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CUSTOMS MEMORANDUM ORDER
NO. 47-2010

SUBJECT: Amendment to CMO No. 30-2010 dated 12 August 2010, "Creation of Interim Customs Accreditation and Registration Unit (ICARE)"

1. OBJECTIVES

- 1.1 To support the enhancement of accreditation procedures for importers and brokers.
- 1.2 To facilitate and fast-track the accreditation process while maintaining efficient and effective levels of government control.
- 1.3 To provide efficient validation and organization of information disclosed by importers and brokers in support of the following needs of BOC:
 - a. More accurate and reliable information;
 - b. Stronger accountability of stakeholders to disclose accurate information to BOC; and
 - c. Improved capability to assess compliance risk.
- 1.4 To ensure that information disclosed and documents submitted to ICARE by importers and brokers are validated and BOC's stakeholders are properly identified;
- 1.5 To enable BOC to use and manage data necessary for input compliance, risk management and accreditation of stakeholders.

2. SCOPE

This Order shall cover importers and brokers required to register in the BOC's ICARE Unit pursuant to CMOs Nos. 23-2009, 30-2010 and CAO No. 3-2006A, as amended, respectively.

3. ADMINISTRATIVE PROVISIONS

3.1. Supervision of ICARE

The Deputy Commissioner, Revenue Collection and Monitoring Group shall directly supervise the ICARE and shall perform, among others, the following:

- a. Facilitate and fast-track the accreditation process;
- b. Issue relevant policies, responsibilities, rules and processes related to all issues surrounding accreditation;
- c. Approve recommendation for cancellation/revocation/suspension of accreditation of the Head, ICARE;
- d. Perform other functions consistent with the assigned tasks.

3.2. ICARE Functions:

- 3.2.1. Accredit importers and brokers pursuant to CMOs Nos. 23-2009, 30-2010 and CAO No. 3-2006A, as amended, respectively;
- 3.2.2. Cancel/revoke/suspend accreditation of importers upon approval of the Deputy Commissioner, RCMG observing due process.

3.3. Establishment of Client Assessment Team (CAT)

There is hereby created a Client Assessment Team (CAT) under ICARE to evaluate applications for accreditation based on information disclosed by applicants and recommend to the Head, ICARE applications for validation and/or inspection, based, among others on the following parameters:

- 3.3.1. Legitimacy of the business operations of the applicant
- 3.3.2. Completeness of the documents required to be submitted hereunder.

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- 3.3.3. Absence of a variance or misrepresentation of material facts on the part of the applicant vis-à-vis' the documents submitted.
- 3.3.4. Capability of the applicant to comply with customs rules and regulations
- 3.3.5. Other risk factors affecting the application.

3.4. Information Validation Team

There is hereby created a Information Validation Team (IVT) to perform information validation submitted by the applicant to include the following:

- 3.4.1. Existence of the applicant in the indicated place of business
- 3.4.2. Existence of the applicant's office, plant or warehouse, as the case may be.
- 3.4.3. Actual business operations of the applicant or the impending commencement thereof, as the case may be
- 3.4.4. Genuineness of the documents presented in support of the application.
- 3.4.5. Other facts material to the application for accreditation.

4. OPERATIONAL PROVISIONS

4.1. Additional Requirements

- 4.1.1. Printed CPRS application profile of importers duly lodged at the chosen VASP;
- 4.1.2. In lieu of the inspection conducted by the ICARE pursuant to paragraph 4.3 of CMO No. 23-2009, the following additional requirements shall be submitted by first time applicants:
 - 4.1.2.1. Company Profile with pictures of company premises indicated in the application;
 - 4.1.2.2. Location Map of principal place of business indicated in the application;
 - 4.1.2.3. Capital Structure;
 - 4.1.2.4. Personal profile of Corporate Officers, Owners/Proprietors, company representative/s dealing with customs;

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- 4.1.2.5. Valid Government-issued ID with photo (e.g. passport, driver's license) 4
- 4.1.2.6. Certified true copy of Income Tax Return for the past three (3) years, if applicable; and
- 4.1.2.7. VAT Returns for the past three (3) years, if applicable.
- 4.1.3. For renewal of accreditation, the following additional requirements shall be submitted:
- 4.1.3.1. Certified true copy of Income Tax Return for the past three (3) years, if applicable; and
- 4.1.3.2. VAT Returns for the past three (3) years, if applicable.
- 4.1.4. All applications shall be filed in duplicate copies. Upon the approval of the application, the first copy shall be retained by ICARE for record purposes while the second copy shall be forwarded to the RATS Group.

4.2. Accreditation Procedure

- 4.2.1. All applicant importers are required to apply first for registration under the CPRS pursuant to CMO No. 39-2008;
- 4.2.2. Upon receipt of the "STORED" e-mail messages by the applicant under the CPRS, the applicant shall print a copy of the CPRS application profile. The printed copy shall be attached to the application proper together with supporting documents required by this and the existing rules.
- 4.2.3. All applications shall be personally submitted by the applicant. In cases where the applicant cannot comply hereto, the applicant must execute a duly notarized Special Power of Attorney nominating therein his/her Attorney-in-Fact and specifying therein the extent of the authority of the latter.
- 4.2.4. The application supported by the required documents for accreditation of importers shall be evaluated on a PASS/FAIL basis.
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- 4.2.5. ICARE shall, at any time after the approval of the application, conduct validation of information disclosed by the applicant upon recommendation by the CAT.
- 4.2.6. Notice of denial or approval of applications of accreditations shall be sent via the CPRS under e2m Customs.

5. TRANSITORY PROVISIONS

- 5.1. All existing personnel complement of ICARE shall continue to provide technical support in the accreditation process so as not to disrupt the processing/approval of all pending applications for accreditations of importers and brokers, unless otherwise ordered by the Commissioner.
- 5.2. The Deputy Commissioner, RCMG is hereby ordered to constitute ICARE and submit a report to the Commissioner of Customs within ten (10) days from the issuance of this Order a proposal outlining the reorganization of the ICARE, complete with personnel complement and their respective designations for the issuance of a proper Customs Personnel Order (CPO) by the Commissioner;

6. REPEALING CLAUSE

CMO No. 30-210 and 23-2009; including all other orders and issuances, the provisions of which are inconsistent herewith, are deemed revoked/superseded accordingly.

7. EFFECTIVITY

This Order shall take effect immediately except in the case of submission of additional requirements mentioned in paragraphs 4.2.1 and 4.2.2 of this Order which shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.


ANGELITO A. ALVAREZ
 Commissioner
 BUREAU OF CUSTOMS
 ANGELITO A. ALVAREZ
 Commissioner

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