



16 May 2011

**CUSTOMS MEMORANDUM ORDER**

No. 23 - 2011

**Subject : Submission of Airline e-Manifest through a Value Added Service Provider (VASP)**

**1 Objectives:**

- 1.1 To effectively implement the Electronic Manifest System (EMS) under the Electronic-to-Mobile (E2M) Customs System in all airports.
- 1.2 To make the Inward Foreign Manifest (IFM) and Consolidation Cargo Manifest (CCM) available to the different offices of the Bureau of Customs (BOC) at the earliest possible time.
- 1.3 To define the procedures concerning the submission, distribution and processing of the IFM and CCM data.
- 1.4 To facilitate trade.
- 1.5 To ensure that the IFM and CCM are submitted:
  - 1.5.1 in the prescribed form,
  - 1.5.2 with all the required information,
  - 1.5.3 at the prescribed time, and;
  - 1.5.4 to the designated customs officials and offices and transit sheds
- 1.6 To expedite the release of legitimate cargo upon arrival in the Philippines.

**2. Scope**

This covers all airline manifests including those from air freight forwarders and consolidators in all international airports that shall be submitted through the VASPs.

### 3. General Provisions

- 3.1 The Air Operations Division (AOD) or its equivalent office shall record the estimated and actual date and time of aircraft arrival. This information shall serve as a basis for the verification of manifest validity and its compliance with the cut-off time defined by BOC for manifest submission.
- 3.2 Airlines/ Forwarders/ Consolidators must be registered with the Client Profile Registration System (CPRS) through their respective accrediting agencies as per CMO 39-2008.
- 3.3 The e-manifest is the general term for e-IFM and e-CCM. The e-IFM consists of all the master airway bills of shipments consigned to ultimate and nominal consignees. The e-CCM consists of all the house airway bills of shipments consigned to the ultimate consignees degrouped/ split from the master airway bills of shipments whose consignees are just nominal such as banks, forwarders and consolidators.
- 3.4 The e-IFM, in the case of airlines, shall be submitted to the Bureau of Customs under the following schedule (Annex "A"):
  - 3.4.1 Port of Origin Port is in Asia – 2 hours before aircraft arrival, however for flights with less than two (2) hours flying time, minimum time for the submission of the e-IFM should not be less than one (1) hour.
  - 3.4.2 Port of Origin is in North or South America – Four (4) hours before aircraft arrival
  - 3.4.3 Port of Origin is a location other than Asia, North and South America – Four (4) hours before aircraft arrival
- 3.5 The e-CCM shall be submitted by the forwarders/consolidators concerned to BOC under the following schedule (Annex "A"):
  - 3.5.1 Port of Origin is in Asia – at least one (1) hour before aircraft arrival
  - 3.5.2 Port of Origin is in North or South America – Two (2) hours before aircraft arrival
  - 3.5.3 Port of Origin is a location other than Asia, North and South America – Two (2) hours before aircraft arrival
- 3.6 E-manifest submission shall be done through any of the accredited Value Added Service Providers (VASPs). The e-IFMs and e-CCMs

shall be validated by the VASPs in accordance with the validation rules provided by the BOC. E-manifests that pass the VASP validation shall be transmitted to the BOC-VASP Gateway.

- 3.7 The e-manifest that passes the validation routine is registered in the e2m Customs System. The airway bill numbers of the validated manifest are available for matching when the e2m import declaration is lodged. The airway bill number is written-off upon final assessment of the covering e2m import declaration.
- 3.8 The e-IFM must be submitted ahead of the e-CCM. If the e-CCM is submitted ahead of the e-IFM, the e-CCM will not be registered but has to be re-submitted when the e-IFM is already registered. In this case, the e-CCM may be submitted and stored in the VASP until such time the e-IFM is submitted, whereupon the e-CCM may then be submitted.
- 3.9 The BOC shall use the e-IFM as the primary e-document in the verification of the e-CCM.
- 3.10 The VASP shall provide the airport transit facility (transit shed) indicated in the airway bill an electronic copy of the manifest successfully lodged through the VASP's Manifest submission application.
- 3.11 The cut-off time for electronic manifest submission is calculated from the submitted Estimated Date and Time of Arrival using the BOC Gateway Server clock.
- 3.12 Based on the time of e-manifest submission, the Electronic Manifest System (EMS) processes the e-IFM and the e-CCM. This process leads to the classification of e-manifest submissions into three (3) time frames:
  - 3.12.1 On time submission – before cut-off time defined by BOC.
  - 3.12.2 Late submission – after cut-off time but before aircraft arrival
  - 3.12.3 Non-compliant submission – submission after aircraft arrival
- 3.13 Hard copies of the Supplemental e-Manifest shall be submitted within six (6) hours from aircraft arrival for unmanifested cargo; otherwise, the shipments subject of the Supplemental Manifest shall be considered unmanifested and subjected to seizure proceedings.
- 3.14 Failure to submit the required information within the period prescribed in 3.4 and 3.5 shall be subject to the payment of the following schedule of fines provided in Section 2521 of the Tariff and Customs Code of the Philippines as amended.
  - 3.14.1 Late submission, per e-IFM or e-CCM

