3.2.2 Accomplish and, together with the individual consignor/shipper, sign the Shipper's Export Declaration and Packing List, per format shown in Annex "A" hereof; and
- 3.2.3 Attach the accomplished/signed Shipper's Export Declaration and Packing List to the corresponding box/package.
- 3.3. It shall be the responsibility of both the Consolidator/forwarder and the Breakbulk/Consolidation Agent to ensure that:
 - 3.3.1 Duties, tax, charges, penalties and other expenses due on the shipment and/or incurred for its release are paid; and
 - 3.3.2 Required Customs Clearances are secured.
- 3.4 The forms provided for in Sections 2.1, 3.2, and 3.3.3.3. of CMO No. 79-90 are hereby amended as shown in Annexes "A", "B" and "C" hereof, respectively, and shall be printed by the Bureau and made available at cost to authorized and/or accredited users.

Section 4. OPERATIONAL PROVISIONS

- 4.1 Documentary Requirements. - The following supporting documents shall be required for the filing/processing of import entries:
 - 4.1.1 The inward foreign manifest with the corresponding rider or consolidation cargo manifest;
 - 4.1.2 The master/ocean bill of lading with the corresponding individual house bill of lading;
 - 4.1.3 The individual Shipper's Export Declarations and Packing Lists per amended format shown in Annex "A" hereof, certified individually as true and correct by the consignor/shipper, the Consolidator/Forwarder and the Breakbulk/Consolidation Agent; and
 - 4.1.4 The duly accomplished Examination Slip.
- 4.2 Filing of the Entry. - In order to further facilitate the processing of documents and the release of covered shipments, only one (1) informal entry, per format shown in Annex "B" hereof, consisting of as many pages as may be required for the multiple declaration of individual consignments in the consolidated shipment arriving in a single, sealed container van, may be filed; Provided That separate formal entries shall be filed for every commercial consolidated shipment.

Salvador M. Mison

4.3 Processing - Before the arrival of the shipment, the covering entry shall be submitted to, and filed directly with, the Chief, Entry Processing Division, together with the originals of the required supporting documents in Section 4.1, above, or in the absence of such originals, copies thereof duly certified by the Breakbulk/Consolidation Agent.

4.3.1 Entry Processing Division

4.3.1.1 As designated by the Chief of the Division and upon receipt of the entry, the Document Processor shall check/verify: (1) the identity of the Breakbulk/Consolidation Agent or his duly authorized representative, noting down the number, picture and signature appearing in his ID; and (2) the completeness and authenticity of the documents, and shall inscribe/stamp on the face of the entry that the same is FOR PRIOR APPRAISAL AND X-RAY EXAMINATION.

The entry and documents, after being duly recorded in the books of the Division, shall then be forwarded to the Chief, Informal Entry Division.

4.3.2 Informal Entry Division

4.3.2.1 The Chief, Informal Entry Division, shall (1) designate or indicate, based on the packing list/s, at least 10% of the shipment for the regular customs examination and keep a record of the same for his own reference; and (2) assign the entry to a Customs Appraiser for appraisal.

4.3.2.2 The assigned Customs Appraiser shall determine the value, classification and duties and taxes due on the individual consignments based on the Shipper's Export Declaration and Packing List and shall indicate the appraisal on the face of the entry.

After the appraisal, the entry and accompanying documents shall be returned to the Entry Processing Division for safekeeping and to await the arrival of the shipment/carrying vessel.

4.3.3 Entry Processing Division

Upon arrival of the carrying vessel and receipt of the official copy of the Inward Foreign Manifest, the following steps shall be undertaken and complied with:

4.3.3.1 The Document Processor shall re-check/verify the supporting documents required in Section 4.2, above, and where certified copies thereof had been submitted, he shall require the submission of the originals thereof to be attached to the entry.

J. Anderson M. Nelson

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4.3.3.2 The Document Processor shall then forward the entry and documents to the Perforation Clerk who shall perforate the series number thereon.

4.3.3.3 The Perforation Clerk shall then forward the entry and documents to the Segregation Clerk who shall detach the blue and yellow copies of the Permit to Deliver Imported Non-Commercial Consolidation Shipment (PDINCS), per format shown in Annex "C" hereof, for release to the Breakbulk/Consolidation Agent, with the pink copy thereof transmitted to the Arrastre Office by official messenger after the Manifest Clerk shall have matched it with the Inward Foreign Cargo Manifest.

The Examination Slip shall likewise be transmitted to the Chief, PID, by official messenger and shall serve as the formal request for the transfer of the container van to the x-ray facility for examination.

