



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA 1099

4 pages

22 November 2000

CUSTOMS MEMORANDUM ORDER

No. 17-2000

Subject: Guidelines on the Transfer of Overstaying Cargoes from the South Harbor to ATI-ICD Calamba implementing the Memorandum of Agreement between the Bureau of Customs and Asian Terminals, Inc.

1. OBJECTIVES

- 1.1 To decongest the port so as to provide for more cargo space and enhance the revenue generating capability of the Port of Manila;
- 1.2 To accelerate cargo movement and improve productivity at the South Harbor;
- 1.2 To optimize the utilization of the Vehicle Tracking System (VTS).

2. SCOPE

This Order shall apply to overstaying cargoes, particularly to all dry containerized cargoes which have stayed in the port for sixty (60) days or more.

3. GENERAL PROVISIONS

- 3.1 Only trucks equipped with a Vehicle Tracking System (VTS) shall be utilized in the transfer of overstaying cargoes from South Harbor to ATI-ICD Calamba.
- 3.2 Computer systems must be installed and provided by ATI to the Bureau to handle the documentation, inventory, records keeping and audit trail of all transfers to and releases from the ICD, without prejudice to the established procedures on the On-Line Release System (OLRS).
- 3.3 Containers to be transferred shall be covered by the necessary insurance policy, to be procured by ATI, against possible loss or damage of the cargoes while in transit to or storage at the ICD. Said insurance shall answer for the value of the shipment plus the duties and taxes that may be due thereon. In the absence of definitive documentary basis such as entry or invoice for determining the amount, ATI shall be liable for the value of the cargo plus the duties and taxes, and the duties and taxes payable to the Bureau shall be not lower than PHP 200,000/TEU.
- 3.4 ATI-ICD Calamba shall allocate a designated area for the containers subject of this Order to prevent them from being co-mingled with other ICD cargoes.
- 3.5 As a general policy, no inspection/spot-checking of containers shall be conducted prior to transfer unless a particular container is subject of a derogatory information.

- 3.6 A complete listing of all overstaying cargoes shall be prepared by ATI on a weekly basis, containing pertinent data such as name of importer, description of articles, vessel, Registry No., B/L No., and other shipment details, and shall be furnished to the District Collector, Deputy Collector for Operations, Directors, Port Operations Service, ESS and CIIS.
- 3.7 The Customs Intelligence and Investigation Service (CIIS) shall form a special CHS-VTS Unit to monitor the transfer operations.
- 3.8 No transfer shall be allowed without the approval of the Deputy Collector for Operations

4. OPERATIONAL PROVISIONS

4.1 PROCESSING AND APPROVAL OF REQUEST

- 4.1.1 ATI shall file with the Office of the Deputy Collector for Operations (DCO) an ATI-Request to Transfer Overstaying Cargoes (ATI-RTOC), sample form attached as Annex "A". The ATI-RTOC shall contain the list of shipments to be transferred including the particulars thereof.
- 4.1.2 Immediately upon receipt of the ATI-RTOC, the DCO shall simultaneously provide copies of the same to the Directors, CIIS and ESS for the necessary risk assessment and evaluation of the cargoes to be transferred based on intelligence data. The CIIS and ESS shall indicate their concurrence or objection, if any, to the proposed transfer of a particular container/s not more than forty-eight (48) hours from the time the transfer request was received by their respective offices. Failure to respond within the said period shall be construed as "no objection" to the request.
- 4.1.3 The DCO approves request, if in order, by affixing his signature on the space provided for in the form.
- 4.1.4 Upon approval by the DCO, the OLRs operator lifts the Duty Stop and prints in the REMARKS portion: "Transfer to ATI-ICD Calamba". He then distributes the approved ATI-RTOC, as follows:

Sheet # 1	- Piers and Inspection Division (PID)
Sheet # 2	- ATI
Sheet # 3	- DCO
Sheet # 4	- CIIS-VTS Unit

- 4.1.5 The Chief, PID, upon receipt of his copy (Sheet # 1) shall transmit the same to the Customs Gatekeeper.

