



22 JAN 2013

CUSTOMS MEMORANDUM ORDER
NO. 1-2013

Subject: Rules and Regulations for the Implementation of the SGL Plus Facility

In accordance to Item 7 of Customs Administrative Order (CAO) No. 4-2011, the following rules and regulations are hereby promulgated:

1. OBJECTIVES

- 1.1 To efficiently and effectively implement the Super Green Lane (SGL) Plus facility for qualified importers;
- 1.2 To simplify and accelerate the customs clearance and administrative process;
- 1.3 To organize units and define responsibilities among Bureau of Customs (BOC) offices involved in the SGL Plus facility; and
- 1.4 To provide clear and transparent operating procedures on the SGL Plus facility.

2. SCOPE

This Order shall cover the accreditation of qualified importers as SGL Plus users; as well as the processing of shipments/importations of SGL Plus users at the Port of Manila, Manila International Container Port, NAIA Customs house and any other ports as may be necessary.

3. PRINCIPLES

- a. The SGL PLUS facility shall promote the highest possible service in achieving trade facilitation and compliance to Customs laws, rules and regulations.
- b. The SGL PLUS facility recognizes the utmost importance of SGL PLUS membership in policing its ranks, making recommendations and fostering cooperation.

4. BENEFITS OF SGL PLUS USERS

In addition to the benefits enjoyed by regular SGL members, an accredited SGL PLUS member shall be given the following benefits:

- a. Three (3) year suspension on the conduct of audit;
- b. Five (5) year validity of the Importer's Accreditation

- c. The accredited SGL Plus member shall be allowed to import articles that are not included in the List of Importables; provided that the amendments to the list of importables are submitted at least ten (10) days before the arrival of the importation thereof. For purposes of monitoring, an SGL Plus member is still required to submit its List of Importables (including its amendments) and the expected volume of importation for a given year.
- d. 24 Hour Client Coordinator Service that caters to queries of SGL PLUS member; and
- e. Other benefits as may be processed by the SGL PLUS Task Group, endorsed by the Commissioner of Customs and approved by the Secretary of the Department of Finance.

5. ORGANIZATION

5.1 STRUCTURES AND COMPOSITION

- 5.1.1 SGL PLUS Task Group. The Task Group shall be composed of the following BOC Officials, to wit:
 - 5.1.1.1 Deputy Commissioner, IG-Chairman
 - 5.1.1.2 Chief, RMO
 - 5.1.1.3 Asst. Chief, RMO
 - 5.1.1.4 Director, IAS
 - 5.1.1.5 Chief, PPRD
 - 5.1.1.6 Chief of Staff, AOCG
 - 5.1.1.7 Executive Asst., OCOM
 - 5.1.1.8 Asst. OIC, Production Section, CHS
- 5.1.2 SGL PLUS Secretariat. The SGL PLUS Secretariat shall be appointed by the SGL PLUS Task Group Commander.
- 5.1.3 SGL PLUS Accreditation Sub-group. The SGL Plus Accreditation Sub-group shall be composed of the CHS Director, the Head of the SGL PLUS Secretariat, the Heads of the ICSSs in the three major ports of entry, a representative from the Post Entry Audit Group-Trade Information and Risk Analysis Office (PEAG-TIRAO), a CHS representative, and others assigned by the Task Group to serve as AS members.
- 5.1.4 SGL PLUS Import Compliance Sub-group. The SGL Plus Import Compliance Sub-Group shall be composed of the ICS Director, or his duly designated representative. It shall have as members the heads of the ICSGs in the Port of Manila (POM), Manila International Container Port (MICP) and NAIA Customs house, the Chief Valuation and Classification Division, and other persons designated by the Task Group chairman.

- 5.1.5 SGL PLUS Client Coordinating Center (SPCCC). The SGL PLUS Task Group Chairman shall organize the SPCCC and shall provide a 24-hour client coordination service.

5.2 FUNCTIONS

5.2.1 SGL PLUS Task Group

- 5.2.1.1 Formulate and recommend to the Commissioner the policies, procedures, enhancements and services that will improve the SGL PLUS facility;
- 5.2.1.2 Process the invitation or application of qualified SGL members who wish to avail of the SGL PLUS facility and make appropriate recommendations;
- 5.2.1.3 Conduct post clearance checks on declarations covering shipments released under the SGL PLUS facility;
- 5.2.1.4 Monitor compliance of SGL PLUS members with the rules and regulations governing the operation of the SGL PLUS facility and make appropriate recommendations to the Commissioner;
- 5.2.1.5 Organize and supervise the operation of the 24-Hour Client Coordinator Service that handles the queries and concerns of the SGL Plus member;
- 5.2.1.6 Process the recommendation on additional benefits for SGL PLUS members;
- 5.2.1.7 Submit to the Commissioner of Customs a monthly report on the progress of the SGL Plus Program; and
- 5.2.1.8 Perform such other functions as may be assigned by the Commissioner from time to time.