4.3.3.4 The working and quadruplicate copies of the entry and all the supporting and related documents shall be transmitted by official messenger to the Chief, Informal Entry Division, who shall forward the same to the assigned Examiner.

4.3.4 At the X-Ray Inspection Facility

The assigned Examiner at the x-ray inspection facility shall have the following functions and responsibilities:

4.3.4.1 To check/verify that the Shipper's Export Declaration and Packing List attached to the boxes/packages are identical with, and not in any way different from, those appended to the entry and supporting documents.

4.3.4.2 To see to it that all boxes and packages in the consolidated shipment are stripped from the container van, physically counted and recorded as received at the x-ray inspection facility by the Wharfinger and/or his duly designated assistants, with the movement and disposition thereof continuously monitored.

4.3.4.3 In the presence of representatives from other offices authorized to witness and/or be present at the examination, to have each box/package x-rayed.

4.3.4.4 To segregate any individual consignment from the consolidated shipment under examination where:

4.3.4.4.1 The Shipper's Export Declaration and Packing List is not attached to the box/package and/or is different from that filed with the entry; or

Jonathan M. Kizim

4.3.4.4.2 The contents are found to be misdeclared and/or the quantities declared exceed that indicated in the Packing List and/or the limitations provided for in Section 5, hereinbelow; and/or

4.3.4.4.3 The contents are found to be prohibited/banned or entered in violation of customs and related laws, rules and regulations, for which a Warrant of Seizure and Detention (WSD) may be issued;

4.3.4.4.4 The individual consignment is covered by a duly issued derogatory alert information pursuant to CMO No. 65-89;

Provided that, in any of the above cases, the processing of the other individual consignments found to be in order and without discrepancy shall continue in order to avoid any delay and prejudice to the individual consignees thereof. The assigned Examiner shall reflect his findings on the face of the entry corresponding to each individual consignment found in order and without discrepancy.

4.3.4.5 After all the boxes/packages are x-rayed, to (1) conduct the regular examination of the individual shipments designated for the purpose and as provided for under 4.3.2.1, above, and (2) to immediately conduct 100% examination of the segregated boxes where any of those enumerated under 4.3.4.4 occurred or the entire consolidated shipment if all individual consignments are covered by a duly issued derogatory alert information pursuant to CMO No. 65-89. The assigned Examiner shall immediately prepare the corresponding Discrepancy Report/s which shall be immediately submitted to the Chief, Informal Entry Division, who shall forthwith order the reappraisal of the subject individual consignment/s and; thereafter, determine which may be released upon payment of the duties, taxes, penalties and other charges and which should be detained for the issuance of the appropriate WSD. With his appropriate instruction, the Chief, Informal Entry Division, shall then return the Discrepancy Reports to the Examiner for further processing.

4.3.4.6 The Principal Examiner assigned as Officer-in-charge of the x-ray inspection facility shall collect and collate all Discrepancy Reports covering consignments indicated for the issuance of WSD and shall forward the same to the Chief, Informal Entry Division.

4.3.4.7 The Chief, Informal Entry Division, shall indorse copies of the entry documents/riders covering consignments for detention to the District Collector (ATTN. The Chief, Law Division) for the issuance of WSD. Copy of the WSD shall be furnished to the Wharfinger who shall turnover the consignments/cargoes to the ACDD duly receipted.

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4.3.4.8 The corresponding entry, after any appropriate adjustments on the computation of the duties and taxes having been made, shall be forwarded to the Chief, Collection Division/Authorized Collection Officer.

4.3.4.9 The Principal Examiner - OIC and Wharfinger shall coordinate with all representatives of other offices authorized to be present at the facility and shall take note of, and act, accordingly on any pertinent information/finding indicated by such representatives.

4.3.5 Collection Division

4.3.5.1 The Chief, Collection Division or the authorized Collection Officer shall receive payment and, where there has been a complete processing of the entry, transmit the original copy of the PDINCS to the Wharfinger at the x-ray inspection facility, thru the Chief, PID, by official messenger. The green copy of the PDINCS shall be released to the Breakbulk/ Consolidation Agent.

4.4 Releasing of the Shipment. - The following shall be observed and complied with:

4.4.1 The Wharfinger shall supervise the stuffing back of the boxes/packages into the container van, taking due note of the count, markings and other identifications and cause the sealing of the container van in the presence of the representative of the shipping line concerned. He shall likewise take note of the seal number and keep a record of all pertinent data related to the consolidated shipment from its arrival at the x-ray inspection facility. He shall also keep informed the Chief, CCCD, of the movements of containers.