- 3.14.1.1 First Offense – 10,000 Php
- 3.14.1.2 Second Offense – 20,000 Php
- 3.14.1.3 Third and Subsequent Offenses – 30,000 Php
- 3.14.2 Non-Compliant submission – 30,000 Php per e-IFM or e-CCM
- 3.15 The payment of fines is without prejudice to whatever additional recourse the BOC may pursue against the delinquent airline or NVOCC/Consolidator/Co-Loader/Breakbulk Agent. Considering the requirement in Items 3.4, 3.5 and 3.14, the attempt to submit the e-CCM before the cut-off time as logged in the BOC Gateway Server shall be taken into account for waiving the fine against the forwarder/consolidator.
- 3.16 When the e-IFM/e-CCM is submitted to the BOC Gateway Server before the cut-off time, the airlines/forwarders/consolidators have the option to directly register the e-manifest with the BOC. Otherwise, when the cut-off time is reached the e-manifest shall be automatically registered with the BOC. Airlines are enjoined to exercise the first option of direct registration of e-IFMs to give the forwarders/consolidators enough time to submit their e-CCMs before the cut-off time.
- 3.17 The e2m import declaration (SAD) shall be accepted by the system only when the following requirements are accomplished.
  - 3.17.1 The electronic manifest has been officially accepted (validated) by the Electronic Manifest System (EMS);
  - 3.17.2 The Airway Bill of Lading (AWBL) is a House Airway Bill of Lading (HAWB); and
  - 3.17.3 The HAWBL is also validated.
- 3.18 When the House Airway Bill number has been used in an e2m import declaration, the corresponding House Airway Bill in the e-manifest can no longer be subject of any amendment to the e-manifest.
- 3.19 The VASP shall be responsible for training their own airline/consolidator-forwarder clients on the submission of electronic manifest and other related requirements.
- 3.20 Validation of the House Air Waybills (HAWB) against the Master Air Waybill (MAWB)
  - 3.20.1 Validation of the HAWBs against the MAWB shall consider actual Gross Weight.

- 3.20.2 The HAWB shall indicate the actual weight in the Bill of Lading field for Gross Mass.
- 3.20.3 The declared Gross Weight in the HAWB shall be summed and compared with the Gross Weight. The CCM shall be accepted if the sum of Gross Weight of the HAWB is equal or less than the Gross Weight of the MAWB.
- 3.20.4 In cases where the sum of the Gross Weight of the HAWBs exceed the declared Gross Weight of the MAWB, the airline concerned shall file a request with the Office of the Deputy Collector for Operations for the amendment in the Gross Weight of the MAWB.
- 3.20.5 Validation of the House Air Waybills against the Master Air Waybill being degrouped shall not include comparison of quantities. However, the HAWBs should indicate in the "description" field the type of packages.

#### **4. Operational Procedures:**

- 4.1. Airline Representative of aircraft arriving at the Port shall inform the Airport Operations Division (AOD) or its equivalent office the following details, among others, of the arriving aircraft:
  - 4.1.1. Name of aircraft
  - 4.1.2. Registry Number using this format: xxxNNNN-yy where xxx is the three letter code assigned to the airline; NNNN is a sequence number, a dash, yy which stands for the last 2 digits of the year
  - 4.1.3. Estimated Date and Time of Arrival
- 4.2. Submission of e-Manifest
  - 4.2.1. Both airlines and consolidators/forwarders shall submit their e-IFM and e-CCM, respectively, to the BOC through VASPs. EMS shall send feedback messages to the VASPs on the result of validation. The VASPs shall in turn, transmit these messages to the originating airlines, forwarders and consolidators. In case of any validation error, the feedback message shall contain the error outputs captured from the system.
  - 4.2.2. EMS shall "timestamp" the e-manifest when the e-manifest is received by the BOC Gateway Server.
  - 4.2.3. Upon aircraft arrival, the AOD or equivalent office shall encode the actual date and time of arrival into the EMS.

