



14 August 2009

CUSTOMS MEMORANDUM ORDER

NO. 37-2009

To All Deputy Commissioners
Service Chiefs
District Collectors
Collectors
Division Chiefs
All Concerned

Subject Submission of e-Manifest through a Value Added Service Providers (VASPs) and Implementing Guidelines for Customs Administrative Orders 1-2007.

1 Objectives

- 1.1 To effectively implement the provisions of CAO No. 1-2007 as further amended by CAO No. 6-2007.
- 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.
- 1.6 To expedite the release of legitimate cargo upon arrival in the Philippines.

2 Scope

This covers all sea manifests including those from forwarders and consolidators in all ports that shall be submitted through the VASPs.

3 General Provisions:

- 3.1 The Piers Inspection Division (PID) or its equivalent office shall record the estimated and actual date and time of vessel arrival. This information shall serve as a basis for the verification of manifest validity and its compliance with cut-off time defined by BOC for manifest submission.
- 3.2 Shipping Lines/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 bills of lading of shipments consigned to ultimate and nominal consignees. The e-CCM consists of all the house bills of lading of shipments consigned to the ultimate consignees degrouped/split from the master bills of lading of shipments whose consignees are just nominal such as banks, forwarders and consolidators.
- 3.4 The e-IFM, in the case of shipping line and e-CCM in the case of NVOCC/Cargo Consolidator/Co-loader/Breakbulk Agent shall be submitted by the forwarders/consolidators concerned to BOC (Attn: MISTG) at least twelve (12) hours before arrival of the carrying vessel.
- 3.5 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.
- 3.6 The e-manifest that passes the validation routine is registered in the e2m Customs System. The bills of lading numbers of the validated manifest are available for matching when the e2m import declaration is lodged. The bill of lading number is written off upon final assessment of such e2m import declaration.
- 3.7 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.
- 3.8 The BOC shall use e-IFM as primary e-document in the verification of the e-CCM.
- 3.9 The VASP shall provide the arrastre/terminal operator an electronic copy of the manifest lodged through the VASP's Manifest submission application.
- 3.10 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.
- 3.11 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 classification of e-manifest submissions into three (3) time frames:

- 3.11.1 On time submission – before cut-off time defined by BOC.
- 3.11.2 Late submission – after cut-off time but before actual vessel arrival.
- 3.11.3 Non-compliant submission – upon vessel arrival and after.
- 3.12 Supplemental e-manifest submission shall be treated as non-compliant submission. Supplemental e-Manifest shall be submitted in hard copies and electronic form within the period prescribed in CAO 6-2007; otherwise, the shipments subject of the Supplemental Manifest shall be considered unmanifested and subject to seizure proceedings.
- 3.13 Failure to submit the required information within the period prescribed in 3.3 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:
 - 3.13.1 Late submission:
 - 3.13.1.1 First Offense – 10,000 Php
 - 3.13.1.2 Second Offense – 20,000 Php
 - 3.13.1.3 Third and Subsequent Offenses – 30,000 Php
 - 3.13.2 Non-Compliant submission – 30,000 Php
- 3.14 The payment of fines is without prejudice to whatever additional recourse the BOC may pursue against the delinquent shipping line or NVOCC/Consolidator/Co-Loader/Breakbulk Agent. Considering the requirement in Item 3.4, 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.
- 3.15 When the e-IFM/e-CCM is submitted to the BOC Gateway Server before the cut-off time, the shipping lines/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 will be automatically registered with the BOC. Shipping lines 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.
- 3.16 The e2m import declaration (SAD) shall be accepted by the system only when the following requirements are accomplished:
 - 3.16.1 The electronic manifest has been officially accepted (registered) by the Electronic Manifest System (EMS).
 - 3.16.2 The Bill of Lading (B/L) is a house B/L.
 - 3.16.3 The House B/L is also registered.
- 3.17 When the bill of lading number has been used in an e2m import declaration, the corresponding bill of lading in the e-manifest can no longer be subject of any amendment to the e-manifest.
- 3.18 The VASP shall be responsible for training their own shipping line/consolidator-forwarder clients on the submission of electronic manifest and other related matters.

4. Operational Procedures:

4.1. Shipping Lines Representative of vessels arriving at the Port shall notify the PID or its equivalent office the following details of the vessel arrival, among others:

4.1.1. Name of Vessel

4.1.2. Registry Number using this format: xxxNNNN-yy where xxx is the three letter code assigned to the shipping line, NNNN is a sequence number, a dash, yy which stands for the shortened year code

4.1.3. Estimated Date and Time of Arrival

4.2. Submission of e-Manifest

4.2.1. Shipping Lines shall submit their e-IFM while consolidators and forwarders shall submit their e-CCM 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 shipping lines, 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 vessel arrival, the PID or equivalent office shall encode the actual date and time of arrival.

4.2.4. Upon the completion of the discharging operation, the PID or equivalent office shall encode the date of discharge of the last package from the vessel, 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.

4.2.5. Late and Non-Compliant e-manifest submissions are subject to imposition of fine pursuant to Item 3.11. 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 PID or any equivalent office for enforcement of fines. PID shall see to it that the proper fines are collected pursuant to Item 3.11.

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 shipping line, 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 3.11.

4.3. Submission of Hard Copies

4.3.1. Four (4) sets of the cargo manifest shall be submitted to the PID or its equivalent office upon arrival of the carrying vessel, distributed as follows:

- 4.3.1.1. PID or equivalent office
- 4.3.1.2. Intelligence Group (IG)
- 4.3.1.3. Assessment and Operations Coordinating Group (AOCG)
- 4.3.1.4. COA Resident Auditor through the Office of the Commissioner (OCOM)

4.4. Manifest Amendment

4.4.1. Amendments to the submitted manifest by shipping lines, forwarders and consolidators:

- 4.4.1.1. 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.
- 4.4.1.2. If already registered, by a formal request with the Office of the Deputy Collector for Operations subject to pertinent BOC regulations.
- 4.4.1.3. 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.

4.5. Submission of Supplemental e-Manifest

- 4.5.1. Cargoes/containers not listed in the IFM but are otherwise recorded in the Stowage Plan shall be covered by a Supplemental e-Manifest which shall be submitted to the BOC through the VASP not later than forty-eight (48) hours from date of discharge of the last package from the vessel.
- 4.5.2. For cargoes/containers not listed in the IFM and Stowage Plan, the Supplemental Manifest must be submitted not later than twenty-four (24) hours from date of discharge of last package.
- 4.5.3. In both cases, the Deputy Collector for Operations and the Chief PID or its equivalent office shall monitor the 48 or the 24 hour rule as the case may be before authorizing the registration of the supplemental e-manifest into EMS.

5. Repealing Clause

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

6. ***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.

7. ***Effectivity***

This Order shall take effect immediately but shall be implemented in parts already implementing CMO 27-2009.

NAPOLEON D. MORALES
Commissioner