4.4.2 Upon receipt of the original copy of the PDINCS, the Wharfinger shall make the appropriate verification with the Collection Division and, thereafter, have the shipment released under the usual existing procedures.

Section 5. LIMITATIONS

5.1. The limitations as provided for in CMO No. 79-90 are hereby reiterated for observance/compliance by all concerned.

Section 6. MISCELLANEOUS PROVISIONS

6.1 The Consolidation Shipment Committee created under Section 4 of CMO No. 79-90 shall perform its functions in connection with this Order, and shall recommend the issuance of further guidelines that it may find necessary and appropriate for the approval of the Commissioner of Customs, including a provision for the interview of breakbulk/consolidation agents applying

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for renewal of their accreditation in order to ascertain/determine their financial capacity and capability to render the service for the protection of the interests of the government, the consignors and individual consignees.

6.2 The District Collector shall assign and designate the personnel required for the efficient implementation of the provisions of this order, more particularly, in connection with the x-ray inspection facility.

Section 7 AMENDATORY CLAUSE

Customs Memorandum Order No. 79-90 is hereby deemed amended accordingly.

Section 8 EFFECTIVITY

This Order shall take effect JUL 09 1991

Salvador M. Mison
SALVADOR M. MISON
Commissioner

Date Approved:

July 7, 1991

SHIPPER'S EXPORT DECLARATION AND PACKING LIST

NO. _____ DATE: _____ I.D. NO. _____

CONSIGNEE: (Name and Address) _____ SENDER: (Name and Address) _____

DETAILED PACKING LIST

(Use separate sheet of paper if necessary but also signed by consignor/sender and freight forwarder/consolidator)

THIS IS TO CERTIFY THAT I AM THE CONSIGNOR/SENDER OF THE ABOVE ITEMS; THAT THE ABOVE DETAILED LIST IS THE TRUE AND CORRECT DESCRIPTION OF THE GOODS CONTAINED IN THIS BOX/PARCEL BEING SENT TO THE PHILIPPINES; THAT THERE ARE NO UNDECLARED, RESTRICTED, ILLEGAL OR BANNED ITEMS, INCLUDING FIREARMS, AMMUNITION, ILLEGAL DRUGS, COMBUSTIBLE GOODS, INCLUDED IN THIS SHIPMENT; AND THAT MY FREIGHT FORWARDER/CONSOLIDATOR, _____

(INDICATE NAME AND ADDRESS), OR ITS BREAKBULK/CONSOLIDATION AGENT, _____ (INDICATE NAME AND ADDRESS), IS

AUTHORIZED TO CLEAR THE ABOVE SHIPMENT THROUGH CUSTOMS AND IS UNDER CONTRACTUAL OBLIGATION TO ENSURE THAT DUTIES, TAX, CHARGES, PENALTIES AND OTHER EXPENSES DUE ON THE SHIPMENT AND/OR INCURRED FOR ITS RELEASE ARE PAID.

CONSIGNOR/SENDER
(NAME AND ADDRESS)

THIS IS TO CERTIFY THAT IT SHALL BE THE CONTRACTUAL RESPONSIBILITY OF BOTH THE CONSOLIDATOR/FORWARDER AND THE BREAKBULK/CONSOLIDATION AGENT TO ENSURE THAT: (1) DUTIES, TAX, CHARGES, PENALTIES AND OTHER EXPENSES DUE ON THE SHIPMENT AND/OR INCURRED FOR ITS RELEASE ARE PAID; AND (2) REQUIRED CUSTOMS CLEARANCES ARE SECURED.

(FREIGHT FORWARDER/CONSOLIDATOR)
NAME: _____
ADDRESS: _____
*DATE REGISTERED WITH PHILIPPINE CONSULATE: _____

* (N.B. - Copy of such registration with Phil. Consulate, or if not, copy of registration with appropriate government agency at its principal place of business, shall be forwarded to the Bureau of Customs, thru the Philippine Embassy).

THIS IS TO CONFIRM THE ABOVE CERTIFICATION OF OUR FREIGHT FORWARDER/CONSOLIDATOR AND TO FURTHER CERTIFY THAT THE TRUE COPY OF THIS DECLARATION AND PACKING LIST IS SENT FROM ABROAD BY:

PLEASE CHECK APPROPRIATE BOX:

MAIL (INDICATE DATE OF RECEIPT AND ATTACH ENVELOP WITH POSTMARK)

COURIER (INDICATE NAME OF COURIER AND DATE OF RECEIPT)

BREAKBULK/CONSOLIDATION AGENT
NAME: _____
ADDRESS: _____
BOC ACCREDITATION NO.: _____