4.2.4. Upon the completion of the discharging operation, the AOD or equivalent office shall encode the date and time of discharge of the last package from the aircraft, which serves as the reckoning date for the period of 30 days within which an import entry shall be filed; otherwise, an imported article is deemed abandoned. An import entry is considered filed when the same has been lodged and submitted to the BOC. For purposes hereof, "filing" of the entry shall mean that the entry has been lodged and submitted to the BOC.

4.2.5. Late and Non-Compliant e-manifest submissions are subject to the imposition of fine pursuant to Item 3.14. EMS shall include the registry number in the "List of Manifests Submitted Late" and "List of Non-Compliant Manifests" automatically generated and sent as email to AOD or any equivalent office for enforcement of fines. AOD shall see to it that the proper fines are collected pursuant to Item 3.14.

4.2.6. EMS shall transmit notification to the Alert System of the e2m Customs for non-compliant submissions. The Alert System shall inform the concerned offices via e2m Customs' internal e-mail.

4.2.7. Late or Non-compliant e-manifest submission is accepted by EMS and held in stand-by status awaiting the decision of the Office of the Deputy Collector for Operations to manually register the e-manifest in EMS. Such decision to register may be given if the airline, forwarder or consolidator is able to formally justify the late or non-compliant submission of the e-manifest subject to payment of the proper fine pursuant to Item 3.14.

4.2.8. Submission of Hard Copies

One (1) set of the cargo manifest shall be submitted to the AOD or its equivalent office upon arrival of the carrying aircraft. The following offices shall be provided EMS access for viewing or printing the e-Manifest:

4.2.8.1. Office of the Deputy Collector for Operations;

4.2.8.2. Office of the Commissioner (OCOM); and

4.2.8.3. COA Resident Auditor

4.3. Manifest Amendment

4.3.1. Amendments to the submitted manifest by airlines, forwarders and consolidators;

- 4.3.1.1. Before the cut-off time but not yet registered, as a matter of right by sending a new e-manifest to update the previous one.
  - 4.3.1.2. If already registered, by a formal request with the Office of the Deputy Collector for Operations subject to pertinent BOC regulations.
  - 4.3.1.3. In case of late or non-compliant e-manifest submission, by a formal request for both "manual" registration and amendment with the Office of the Deputy Collector for Operations subject to pertinent BOC regulations.
  - 4.3.1.4. Amendments shall be classified into Material and Administrative. Material amendments refer to changes to the following critical fields: consignee, quantity, goods description, number and type of package, and gross mass. Changes to other fields shall be classified as administrative amendment.
  - 4.3.1.5. Until such time that EMS provides a facility for on-line administrative amendments, approval of the request for Administrative amendments shall be considered as ministerial in nature and without need for involved review.
- 4.3.2. Submission of Supplemental e-Manifest
- 4.3.2.1. Cargoes/containers not listed in the IFM shall be covered by a Supplemental e-Manifest which shall be submitted to the BOC through the VASP not later than six (6) hours from date and time of discharge of the last package from the aircraft. Submission of Supplemental Manifests shall be treated as late submissions and be subjected to the penalties provided under this Order.
  - 4.3.2.2. Submission of Supplemental Manifest in electronic form shall be accompanied by a formal request addressed to the Deputy Collector for Operations for the acceptance of the Supplemental Manifest. The Deputy Collector for Operations shall deputize or assign responsible Customs personnel on a 24/7 basis to timely act on requests for submission of supplemental manifest.

4.3.2.3. The Deputy Collector for Operations and the Chief AOD or its equivalent office shall monitor the 6-hour rule before authorizing the registration of the supplemental e-manifest into EMS.

4.3.2.4 Hard copies of Supplemental e-Manifest shall be submitted within six (6) hours from aircraft arrival for unmanifested cargo; otherwise, the shipments subject of the Supplemental Manifest shall be considered unmanifested and subjected to seizure proceedings.

