



BUREAU OF CUSTOMS

MAKABAGONG ADUANA, MATATAG NA EKONOMIYA

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PROFESSIONALISM INTEGRITY ACCOUNTABILITY

OCOM Memo No. **159-2021**
MEMORANDUM

TO : Collection Districts
 Deputy Commissioner, MISTG
 Customs Examiners and Appraisers
 All Other Offices Concerned

FROM : REY LEONARDO B. GUERERRO
 Commissioner

SUBJECT : ADDITIONAL FRAUD CODES AND REITERATION OF
 GUIDELINES ON FILLING OUT THE INSPECTION ACT

DATE : April 8, 2021



BOC-05-13147

APR 20 2021

In order to determine the risk levels of shipments tagged suspicious and seized, ensure the effective performance of Selectivity System and to determine the appropriate Fraud Code on Inspection Act to accord on shipments once the image is found to be suspicious and tagged suspicious-positive and tagged suspicious-negative. The following guidelines shall be followed by the Customs Examiners/Appraisers in filling out the Inspection Act:

1. After the evaluation or assessment of goods declaration, Customs Examiner/Appraisers must determine the offense or risk using the 'Fraud Code' dropdown list, which can be in multiple selection:

Code	Description
GENDG	Generally Described Goods
MDECG	Misdeclaration of Goods
MDECP	Misdeclaration in Packaging
MDECQ	Misdeclaration in Quantity
MDECW	Misdeclaration in Weight
MISCL	Misclassification of Goods
VALAD	Value Adjustment
VALBE	Below Reference Value
VALUN	Undervaluation of Goods
REGFA	Fake Regulatory Permit or Clearance
REGNO	No Regulatory Permit or Clearance
UNDEC	Undeclared Items
SEIZE	Seized
XRAY+	Tagged Suspicious – Positive
XRAY-	Tagged Suspicious – Negative

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2. Selection of fraud code is mandatory except on shipments with no discrepancy between the declaration and the actual findings upon document, non-intrusive or physical examination and/or final assessment.
3. A shipment with no selected fraud code/s will automatically be considered as zero risk in the compliance scorecard.
4. In case there are other changes of findings not included in the fraud code list, it must be reported using the Information Box (Free Text).
5. Also, said Information Box may contain further details for risk analysis or any reports on the conduct of examination and other supplemental data that support the selected Fraud Code/s.
6. Failure on the part of customs officer to perform the duties as stipulated in Section 421 of the CMTA shall be penalized according to 1431 of Title XIV of the same Act.
7. All the data and other information provided in the Inspection Act shall form part of the evaluation of the Risk Management Office for its regular update and recalibration of the Bureau's Selectivity Screens.
8. For widest dissemination and strict implementation.