5.2.2 SGL PLUS Secretariat

- 5.2.2.1 Provide administrative support to the SGL PLUS Task Group.
- 5.2.2.2 Receive applications to the program.
- 5.2.2.3 Receive and prepare reports for the SGL PLUS Task Group.

5.2.3 SGL PLUS Accreditation Sub-group

- 5.2.3.1 Process applications and documentations for accreditation in the SGL PLUS applicants and make recommendations to the SGL PLUS Task Group.
- 5.2.3.2 Perform all other functions of the SGL Accreditation Sub-Committee as provided for in CMO 28-2003.

5.2.4 SGL PLUS Import Compliance Sub-group

- 5.2.4.1 Perform all functions of the SGL Import Compliance Sub-Committee.
- 5.2.4.2 Perform other functions as may be directed by the Chairman of the Task Group.

5.2.5 SGL PLUS Client Coordinating Center

- 5.2.5.1 Provided a 24-hour contact number for clients to call or text their concerns.
- 5.2.5.2 As far as practicable, act on the concerns of the SGL PLUS client and give immediate feedback.
- 5.2.5.3 Accomplish an SGL PLUS Client Coordination Form which includes the following information:
 - 5.2.5.3.1 Client making the call
 - 5.2.5.3.2 Client concern
 - 5.2.5.3.3 Time of receipt
 - 5.2.5.3.4 Action taken and results
 - 5.2.5.3.5 Time of feedback to the client
 - 5.2.5.3.6 Recommendations

6. ACCREDITATION

6.1 QUALIFICATIONS

An importer may be accredited as an SGL Plus member, provided the following criteria are met:

- 6.1.1 The importer is accredited as an SGL member transacting with the BOC for at least one (1) year prior to the date of application.
- 6.1.2 The applicant has a clear and specific nature of business.
- 6.1.3 The SGL PLUS Association has been consulted on the membership of the applicant.
- 6.1.4 The importer must have a good reputation based on its track record;
- 6.1.5 The importer must not have misused customs facilities for at least one (1) year prior to its application or have been the subject of derogatory information; and
- 6.1.6 The importer is willing to undergo compliance audit.

6.2 PROCEDURES FOR ACCREDITATION

6.2.1 BY INVITATION

- 6.2.1.1 Based on the MISTG list of top SGL users in terms of duties and taxes for the previous year and in consultation with the SGL PLUS Association, the SGL PLUS Task Group shall select and invite SGL users to become SGL PLUS users.
- 6.2.1.2 The SGL PLUS secretariat transmits the invitation including the application form and list of documentary requirements to the selected SGL users.
- 6.2.1.3 Upon the completion of the application and documentary requirements, the SGL PLUS Accreditation Sub-group shall schedule an interview of the SGL PLUS candidate within 5 days of receipt.
- 6.2.1.4 Within five (5) days from such meeting, the SGL Plus AS shall deliberate on the application and submit its recommendations to the SGL Plus Task Group.
- 6.2.1.5 The SGL Plus Task Group shall review the recommendations of the SGL Plus AS and shall, after deliberation, undertake as may be appropriate one of the following measures: (a) notify the applicant of outstanding issues and additional documents and information required, if any; (b) inform the applicant that his application has been denied, and the reason(s) therefore; or (c) recommend the applicant's accreditation for the approval of the Commissioner.
- 6.2.1.6 If for approval, the SGL Plus Task Group shall prepare the Certificate of Accreditation for signature of the Commissioner.

6.2.2 BY APPLICATION

- 6.2.2.1 Any SGL user who meets the qualification requirements of this Order may apply for SGL Plus accreditation by submitting the SGL Plus application form and list of documentary requirements to the SGL Plus Secretariat which shall check the completeness of the submitted documents and, if lacking, require the needed additional documents.
- 6.2.2.2 Thereafter, above paragraphs 6.2.1.3 to 6.2.1.6 will apply.

6.3 APPLICATION

The application process, forms and supporting documents for SGL Plus Program shall be the same as those required for invitees or applicants to the SGL Program except for the headings of the forms that should indicate the

SGL PLUS Program and the submission to the SGL PLUS Secretariat instead of the SGL Secretariat.