**5. Procedures for Amendment of e-IFM and e-CCM/ Direct Registration/Validation of Late Manifest Submission**

**5.1 Amendment of e-IFM and e-CCM**

5.1.1 Airline/forwarder/air express operator or the consignee or his authorized representative formally requests for the amendment of the electronic manifest by submitting a letter addressed to the District Collector (attn: Deputy Collector for Operations) identifying the specific electronic master/house airway bill and the date item to be amended.

5.1.2 The Deputy Collector for Operations shall evaluate the request for manifest amendment subject to existing BOC rules and regulations including the requirement for payment of amendment fee and clearance from other BOC offices (e.g. Law Division, ESS, CIIS, etc.).

5.1.3 Upon approval of the request for amendment, the Deputy Collector for Operations shall amend/modify the electronic master/house airway bill within the e2m EMS.

**5.2 Direct Registration/Validation of Late Manifest Submission**

5.2.1 Airline/forwarded/air express operator submits formal letter addressed to the Deputy Collector for Operations thru MISTG Site Office requesting to "Direct Register/Validate" the late manifest submission. The letter-request should be supported by the record of manifest sending history through the VASP (provided by VASP) and the e2m server log of manifest submission (provided by the BOC Help Desk).

5.2.2 MISTG Site Manager verifies the e-manifest submission trail within e2m and endorses the request to the Office of the Deputy Collector for Operations.



- 5.2.3 The Deputy Collector for Operations evaluates the request if subject to the imposition of penalty for late manifest submission. If subject to payment of penalty, the party which submits the e-manifest pays at the Cash Division and presents the BOC Official Receipt evidencing payment of the penalty to the Office of the Deputy Collector for Operations.
- 5.2.4 Upon verification of payment of the penalty, if applicable, the Deputy Collector for Operations undertakes the "Direct Register Validate" within the e2m Electronic Manifest System (EMS)

**6. Repealing Clause**

All Orders, Memoranda, Circulars or parts thereof, which are inconsistent with this Memorandum, are hereby deemed repealed and/or modified accordingly.

**7. Separability Clause**

If any part or provisions of this Order is later on declared invalid or illegal, the remaining portion shall remain valid and unaffected.

**8. Effectivity**

This Order shall take effect immediately and shall be implemented in ports already implementing CMO 27-2009. The date of implementation of the e-Manifest System in airports shall be announced through a Memorandum issued by the Deputy Commissioner, MISTG.

 6/1/11  
**ANGELITO A. ALVAREZ**  
Commissioner  
 BUREAU OF CUSTOMS AND EXCISE  
ANGELITO A. ALVAREZ  
Commissioner  
  
11-02677

**A. INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO) REGIONS**

1. Africa-Indian Ocean (AFI) Region
2. Asia (ASIA) Region
3. Caribbean (CAR) Region
4. European (EUR)
5. Middle East (MID) Region
6. North American (NAM) Region
7. North Atlantic (NAT) Region
8. Pacific (PAC) Region
9. South American (SAM) Region

**B. INTERNATIONAL AIR TRANSPORT ASSOCIATION (IATA) REGIONS**

China and North Asia:

- People's Republic of China
- Hongkong SAR
- Macau SAR
- Taiwan
- Mongolia
- North Korea

Asia Pacific:

- |               |               |
|---------------|---------------|
| • Australia   | • Nepal       |
| • Bangladesh  | • New Zealand |
| • Cambodia    | • Pakistan    |
| • India       | • Philippines |
| • Indonesia   | • Singapore   |
| • Japan       | • Sri Lanka   |
| • South Korea | • Thailand    |
| • Malaysia    |               |

Middle East and North Africa

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|-------------|----------------|
| • Egypt     | • Lebanon      |
| • Gulf Area | • Morocco      |
| • Jordan    | • Saudi Arabia |
| • Kuwait    | • Tunisia      |
| • Yemen     |                |

### Latin America and the Caribbean

- Argentina
- Bolivia
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- Chile
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- Ecuador
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- Belize
- Guatemala
- Honduras
- Mexico
- Nicaragua
- Panama
- Paraguay
- Peru
- Uruguay
- Venezuela
- Western Caribbean

### North America

- Bermuda
- Canada
- USA

### Russia and the Commonwealth of Independent States

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- Azerbaijan
- Belarus
- Georgia
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- Kyrgyzstan
- Moldova
- Russian Federation
- Tajikistan
- Turkmenistan
- Ukraine
- Uzbekistan