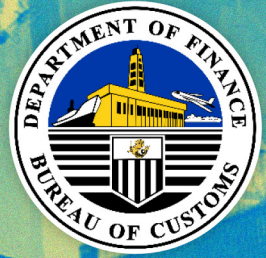


MAKABAGONG ADUANA

Bureau of Customs Annual Report 2020

MATATAG NA EKONOMIYA







VISION

A modernized and credible
Customs administration that
is among the world's best

MISSION

To strengthen border control,
enhance trade facilitation and
improve collection of lawful
revenues

CORE VALUES

Professionalism
Integrity
Accountability



BUREAU OF CUSTOMS
MAKABAGONG
ADUANA

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OVERVIEW

As the government's primary arm in the management and regulation of the supply chain and movement of essential and non-essential goods, the Bureau of Customs (BOC) has been actively implementing reforms and initiatives to achieve its vision of becoming a world-class customs administration.

While 2020 was full of challenges arising from the outbreak of the Coronavirus Disease 2019 (COVID-19) and its global impact on trade and commerce, it provided an opportunity to test and improve the Bureau's operations and processes.

In this Annual Report, BOC presents the work that has been done under its various mandates, as well as in its fight against graft and corruption. In addition, other programs implemented by the Bureau are showcased as well, such as the World Bank funded Customs Modernization

Program, alignment of the BOC to global benchmarks through the World Customs Organization (WCO) Mercator Program, National Single Window, Customs Operations Center, ISO Certification and the Performance Governance System.

In the area of trade facilitation, much of the challenge in 2020 has been in the expeditious release of importations of Personal Protective Equipment (PPE) and Medical Supplies to ensure proper response and protection against the virus and its effects. The improvement in operations is also reported, as seen in the decrease in the yard utilization rate of the ports of the Bureau, and the average dwell time of containers which has been kept within the desired levels.

Meanwhile, there is an increased number of disposed overstaying containers, processed accreditations and online tickets. Further,

integrated paperless IT systems are also in place to provide the transacting public with appropriate channels and platforms to facilitate the ease of doing business.

The top priority programs introduced and implemented in 2019 and 2020 have equipped the Bureau with systems, processes, and policies which are relevant in handling the unique circumstances under the pandemic scenario.

In the area of revenue collection, the Bureau of Customs continues to meet and exceed its targets, with additional contributions from the revenues generated through Post Clearance Audits.

The intensified border security measures have resulted in various seizures and apprehensions nationwide. Anti-graft and corruption efforts have led to the revocation of numerous accreditations and the filing of

cases against erring importers and brokers. Moreover, border protection has been further strengthened through the Fuel Marking Program and the monitoring and inspection of Vessels of Interest (VOI).

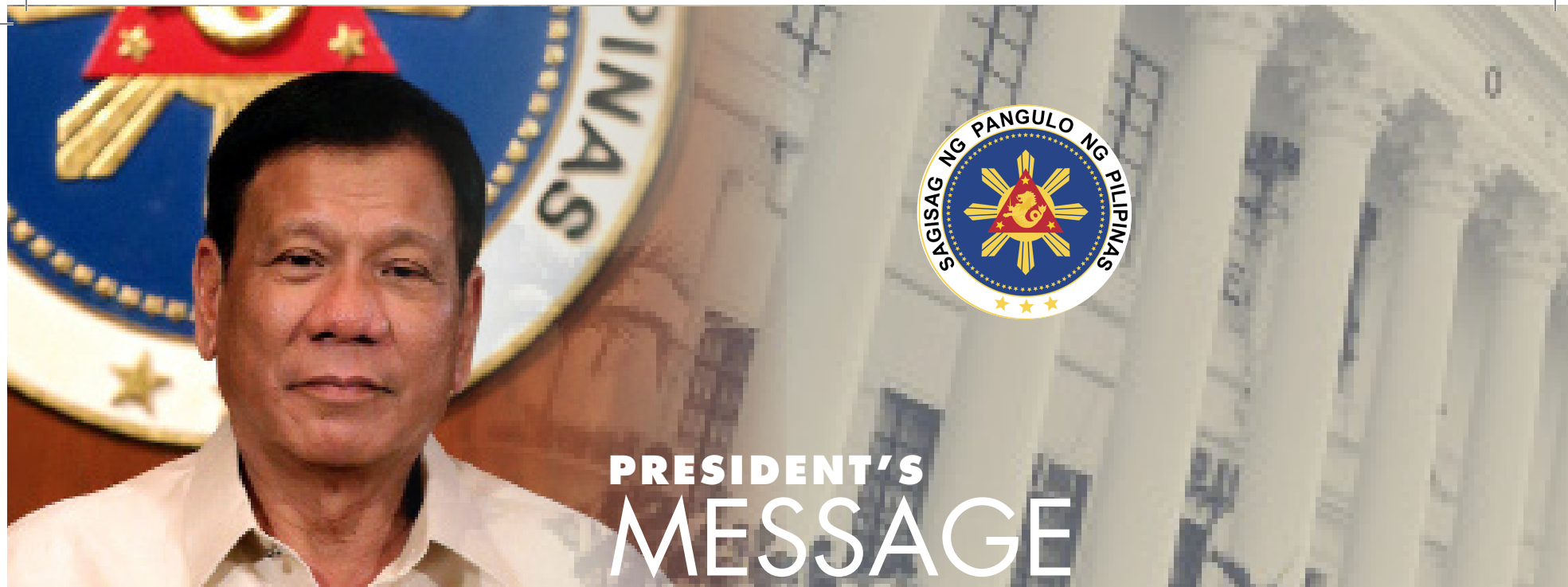
This Annual Report also highlights the relevant impacts of Joint Administrative Order No. 20-01 (JAO 20-01) and its successful implementation in major ports after the measures were adopted amidst the countrywide ECQ. Another initiative that is highlighted is the inspection of cold storage facilities in Metro Manila to determine the utilization of the facilities and check if it has any correlation with port utilization to avoid congestion.

The BOC has stayed on track in ensuring the implementation and accomplishment of the 10-Point Priority Program for 2020.

In the face of the COVID-19 pandemic, various measures

and anti-COVID efforts were adopted by the Bureau to ensure continued and effective operations. With professionalism, dedication and integrity, 2020 operations stayed on course and targets were achieved.

In the face of the COVID-19 pandemic, various measures and anti-COVID efforts were adopted by the Bureau to ensure continued and effective operations.