6.4 CONDITIONS OF ACCREDITATION

The privileges enjoyed by an accredited SGL Plus member pursuant to a Certificate of Accreditation (CA) issued by the Commissioner shall be subject to the following conditions:

- 6.4.1 That the importer is a registered SGL user;
- 6.4.2 That the covered shipments may be subject to a duly authorized random and/or spot check inspection but only at the importer's premises while the goods are being unloaded/stripped thereat;
- 6.4.3 That the importer shall be responsible for any misuse or abuse of the privilege;
- 6.4.4 That the importer shall comply with all the rules and regulations promulgated by the BOC in the implementation of the SGL Plus Program.
- 6.4.5 Any willful violation of the CA shall be a ground for its suspension, revocation or cancellation to be imposed after due notice.
- 6.4.6 The use of the CA shall be subject to review by the BOC and shall be valid until suspended, revoked, or cancelled.

6.5 VALIDITY

A CA shall remain valid until suspended, cancelled, or revoked by the Commissioner of Customs upon the recommendation of the SGL Plus Task Group, after due notice and hearing, on any of the following grounds:

- 6.5.1 When the accredited importer fails or refuses, without justifiable reason, to submit the hard copies of import entries filed through the SGL Plus facility, or any supporting import documents, within the prescribed period.
- 6.5.2 When the SGL Plus application or importation itself is tainted with fraud or willful misrepresentation.
- 6.5.3 Submission of any fake document during accreditation or in the importation process.
- 6.5.4 Failure or refusal, without justifiable cause, to pay additional duties and taxes lawfully demanded after post entry (release) verification by the SGL Plus ICS within the prescribed period.
- 6.5.5 Violation of any of the express or implied terms and conditions of the accreditation, e.g., failure to promptly update or inform

the SGL Plus Task Group of any changes in the commodities being imported, as well as in their description, unit values and the like.

- 6.5.6 Failure or refusal, without any valid ground, to comply with any lawful order or directive issued officially by the SGL Plus Task Group or any of its sub-groups, or by any other higher authority.

7. SHIPMENT/ IMPORTATIONS OF SGL PLUS MEMBERS

7.1 CONDITIONS ON SHIPMENT

- 7.1.1 Only SGL Plus accredited importers for whom a Certificate of Accreditation (CA) has been duly issued in accordance with this Order shall be allowed to clear their shipments through the SGL PLUS facility.
- 7.1.2 All entries covering SGL PLUS shipments shall be filed under existing procedures for SGL shipments.
- 7.1.3 SGL PLUS entries shall still be subject to Post-Release Verification and Post-Release Inspection as imposed for SGL entries; provided that an SGL shipment shall not be inspected/examined except when it is subject of a derogatory intelligence information and/or as directed by the SGL PLUS Task Group Head, in which case the inspection shall be covered by a Mission Order issued by the Commissioner of Customs.
- 7.1.4 Shipments shall qualify for SGL PLUS treatment only when:
- 7.1.4.1 They are in the list of importables in the concerned SGL PLUS user's accreditation or in the amendments to the list of importables submitted at least ten (10) days before the arrival of the importation thereof.
 - 7.1.4.2 They are either freely importable commodities; or if regulated, covered by continuing Import Authority issued by the concerned/proper government agencies;
 - 7.1.4.3 They are declared under consumption entries, thus subject to duties and taxes; and
 - 7.1.4.4 They do not contain prohibited articles as defined under existing laws, rules and regulations.

7.2 FEES

The accredited SGL PLUS importer shall continue to pay a service fee for every entry filed through the SGL PLUS facility based on the F.O.B. value of the subject imports in accordance with the following schedule:

FOB value	Amount
Below US \$5,000	Php 500.00
US \$5,001 to US \$ 100,000	Php 1,000.00
US \$100,001 to US \$ 200,000	Php 1,500.00
US \$200,001 to US \$ 500,000	Php2,000.00
Above US \$ 500,000	Php2,500.00

8. PROCESS FOR ADDITIONAL BENEFITS

- a. The SGL PLUS Secretariat will receive recommendations for additional benefits and conduct research on the matter.
- b. The SGL PLUS Secretariat puts the recommendation for additional benefits in the incoming meeting of the SGL PLUS Task Group. Proponents and interested stakeholders are required to attend the meeting.
- c. The SGL PLUS Task Group deliberates on the merits of the recommendation for additional benefits and if it makes a favorable decision, it endorses the same to the Customs Commissioner.
- d. Should the Customs Commissioner approve of the recommendation, he endorses the same to the Secretary of Finance for approval.
- e. If approved, The SGL PLUS Task Group implements the decision.

9. COORDINATION BETWEEN THE SGL COMMITTEE AND THE SGL PLUS TASK GROUP

- a. Coordination between the SGL Committee and the SGL PLUS Task Group on matters of policies and procedures is highly encouraged.
- b. Jointly chaired monthly meeting shall be conducted between the SGL Committee and the SGL PLUS Task Group.

10. EFFECTIVITY

This Order shall take effect immediately upon signing hereof.

[Handwritten Signature]
ROZANO RUFINO B. BLAZON
 Commissioner



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