



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

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April 04, 2018

CUSTOMS MEMORANDUM CIRCULAR
NO. 61-2018

To: All Deputy Commissioners
All Directors and Division Chiefs
All District/Port Collectors
And Others Concerned

Subject: Importation of Motor Vehicle Parts/EO 877-A

Attached is the letter of Atty. Sonia S. Tapales, Chief, Import Regulation Division, Fair Trade Enforcement Bureau, DTI *regarding the rule on the importation of motor vehicle parts in the light of the issuance of Executive Order No. 877-A entitled, The Comprehensive Motor Vehicle Development Program.*

For detailed information, the concerned personnel are enjoined to refer to CMC 121-2016¹ and CMC 143-2010².

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.

[Signature]
ISIDRO S LAPEÑA, PhD, CSEE
Commissioner



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¹ CMC 121-2016 Shipment of Completely Knocked-Down (CKD)/Parts/Component of Trucks, Buses and Special Purpose Vehicles for Rebuilding

² CMC 143-2010/Executive Order No. 877-A, entitled "The Comprehensive Motor Vehicle Development Program"

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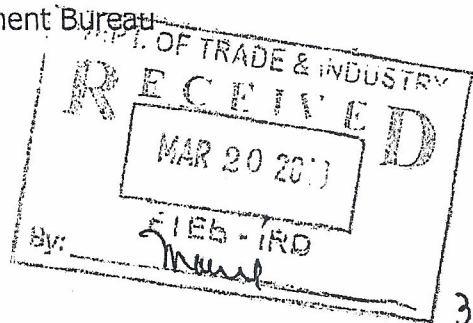
Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS

1099 Manila

March 2, 2018

Atty. Sonia S. Tapales

Chief, Import Regulation Division – Fair Trade Enforcement Bureau
Trade & Industry Building
361 Senator Gil J. Puyat Avenue,
Makati City



Dear Atty. Tapales:

Greetings!

Based on our research, E.O. 877-A was issued on June 03, 2010. However, on February 14, 2014, the BOC received a letter from DTI-BIS requesting the BOC to require importers (of regulated motor vehicle parts) the submission of a Certificate of Authority to Import. Attached to that letter was the List of Regulated Brand New/Used Replacement Parts of Motor Vehicles.

In March 2014, CMC 43-2014 hereto attached, was issued to circularize the said letter from the DTI-BIS.

Moreover, in 2015, the Regulated Imports List (RIL) was released, and "brand new motor vehicle parts" were also included in the list.

On the basis of the DTI-BIS letter and due to the inclusion of such commodities in the RIL, BOC-CARES Client Service Representatives have been informing stakeholders, when asked, that such commodities are regulated.

In this regard, we wish to seek for further clarification about the matter. The final information which you will provide to us will become our basis on what to advise on future concerns/inquiries relating to the importation of (brand new) motor vehicle parts.

I hope that this matter be clarified.

Very truly yours,

ISIDRO S. LAPEÑA, PhD, CSEE
Commissioner



Bureau of Customs
ISIDRO S. LAPEÑA
Commissioner
18-03740

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21 March 2018

ISIDRO S. LAPEÑA, PhD, CSEE
Commissioner
Bureau of Customs,
Port Area, Manila

Dear Commissioner Lapeña:

We refer to your letter of 02 March 2018, which we received on 20 March 2018, seeking clarification regarding the rule on the importation of motor vehicle parts in the light of the issuance of E.O. 877-A on June 03, 2010 and the letter of DTI-BIS Director Luis M. Catibayan dated 11 February 2014, informing the BOC of the list of the remaining regulated brand new/used motor vehicle parts.

At the time DTI-BIS Director Luis M. Catibayan wrote to inform the BOC of the list of the remaining regulated brand new/used motor vehicle parts which require prior import authority, E.O. 877-A was not yet being implemented by the DTI-BIS considering that its implementing guidelines has not yet been issued.

Meanwhile, a status quo was observed and DTI-BIS continued to implement the guidelines of E.O. 156 pertaining to the importation of motor vehicle parts, particularly Section 2.c.v, Part II thereof. The abovementioned provision referred to the guidelines of Central Bank Circular 1389 containing the list of the remaining regulated motor vehicle parts which includes some brand new parts.

FTEB started implementing the provisions of E.O. 877-A when it was learned that the BOC has been implementing its provisions as stated in its Customs Memorandum Circular No. 121-2016 dated September 01, 2016. Nevertheless, the DTI-FTEB first sought the legal opinion of the DTI Legal Services (DTI-LS) on the status of E.O. 877-A in relation to E.O. 156. The DTI-LS opined that E.O. 877-A did not repeal E.O. 156 but merely amended some of its provisions. Further, the DTI-LS declared that both E.O. 156 and E.O. 877-A can co-exist and that in case of inconsistency, the provision of the latter shall prevail.

In view of the legal opinion of the DTI-LS, FTEB has since been implementing provisions of E.O. 877-A which are inconsistent with the provisions of E.O. 156, among which is Section 5, Article 2 thereof, which now regulates only the importation of used engines and parts and components for all motor vehicles.

Thank you for seeking our clarification on the matter.

Very truly yours,


ATTY. SONIA S. TAVALES
Chief, Import Regulation Division

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