PRESIDENT'S MESSAGE

My warmest greetings to the Bureau of Customs (BOC) as it publishes its Annual Report for CY 2020.

The role of the BOC in this administration's anti-corruption campaign and infrastructure development program cannot be overstated. I am thus pleased with the bureau's efforts in weeding out irregularities in its revenue generating processes so we may maximize our collection and fund our crucial government projects.

I recognize the various initiatives that you have undertaken to fight corruption, increase revenue collection, facilitate trade, protect our borders, and strengthen our drive against smuggling and fraud. These efforts, which help revitalize our economy and regain the trust of investors, are indeed noteworthy.

To the men and women of the BOC, I ask you to remain committed in your mandate to achieve our revenue targets that are crucial in supporting our programs that aim to strengthen our nation and improve the lives of our people.

Mabuhay kayong lahat!


RODRIGO ROA DUTERTE
President



SECRETARY'S MESSAGE



This was a difficult year for our nation. The COVID-19 pandemic interrupted our rapid growth momentum. Our response to this public health crisis required the government to spend on a broad array of additional emergency and health measures. Our recovery will be anchored on public spending to stimulate consumption, investment, and other economic activity.

Fortunately, our two main revenue agencies rose to the challenge of raising revenues to fund the government's efforts to protect our people's health, recover livelihoods, and rebuild our economy. President Rodrigo Roa Duterte has said that taxes are the lifeblood of government programs and public services. In this critical time, when our national endurance was tested, our revenue agencies kept our lifeblood flowing.

The Bureau of Customs (BOC) performed extremely well throughout this year of difficult challenges. The general collapse of trade volumes took an expected toll on the BOC's collections, but the Bureau minimized losses by continuing its modernization initiatives to achieve a more efficient customs administration.

The BOC significantly contributed to our fight against the pandemic by expeditiously releasing the medical supplies and equipment urgently needed by our health workers. I am sure that the Bureau will be ready to facilitate the entry of safe and effective vaccines when they become available for mass distribution.

I look forward to continuing improvements in the BOC's services as we enhance trade facilitation and

incorporate more digital technologies into our processes. All of these efforts will be important as trade picks up, the economy recovers, and our economic partnerships with other countries deepen in the coming years.

I am confident that the BOC will continue to exceed expectations.


CARLOS G. DOMINGUEZ
Secretary



COMMISSIONER'S MESSAGE

We gave our very best, in the face of the challenges and surprises of 2020. We focused on pushing the transformation inside and out, through customer-friendly service improvements, technological enhancements for more cost-efficient and pro-active processes, and unwavering implementation of stringent anti-graft and corruption measures.

We worked hard together, defined by our mission and our mandates. In solidarity, we delivered on our collection targets, month to month, without fail. With discipline, we found new ways to collect revenues, guided by the letter of the law and the directives of our leaders. Making each day count, we made every effort to fulfill the requirements of our 10-Point Priority Program, accomplishing significant milestones along the way.

We stand strong and determined, as one team, committed to delivering on our pledge to serve with even more energy, professionalism and integrity.

A handwritten signature in black ink, appearing to be "R. Guerrero".

REY LEONARDO B. GUERRERO
Commissioner



“

We stand strong and determined, as one team, committed to delivering on our pledge to serve with even more energy, professionalism and integrity.

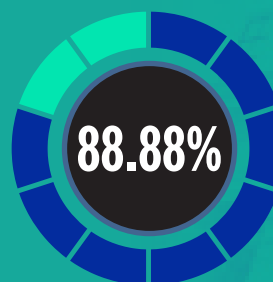
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10-POINT PRIORITY PROGRAM

In support to the BOC's mission to strengthen border protection, enhance trade facilitation, and improve revenue collection, the Bureau implemented a 10-Point Priority Program for 2020.

This year, the average accomplishment rating is 88.88%.

The 10-Point Priority Program, under the leadership of Commissioner Rey Leonardo B. Guerrero, aimed to further strengthen the Bureau of Customs (BOC) by addressing existing operational efficiencies and preparing for future challenges.



Accomplishment
Rating 2020



Full Automation of
Frontline Transactions
100%



Improvement of Risk
Management System
100%



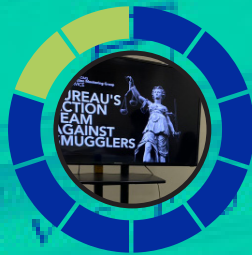
Implementation of Customs
Modernization Program
59.10%



ISO Certification of Customs Offices
& PGS Compliance
83.64%



Enhancement of
Trade Facilitation
91.38%



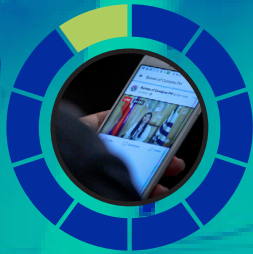
Rationalization of
Penalty Regime
89.70%



Filling-up of BOC
Plantilla Positions
86.20%



Enhancement of Management
and Technical Skills
93.50%



Enhancement of
Stakeholder Engagement
99.98%

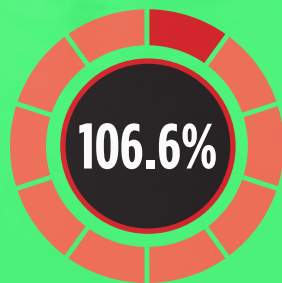


Intensification of
Border Protection
85.33%

... preparing for future challenges.



REVENUE *BOC Accomplishment* COLLECTION



P539.763B
TOTAL COLLECTION 2020

The collective efforts of the Bureau of Customs and all Collection Districts resulted in a total collection of P539.763 billion, reflecting a 106.6% of its target collection of P506.2 billion.

