



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

June 16, 1992

CUSTOMS MEMORANDUM ORDER

NO. 63-92

TO: All Bureau Officials and Employees
Customs Brokers, Importers and
Other Concerned

SUBJECT: Method of Examination of LCL Shipments
(loose/conventional shipments) Which Have
Been Inspected by SGS Wherein A Discrepancy
is Found In At Least One Package

I. OBJECTIVES:

1. To protect government revenue.
2. To curb technical smuggling committed thru misdeclaration.
3. To facilitate the movement and release of imported goods.

II. RESPONSIBILITY:

It shall be the responsibility of the Customs examiner/
appraiser to examine thoroughly the packages subject of exam-
ination.

III. COVERAGE:

This Order shall cover loose/conventional cargoes whether
or not inside LCL containers already inspected by SGS but sub-
ject to 10% retention scheme available to EPRS accredited impor-
ters.

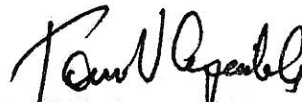
IV. OPERATIONAL PROVISIONS:

1. The Piers and Inspection Division shall make available for
examination all the packages comprising the shipment.
2. The examiner/appraiser shall examine less than 10% of the
packages.
3. In the event that a discrepancy is found in at least one
package, the Examiner/Appraiser shall proceed to open
more packages in geometric progression, that is, if three

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packages are scheduled for examination and a discrepancy is detected in one of the three packages, then the Examiner shall open six more packages. In the event that no discrepancy is found in the six packages, the Examiner shall consider the examination completed. However, if a discrepancy is again detected in at least one of the six packages, then the Examiner shall open twelve more packages. This progression shall continue until such time when no discrepancy is found.

4. Where misdeclaration is found in the description of the contents in any one of the packages examined, the examiner shall immediately conduct a 100% examination of the shipment.
 5. The Examiner shall reflect the findings on the entry supported by a discrepancy report.
 6. All other rules and regulations not inconsistent with this Order shall remain in full force and effect.
- V. The Order shall take effect immediately.


TOMAS V. APACIBLE
Commissioner