4.2 TRANSFER PROCEDURE

- 4.2.1 ATI prepares the Transferred Containers Monitoring Report (TCMR) in two (2) copies and mounts cargoes onto the VTS-equipped trucks (TCMR sample form attached as Annex "B"). Before mounting, ATI shall seal the containers in the presence of the CIIS, ESS and PID personnel.

- 4.2.2 ATI signs TCMR upon dispatch of trucks and presents the same to Customs Gatekeeper
- 4.2.3 The Customs Gatekeeper compares his copy of the ATI-RTOC and TCMR against cargoes to be transferred. If in order, he fills up all applicable boxes in the TCMR. He then submits to the DCO his copy of the ATI-RTOC and TCMR for reference purposes. The truck driver will also be provided a copy of the TCMR.
- 4.2.4 Upon release at the gate, the VTS technology will be utilized in lieu of underguarding.
- 4.2.5 To ensure that the VTS is working, it shall be the duty of the ATI to inform the CHS-VTS Unit by radio/telephone that the trucks carrying the shipment are about to depart so that the necessary systems checks can be undertaken. It shall be the responsibility of ATI to see to it that all transfers to the ICD are tracked through VTS. To this effect, ATI shall assign its liaison officer in the VTS room to receive messages from ATI monitoring office that shipments are already on their way out of the port so that the VTS computer tracking system is activated.
- 4.2.6 The Customs Gatekeeper at the ICD shall match the information on the TCMR presented by the truck driver as against cargoes delivered. If in order, he completely fills-up all applicable boxes in the TCMR. Within fifteen (15) minutes thereafter, he shall call (by radio or by phone) the CHS VTS Unit to report the completion of the delivery. He then sends through fax a copy of the TCMR to the DCO within two (2) hours from completion.
- 4.2.7 The CHS-VTS Unit updates the computer system to reflect completion delivery and generates a computer print out which it shall send to the DCO. If the Customs Gatekeeper at the receiving ICD fails to report delivery completion by radio/phone within fifteen (15) minutes, said unit shall verify with the ICD Customs Gatekeeper on delivery status.
- 4.2.8 The DCO reconciles, on a daily basis, the approved ATI-RTOC with the accomplished TCMR and the report of the CHS-VTS Unit to confirm delivery and receipt of cargoes at the ICD.

5. REPORT AND REPORTING SYSTEM

- 5.1 The following reports must be submitted by ATI to the Deputy Collector for Operations;
- 5.1.1 List of containers received at the ICD indicating the Container number, condition of the containers and seals, date and time received. This list shall be submitted immediately upon arrival of cargoes at the ICD.
- 5.1.2 Monthly list of overstaying containers received at, and released from ICD with the following structure: Container number, vessel, registry no., importer, ATI-RTOC No., date/time received at the ICD.
- 5.1.3 Monthly list of containers applied for transfer but not actually transferred containing same information as above except for receipt data but indicating reasons for non-transfer and present location in the port.

- 5.1.4 Unusual Incident Report to be submitted within twenty-four (24) hours from the discovery of the incident reporting on such matters as containers transferred but not received, diversion, pilferages and unauthorized withdrawal from ICD.
- 5.2 The DCO shall be responsible for the preparation and maintenance of an ICD logbook of all transfers to and disposition from the ICD of overstaying containers subject hereof.
- 5.3 Vehicle Tracking Printout - The DCO shall be responsible for ensuring that all transfers for the day have reached their destination as evidenced by the Vehicle Tracking System report. He shall cause the printing of the tracking report for attachment to the ATI-RTOC file of all transfers. Any transfer which shows non-arrival at the ICD must be immediately reported to the Directors, CHS and ESS and personally to the Commissioner/Collector of Customs.
- 5.4 Monthly Audit - It shall be the responsibility of the District Collector of Customs to conduct monthly audit of the operations of the ICD with the end in view of immediately detecting illegal activities and taking necessary measures to protect the interest of government. A copy of the Monthly Audit Report must be submitted to the Commissioner of Customs.
6. REPEALING CLAUSE
- All rules and regulations inconsistent with this Order are hereby deemed repealed, superseded or modified accordingly.
7. EFFECTIVITY CLAUSE
- This order shall take effect immediately.


RENATO A. AMPIL
Commissioner