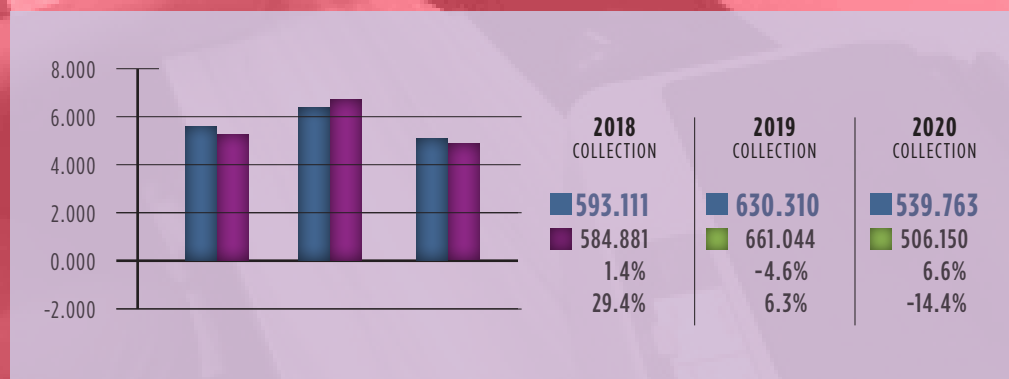
Despite the crisis situation arising from the global pandemic, the positive revenue collection performance is attributed to the improved valuation and intensified collection efforts of all ports, improvement of importation volume and government's effort in ensuring unhampered movement of goods domestically and internationally.

COLLECTION PERFORMANCE

Based on preliminary report, the BOC's collection of P539.763 billion is 6.6% or P33.613 billion over the target for the period. It is however, 14.4% lower than our collection for the same period last year because of the effects of the pandemic on global trade and commerce.

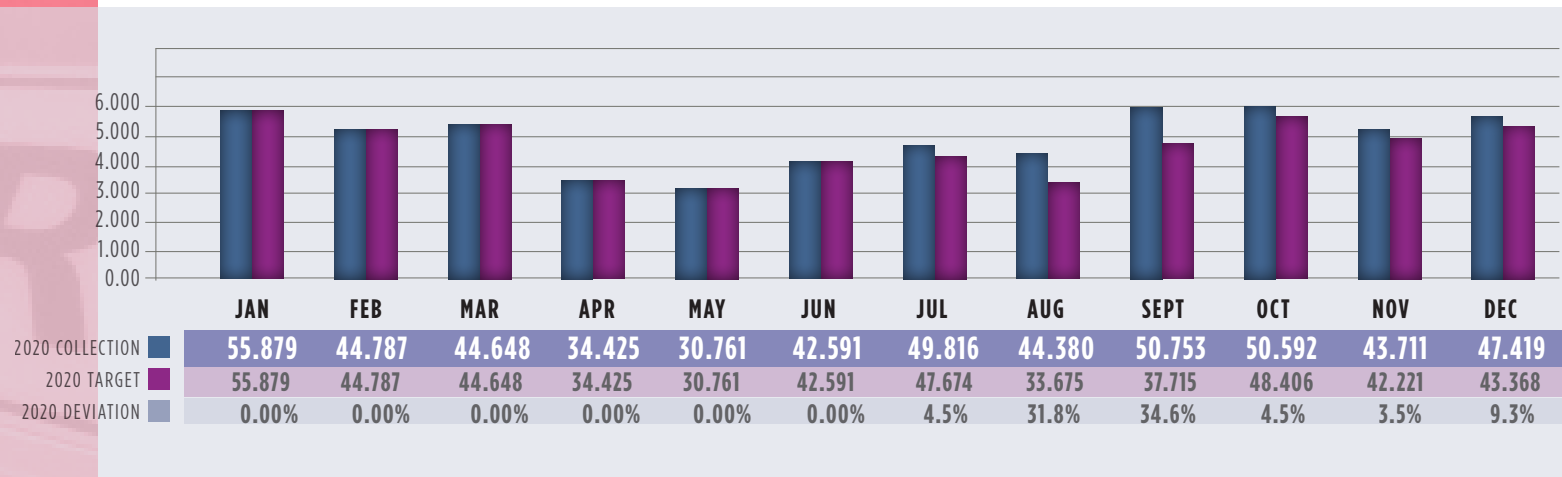
The BOC's positive performance for the period January - December 31, 2020 with a 6.6% surplus over the target for the period is attributed to the improved valuation and intensified efforts of all collection districts despite the drop in the volume of imports and price of oil.

COLLECTION PERFORMANCE 2020 <small>JANUARY - DECEMBER 2020</small>							
COLLECTION PERFORMANCE	JANUARY-DECEMBER 2020 <small>IN BILLION PESOS</small>			2020 COLLECTION VS 2020 TARGET		2020 COLLECTION VS 2019 COLLECTION	
	2020 COLLECTION	2020 TARGET	2019 COLLECTION	AMOUNT	%	AMOUNT	%
TOTAL COLLECTION	539.763	506.150	630.310	33.613	6.6%	-90.547	-14.4%
CASH	535.720	506.150	620.269	29.570	5.8%	-84.549	-13.6%
TEF	4.043	0.00	10.041	4.043	0	-5.998	-59.7%

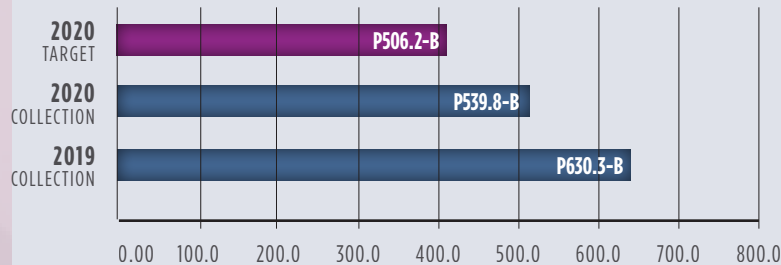


MONTHLY COLLECTION PERFORMANCE

Target revenue collections in 2020 broken down by month highlight the consistent performance in achieving targets.



Note: December data is still preliminary



COLLECTION EFFICIENCY

BOC collected P539.8-B out of the P506.2-B target for the period for a collection efficiency of 106.6%.

CASHIER

ADDITIONAL REVENUE COLLECTED

POST CLEARANCE AUDIT

The BOC through the Post Clearance Audit Group (PCAG) collected P1.218 billion in additional revenue as a result of post clearance audit conducted by the Bureau on importers suspected to have violated CMTA provisions.

