



24 March 2008

**Customs Memorandum Order**

No. 19-2008

**SUBJECT: GUIDELINES ON THE RENEWAL OF RE-EXPORT BOND OF ALL SHIPS ACQUIRED/OPERATING THRU BAREBOAT CHARTER PURSUANT TO P.D. 760, AS AMENDED**

**1. OBJECTIVES:**

- 1.1 To implement centralized clearance for the renewal of re-export bonds of foreign-registered ships acquired thru bareboat charter.
- 1.2 To prevent all forms of fraud associated with the renewal of said Re-export Bonds.
- 1.3 To increase revenue collection from forfeited Re-Export Bonds.

**2. SCOPE:**

- 2.1 This Order will cover all renewals of re-export bonds of foreign-registered ships acquired or operating thru bareboat charter pursuant to P.D. 760 as amended by P.D. Nos. 866 and 1711.

**3. OPERATIONAL PROVISIONS:**

- 3.1 All applications for renewal of re-export bonds of subject ships with its supporting documents shall be filed with the Office of the District Collector concerned (Attention: Chief, Bonds Division).
- 3.2 Upon approval of the application for renewal by the District Collector concerned, the latter shall forward the said application to the Office of the Commissioner (Attention: Chief, Certificate of Payment Central Clearing Center) for Clearance.

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- 3.3 The OCOM, through the Certificate of Payment Central Clearing Center (CPCCC) shall evaluate if the re-export bond posted by the applicant is sufficient to cover the duties and taxes of the subject ship, which shall be equivalent to 150% of the duties and taxes. It shall also evaluate if the charterer of the subject ship is qualified to post a re-export bond or to pay outright the duties and taxes.
- 3.4 If the OCOM, through the CPCCC, finds the re-export bond inadequate, it shall return the same to the District Collector concerned with the directive to require the applicant to post additional re-export bond. Upon posting of the additional re-export bond by the applicant, the District Collector shall return the subject application to the OCOM (attention: CPCCC).
- 3.5 If the re-export bond is sufficient, or after compliance by the applicant with the directive to post additional re-export bond, the OCOM, through the CPCCC shall issue a Clearance for the renewal of the re-export bond subject to the condition that the same shall be renewed after six (6) months reckoned from the date of the issuance of the said clearance.

#### 4. REPEALING CLAUSE:

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

#### 5. EFFECTIVITY:

5.1 This Order shall take effect immediately.

NAPOLEON D. MORALES  
Commissioner