AUDIT NOTIFICATION LETTER (ANL)	
ISSUED ANL	168
APPROVED FAR/CRF	70 COMPANIES
COLLECTION	PHP 171,485,305.09
PRIOR DISCLOSURE PROGRAM (PDP)	
PDP APPLICATIONS	77
APPROVED	13
DENIED	9
COLLECTION	PHP 1,047,063,601.55
TOTAL COLLECTION	PHP 1,218,548,906.64

2018
P245.9-M

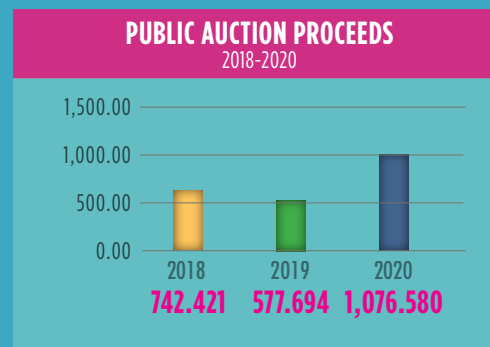
2019
P2.061-B

2020
P1.218-B

PUBLIC AUCTION

The disposition of overstaying cargoes is one of the major directives of the Commissioner. For the Year 2020, the Bureau has raised P1,076,588,805.44 in auction revenue, with MICP accounting for P796,624,995.00 or 74% of the total revenue.

In the conduct of Public Auction of containers that are seized, abandoned or forfeited such disposition by the Bureau would generate additional revenue for the government as well as decongesting said port of its cargoes that would dampen the process of releasing of cargoes not subjected to seizure, abandonment and forfeiture.



AUCTION PROCEEDS BY MONTH

January – December 2020



POM
 P138,416,432.60

MICP
 P796,624,995.00

BATANGAS
 P8,421,655.00

CEBU
 P5,843,452.84

ZAMBOANGA
 P650,450.00

DAYAO
 P52,279,064.00

SUBIC
 P64,663,108.00

CLARK
 P2,677,058.00

COO
 P7,012,590.00

TOTAL
P 1,076,588,805.44

PORT

PROCEEDS



DONATIONS TO NGAs (DISPOSITION)

AGENCY	ITEMS DONATED	QUANTITY	DATE
DSWD	RICE	1500 bags	07-Mar-20
	ASSORTED NEW APPAREL	10 packages	19-Mar-20
	RICE	7,500 bags	08-Jun-20
OCD	RICE, AQUATIC PRODUCTS	186x40 containers	10-Apr-20
	CANNED GOODS	1x40 container	15-Apr-20
	CANNED GOODS	3x40 containers 4x20 containers	17-Apr-20
DOH Region XI	FORFEITED MEDICAL GLOVES	1x20 container	14-Apr-20
PCOO	BROADCASTING EQUIPMENT	5x40 containers 1x20 containers	17-Apr-20
PNP / AFP / PCG / OGA	VEHICLES	758 units	23-Jul-20
DOTr	COATED & UNCOATED PIPE TUBES	395 units and 487 pcs	13-Aug-20
	ACCESSORIES STEEL BEAMS	9x40 & 1x20 containers	
	SUPPLY OF UNBRIDGE RORO PARTS	35x40 & 6x20 containers	
DSWD	STRETCH TENTS	2 units	24-Aug-20
	CANVASS TENTS	10 packages	
	ACCESSORIES	10 packages	
DND	SUV	2 units	24-Aug-20
DEPED	ELECTRONIC DEVICES	5,038	02-Oct-20
OCD	THAI WHITE RICE	1x20	02-Oct-20

As part of the Bureau of Customs' commitment to support government relief and humanitarian efforts, the Bureau processed donations of forfeited goods to several government agencies. The BOC processed and donated the following items to agencies as shown in the table.

BOC Accomplishment

TRADE FACILITATION

The extraordinary developments in 2020 tested the Bureau's capabilities under extreme circumstances. With professionalism and teamwork, the Bureau fulfilled its role in expediting the release of essential goods and medical supplies, reduced processing time of customs clearance, and maximized the utilization of online systems to offer convenient service while adhering to quarantine restrictions.

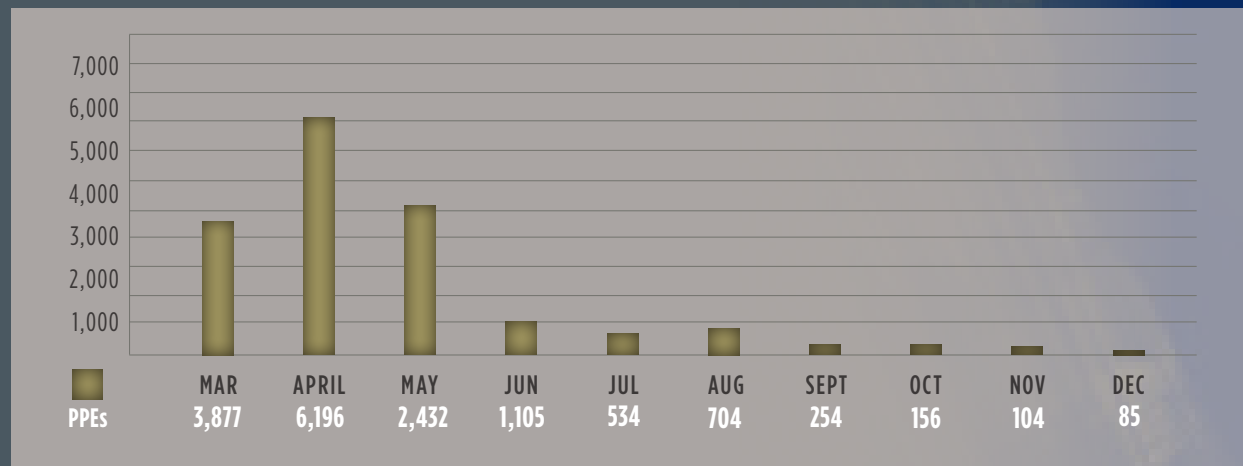
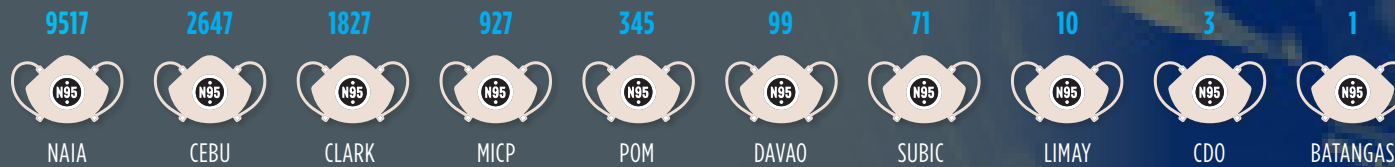


EXPEDITIOUS RELEASE OF PPE & MEDICAL EMERGENCY SUPPLIES

Although the Bureau’s operations were affected by the community quarantine and its restrictions, it was able to adapt and ensure the efficient and continuous release of goods, particularly medical supplies and other commodities essential in responding to the pandemic.

A total of 15,447 shipments of PPE and Medical Supplies were released from March 9, 2020 to December 31, 2020 from various ports nationwide.

PPE AND MEDICAL SHIPMENTS

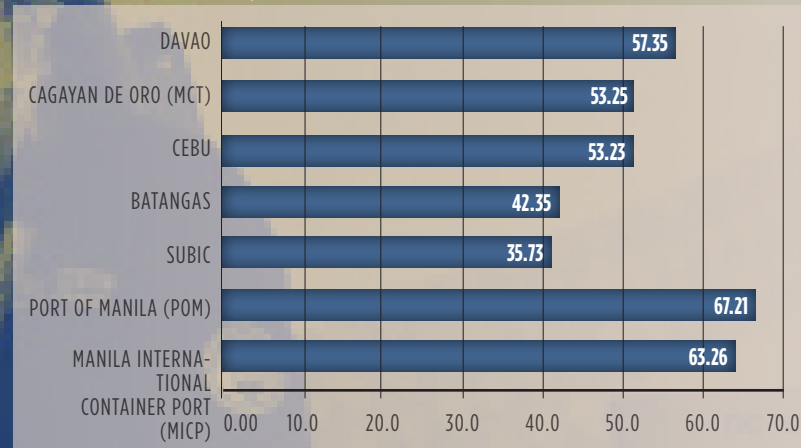


TOTAL OF PPE
15,447
 SHIPMENTS RELEASED

YARD UTILIZATION RATE

To highlight an indication of efficient and effective operations, we have aligned with the global standard of Yard Utilization which does not exceed 70%. In the period under review, Yard Utilization at the Port of Manila (POM) and the Manila International Container Port (MICP) has significantly been reduced. The monitoring and supervision of the same significantly prevents the occurrence of port congestion.

YARD UTILIZATION RATE January-December 2020

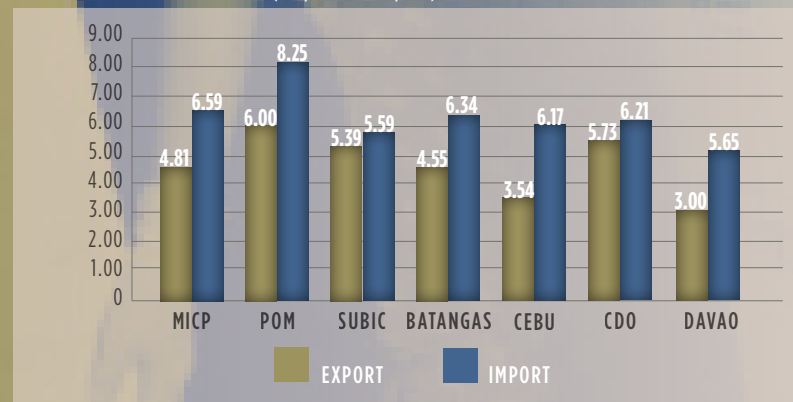


AVERAGE CONTAINER DWELL TIME (DAYS)

Container Dwell Time, which is the time spent by a container from the time it is discharged from the vessel up to the time it exits the gate, was also kept within the desired levels.

The container dwell time for both imports and exports is also being monitored to prevent port congestion. Furthermore, monitoring the container dwell time provides opportunity to identify customs procedures that could further be improved to facilitate trade as it directly reflects the productivity of the port and its service providers.

AVERAGE CONTAINER DWELL TIME (Export and Import)



TIME RELEASE STUDY

To measure the actual average release time of goods and identify bottlenecks affecting Customs clearance, the BOC conducted a Time Release Study at the Manila International Container Port (MICP) last October 2020. The study shows that the actual customs clearance time for importation is 2 days and 36 minutes. On export, customs clearance time is 4 hours and 45 minutes from Portal upload of the Export Declaration to issuance of Authority to Load.

Likewise, TRS was conducted at the Port of Manila (POM) last October 2020. On November 3-11, 2020, the TRS Team conducted another study in Mindanao Ports – Mindanao Container Terminal as Subport of Cagayan de Oro, Port of Davao and Port of Zamboanga, which resulted to the following findings.

TIME RELEASE STUDY IN MICP 2019-2020		
YEAR	IMPORT	EXPORT
2020	2 days and 36 minutes	4 hours, 45 minutes and 51 seconds
2019	2 days 10 hours and 3 minutes	1 hour and 11 minutes

TIME RELEASE STUDY IN OTHER PORTS 2020		
PORT	IMPORT	EXPORT
MANILA	2 days, 9 hours, 44 minutes and 48 seconds	1 day, 21 hours, 1 minute and 3 seconds
MCT	1 day, 17 hours, 10 minutes and 55 seconds	19 hours, 6 minutes and 13 seconds
DAVAO	2 days, 15 hours, 37 minutes and 11 seconds	21 hours, 21 minutes and 9 seconds
ZAMBOANGA	No import entry processed during the period	3 days 15 hours, 28 minutes and 21 seconds





PROCESS	CUSTOMS CLEARANCE TIMELINE
Lodgement/Online Filing	Two (2) days from date of discharge
Final Assessment	24 hours from date of online filing
Payment	24 hours from final assessment
Claim/Withdrawal	Three (3) days from payment and one (1) day for reefers
Failure to Comply with the Timelines	Notice of Abandonment

TYPE	PROCESSING TIME
Dry Vans	7-12 days
Reefer	5-10 days

40
 COLD STORAGE
 FACILITIES

REDUCED PROCESSING TIME

Customs processing time has been significantly reduced following the implementation of the Joint Administrative Order No. 20-01 that provides the guidelines for the expeditious release of goods under the community quarantine restrictions.

COLD STORAGE FACILITIES

Since the implementation of the Joint Administrative Order (JAO) 20-01 on April 2020, the Bureau of Customs (BOC) through the Enforcement and Security Service (ESS) has conducted physical inspection of 40 cold storage facilities located in Metro Manila. The inspections were done to determine the utilization of cold storage facilities and to check if it has any correlation with port utilization to avoid congestion.

JAO IMPLEMENTATION IN MAJOR PORTS

As part of the Bureau of Customs' (BOC) mandate to ensure entry of goods and to facilitate trade, the BOC through measures adopted via Joint Administrative Order (JAO) 20-01 successfully expedited the entry of medical supplies and other essential goods despite the challenges brought about by the countrywide Enhanced Community Quarantine (ECQ).

The implementation of JAO 20-01 in the two major ports, MICP and POM, allowed trade facilitation to proceed unimpeded, as shown in the trade facilitation indicators.

JAO IMPLEMENTATION IN MAJOR PORTS		
DESCRIPTIONS	MICP	POM
Number of entries filed and processed since the start of JAO	Total from Apr to Dec 31 391, 439 Daily Average 1,450 ENTRIES/DAY	Total from April to Dec 31 107,801 Daily Average 352 ENTRIES/DAY
Average number of days to process without inspection	Reefers 1 DAY Dry Containers 1 DAY	Reefers 1 DAY Dry Containers 1 DAY
Average Customs Clearance Time	5.71 DAYS	2 DAYS
Average Container Dwell Time	Export 5.11 DAYS Import 6.51 DAYS	Export 6.12 DAYS Import 8.13 DAYS
Number of Notices of Abandonment Issued	255,756	119,278
Number of Notices of Abandonment Lifted	3,641	652
Number of Decreases of Abandonment Issued	145	132

DISPOSED OVERSTAYING CONTAINERS

Meanwhile, overstaying containers have been ordered for disposition through auction, donation, and condemnation. In total, 3,514 containers were disposed of from January to December 2020.

The disposition of overstaying cargoes plays a vital role in ensuring efficient and smooth flow of goods. Through the immediate and swift disposition of seized, abandoned or forfeited cargoes, the processing of release of cargoes not subject to seizure, abandonment or forfeiture is hastened. Thus, ensuring the ease of doing business which is one of the mandates of the Bureau of Customs.

PORT	AUCTIONED	CONDEMNED	DONATED	TOTAL DISPOSED
POM	203	322	8	533
MICP	1,443	478	187	2,108
BATANGAS	10	46	0	56
SUBIC	123	212	11	346
CEBU	34	64	14	112
DAVAO	79	65	32	176
CDO	6	159	18	183
TOTAL	1,898	1,346	270	3,514

NUMBER OF ACCREDITATIONS PROCESSED

The BOC processed the accreditation of 2,165 customs brokers and 14,996 importers from January to December 2020 through the Bureau's Customer Care Portal which allows online processing of applications for accreditation.

STAKEHOLDER	2018	2019	2020
CUSTOM BROKER	2,125	2,287	2,165
IMPORTER	16,827	15,779	14,996
TOTAL	18,952	18,066	17,161

ONLINE TICKETS PROCESSED

For the period January to December 2020, the BOC processed and resolved 743,241 tickets corresponding to various issues and concerns. Of these, 86.92% were related to the Online Filing of Goods Declaration.

The BOC maintained the average response time of 0.84 day per ticket and average resolution time of 4.31 days despite the Community Quarantine.

PROCESSED ONLINE TICKETS

January – December 2020

TICKET CATEGORY	PROCESSED ONLINE TICKETS	% OF TOTAL
Online Filing	645,993	86.92%
Accreditation	37,435	5.03%
Operations	25,919	3.49%
Feedback & Inquiry	16,113	2.17%
IT Concerns	5,315	0.71%
Others	11,726	1.58%
Balikbayan Box	740	0.10%
TOTAL	743,241	100.00%



ICT Systems Implemented

The BOC implemented the following ICT projects to further facilitate and enhance stakeholders' engagement and ensure seamless and simplified customs service:

CUSTOMER CARE PORTAL SYSTEM

Enables stakeholders to electronically lodge and track the status of their inquiries, requests, and concerns.

ELECTRONIC 2 MOBILE (E2M) STABILIZATION

E2M maintenance updates have resulted in the improvement of the overall performance, stability and maintainability of the E2M system.

ELECTRONIC TRACKING OF CONTAINERIZED CARGO (E-TRACC)

Allows for real-time monitoring of inland movements of containerized cargo using a GPS-enabled tracking device to secure transport to the intended destination.

INVENTORY MANAGEMENT SYSTEM (IMS) CY-CFS & CBW

Monitors real-time status of import goods and raw materials transferred, stored, and withdrawn in the warehouse to protect government revenues against technical smuggling.

ONLINE PAYMENT PLATFORM FOR MISCELLANEOUS FEES (PAYMAYA)

Aims to ensure tax collection efficiency and seamless customs services by allowing online payment of miscellaneous fees through PayMaya.

ELECTRONIC VALUE REFERENCE INFORMATION SYSTEM (E-VRIS)

Serves as a risk management tool that operates in the E2M System to ascertain the veracity of any statement, document, or declaration presented for customs valuation purposes.

GOODS DECLARATION VERIFICATION SYSTEM (GDVS)

Designed to combat red tape and promote transparency and efficiency through random assignment of entries for assessment to any BOC examiner and appraiser working at the port, effectively eliminating face-to-face transactions with customs personnel. The system also provides importers and brokers electronic access to real-

time information on the status of their goods declaration.

BALIKBAYAN BOX & PARCEL TRACKING SYSTEM

Provides stakeholders with updates on their parcel or balikbayan box as it goes through the different stages of customs clearance and enables the Bureau to monitor the efficiency of BOC officials and personnel.

UNIVERSAL RISK MANAGEMENT SYSTEM (URMS)

Enables risk and compliance prediction as an Artificial Intelligence Tool promoting automation and lesser human intervention.

DOCUMENT TRACKING SYSTEM (DTS)

Allows the monitoring and tracking of documents received and generated by various offices of the Bureau to improve processing time and in compliance to Republic Act No. 11032, otherwise known as the "Anti-Red Tape Act of 2007".

EASE OF DOING BUSINESS

As part of the BOC 10-priority program, the first Customer Care Center was activated on February 7, 2020 at the Port of Manila. The CCC functions as a centralized document receiving and releasing area, information kiosk, and payment booth. The goal is to establish CCCs in all Collection Districts nationwide. Currently, the BOC already has 16 operational Customer Care Centers in the following ports:

This goes hand-in-hand with the implementation of several ICT systems to boost the automation of customs processes to further enhance trade facilitation.

- | | |
|--|---|
| 1 PORT OF MANILA
February 6, 2020 | 9 PORT OF LIMAY
September 23, 2020 |
| 2 PORT OF LEGASPI
July 16, 2020 | 10 PORT OF SAN FERNANDO
September 24, 2020 |
| 3 PORT OF BATANGAS
August 17, 2020 | 11 PORT OF ILOILO
September 29, 2020 |
| 4 PORT OF SURIGAO
August 28, 2020 | 12 PORT OF TACLOBAN
October 9, 2020 |
| 5 PORT OF SUBIC
September 8, 2020 | 13 PORT OF CEBU
October 13, 2020 |
| 6 PORT OF ZAMBOANGA
September 10, 2020 | 14 PORT OF CAGAYAN DE ORO
November 18, 2020 |
| 7 PORT OF CLARK
September 11, 2020 | 15 PORT OF APARRI
December 3, 2020 |
| 8 PORT OF DAVAO
September 17, 2020 | 16 PORT OF NAIA
December 22, 2020 |





BOC Accomplishment

BORDER PROTECTION

In the key area of border protection, the BOC's operational and preventive measures paved the way for successful operations on seizure, drug busts, warehouse and vessel inspections, and implementation of the fuel marking program.

These efforts resulted in intensified border security against illicit goods, filing of corresponding charges to errant entities, and revocation of stakeholder accreditation accordingly.

SUMMARY OF SEIZED SMUGGLED GOODS

In 2020, the intensified campaign of the BOC to combat smuggling led to a total of 997 seizures with an estimated value of P10.629 billion.

SUMMARY OF SEIZURES January - December 2020

93 ILLEGAL DRUGS P1,855,016,957.96	65 ELECTRONICS P95,174,233.64
252 AGRICULTURAL PRODUCTS P284,622,815.01	13 FIREARMS P303,000.00
113 GENERAL MERCHANDISE P406,377,091.64	3 ALCOHOLIC BEVERAGES P2,434,339.85
30 VEHICLES & ACCESSORIES P356,532,950.00	55 PPE, MEDICAL SUPPLIES, COSMETICS P196,580,612.00
11 COUNTERFEIT GOODS P1,056,209,890.00	13 JEWELRY P7,280,584.36
25 USED CLOTHING P168,285,000.00	7 FOOD STUFF P236,000,000.00
16 STEEL PRODUCTS P11,820,262.31	1 CHEMICALS P5,000,000.00
204 CIGARETTES / TOBACCO P5,774,618,973.00	39 WILDLIFE & NATURAL RESOURCES P66,433,150.00
46 OTHER PRODUCTS P73,949,535.82	11 CURRENCY P32,585,750.00
997 TOTAL P10,629,225,145.59	

LEGEND
 NUMBER OF SEIZURES COMMODITIES
 Estimated Value

2018
P5.068-B

2019
P20.584-B

2020
P10.629-B

INTELLIGENCE AND ENFORCEMENT OPERATIONS

The strengthened intelligence and enforcement operations of the BOC resulted in the successful implementation of 60 Letters of Authority (LOA) against establishments found to be storing illegal importations of tobacco, general merchandise, unregistered medicines, and various medical supplies and equipment with an estimated value of P4.902 billion.

P4.902-B

Value of Seized Goods through
 Intelligence & Enforcement Operations

THROUGH INTELLIGENCE & ENFORCEMENT OPERATIONS **SUMMARY OF SEIZED GOODS** January - December 2020

1	Agri Products P100,000,000.00
5	General Merchandise P147,000,000.00
2	Vehicles & Accessories P208,000,000.00
3	Counterfeit goods P526,209,890.00
3	Used Clothing P76,500,000.00
25	Cigarettes/Tobacco P3,317,600,000.00
3	Other Products P64,100,000.00
2	Electronic Products P27,000,000.00
1	Alcoholic Beverages P307,000.00
7	PPE, Medical Supplies, Cosmetics P194,400,000.00
7	Food stuff P236,000,000.00
1	Chemicals P5,000,000.00
60	TOTAL 4,902,116,890.00

LEGEND
NUMBER Commodities
OF SEIZURES Estimated Value

**THROUGH EXAMINATION & PORT INSPECTION
SUMMARY OF SEIZED GOODS**
January - December 2020

93	Illegal Drugs	P1,855,016,957.96
251	Agricultural Products	P184,622,815.01
108	General Merchandise	P259,377,091.64
28	Vehicles & Accessories	P148,532,950.00
8	Counterfeit Goods	P530,000,000.00
22	Used Clothing	P91,785,000.00
16	Steel Products	P11,820,262.31
179	Cigarettes/Tobacco	P2,457,018,973.00
43	Other Products	P9,849,535.82
63	Electronics	P68,174,233.64
13	Firearms	P303,000.00
2	Alcoholic Beverages	P2,127,339.85
48	PPE, Medical Supplies, Cosmetics	P2,180,612.00
13	Jewelry & Luxury Goods	P7,280,584.36
39	Wildlife & Natural Resources	P66,433,150.00
11	Currency	P32,585,750.00
937	TOTAL	P5,727,108,255.59

EXAMINATION AND PORT INSPECTION

The BOC's stringent examination and inspection of goods arriving in the various Ports resulted in 937 seizures with an estimated value of P5.727 billion.

SEIZED ILLEGAL DRUGS

The heightened operations in border security also ensured strong results against the entry of illegal drugs, resulting in 93 seizures of more than P1.855 billion worth of illegal drugs from January to December 2020.

P5.727-B

Value of Seized Goods
through Examination & Port Inspection

**SUMMARY OF SEIZED
ILLEGAL DRUGS**
January - December 2020

26	Ecstasy	P57,326,404.96
43	Marijuana	P33,844,600.00
5	Shabu	P1,763,682,000.00
3	Methyl Ketone	P5,208.00
16	Other Drugs	P158,754.00
93	TOTAL	1,855,016,957.96

2018
P3.068-B

2019
P3.593-B

2020
P1.855-B



SUMMARY OF FILED CASES
2018-2020

TYPE OF CASES	2018	2019	2020
Smuggling Cases Filed (DOJ)	69	27	74
Administrative Cases Filed (PRC)	-	11	52
Cases for DOJ Filing	-	-	24
TOTAL	69	38	150

NUMBER OF FILED CASES & REVOKED ACCREDITATIONS

The Bureau's Action Team Against Smugglers (BATAS), under the Legal Service, logged significant results in filing appropriate criminal charges against unscrupulous importers and customs brokers.

In total, 126 cases were filed, comprised of seventy-four (74) criminal cases before the Department of Justice (DOJ), and fifty-two (52) administrative cases in the Professional Regulation Commission (PRC).

NUMBER OF RESPONDENTS 2018-2020

DESCRIPTION	2018	2019	2020
Importers and/or their representatives	90	113	215
Customs Brokers	24	20	53
TOTAL	114	133	268

SUMMARY OF REVOKED ACCREDITATION 2018-2020

DESCRIPTION	2018	2019	2020
Customs Broker	16	55	148
Importer	190	195	575
TOTAL	206	250	723



CONSIGNEES' SITE & CBW INSPECTION, AND ISSUED ALERT ORDERS

CONSIGNEE'S SITE INSPECTION 2019-2020

DESCRIPTION	2019	2020
Sites/Offices	173	3,031
Consignees w/o Existing Office	28	444

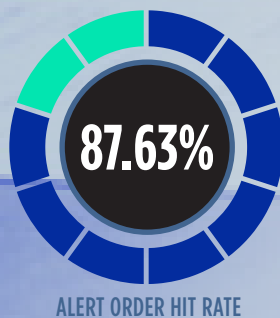
2018 records lost due to fire at the Port of Manila

A total of 3,745 consignees were inspected, 444 of which were found to be non-compliant resulting in the revocation of their accreditations.

CBW INSPECTION JANUARY - DECEMBER 2020

Inspected	407
Closed	60

In addition, 407 customs-bonded warehouses were inspected, 60 of which were closed for non-compliance.



ISSUED ALERT ORDERS 2019-2020

ISSUED ALERT ORDERS	2019	2020
Negative	194	48
Positive	702	340
Pending	0	13
TOTAL	896	401

AOCHD was created in February 2019 pursuant to Customs Special Order No.11-2019

Moreover, a total of 401 Alert Orders were issued against suspected shipments with a hit rate of 87.63%.



FUEL MARKING PROGRAM

17.55
BILLION LITERS
Volume of Marked
Petroleum Products

147.78
BILLION PESOS
Taxes collected by BOC

The BOC, together with the Department of Finance (DOF) and Bureau of Internal Revenue (BIR), continued to implement the Fuel Marking Program even under the quarantine measures imposed due to COVID-19 pandemic.

Since its implementation in September 2019, a total of 17.55 billion liters of fuel have been marked and P147.78 billion duties and taxes were collected by the BOC under the Fuel Marking Program.

VESSELS OF INTEREST (VOI)

VESSELS OF INTEREST MONITORED & INSPECTED OCTOBER 6 - DECEMBER 31, 2020

DESCRIPTION	
Boarded & Inspected	109
Departed from Country	206
Newly-Monitored VOIs	14
TOTAL	329

For the period September 3 to December 31, 2020, a total of 329 VOIs deviated from their navigational path or pattern of life and entered the Philippine territorial waters. Out of the total number, 109 VOIs were boarded and inspected by the BOC and the Philippine Coast Guard (PCG), 206 were by-passing and already departed from the country while 14 were newly-sighted in the EEZ.

Verification found no discrepancies and confirmed that the vessel's deviation were caused by force majeure, crew change, port congestion and complying to the Bureau of Quarantine and LGU's health and safety protocol to undergo the 14-day quarantine period in designated areas prior to entry at local ports.

BUREAU OF CUSTOMS
MAKABAGONG
ADUANA



BOC Accomplishment

ANTI-GRAFT & CORRUPTION



The Bureau of Customs remains strongly committed in ridding the agency of corruption by taking stringent actions against errant Customs personnel allegedly involved in illegal practices.

The campaign to drive out graft and corruption resulted in the filing of various cases against errant customs employees. Further investigations led to dismissals and suspensions of personnel, while pending cases are in process in BOC's Legal Service, Office of the Ombudsman, and the Department of Justice.

ACTIONS AGAINST ERRING BOC PERSONNEL

The unwavering commitment of the Bureau to implement policy reforms to rid the Bureau of corruption is manifest in the stringent actions that have been taken against errant Customs personnel allegedly involved in illegal practices.

To fight graft and corruption, investigations were conducted, and cases were filed. From January 2019 to December 31, 2020, 254 customs personnel were served with Show-Cause Orders, of which 227 were investigated by the BOC-Customs Intelligence and Investigation Service (CIIS).

As a result, 116 customs personnel were charged with administrative cases before the BOC-Legal Service. This further resulted in the filing of 160 cases before the Office of the Ombudsman, and 57 cases before the National Bureau of Investigation (NBI).

The Bureau’s investigation and case filing have resulted in the dismissal of 21 personnel. In addition, 9 personnel were suspended while 6 were reprimanded.

ACTIONS AGAINST ERRING BOC PERSONNEL				
2018 - 2020				
	2018	2019	2020	TOTAL
Personnel Issued with Show-Cause Orders	0	139	115	254
Personnel Investigated	74	103	50	227
Personnel with Filed Administrative Cases	68	28	20	116
Transmitted Cases to Ombudsman	0	156	4	160
Transmitted Cases to NBI	0	0	57	57
Personnel Dismissed	1	14	6	21
Personnel Suspended	4	4	1	9
Personnel Reprimanded	1	0	5	6

Meanwhile, a total of 26 cases are still pending hearing before BOC's Legal Service, 144 are pending before the Office of the Ombudsman, and 7 before the DOJ.

There are also 57 cases and 118 cases pending investigation before the NBI and BOC, respectively.

In addition, the Bureau has also implemented the relief and reshuffling of customs personnel as part of the Bureau's major revamp. In various Customs Personnel Order(s) issued by the BOC and approved by Finance Secretary Carlos G. Dominguez III in 2020, 717 personnel have been reshuffled to various offices, of which 62 were relieved from duty or placed on floating status.

PENDING CASES

2019 - 2020

Pending Cases (Administrative) at BOC-Legal Service	26
Pending Cases at Ombudsman	144
Pending Cases at DOJ	7
TOTAL	177

PENDING INVESTIGATION

2019 - 2020

Pending Investigations at NBI	57
Pending Investigations at BOC-CIIS & CSO	118
TOTAL	175

PERSONNEL RELIEVED & RESHUFFLED

2018 - 2020

	2018	2019	2020	TOTAL
Personnel Reshuffled/Transferred	1,034	843	717	2,594
Personnel Relieved	62	64	62	188



BOC RESOLUTION RATE ON 8888 COMPLAINTS

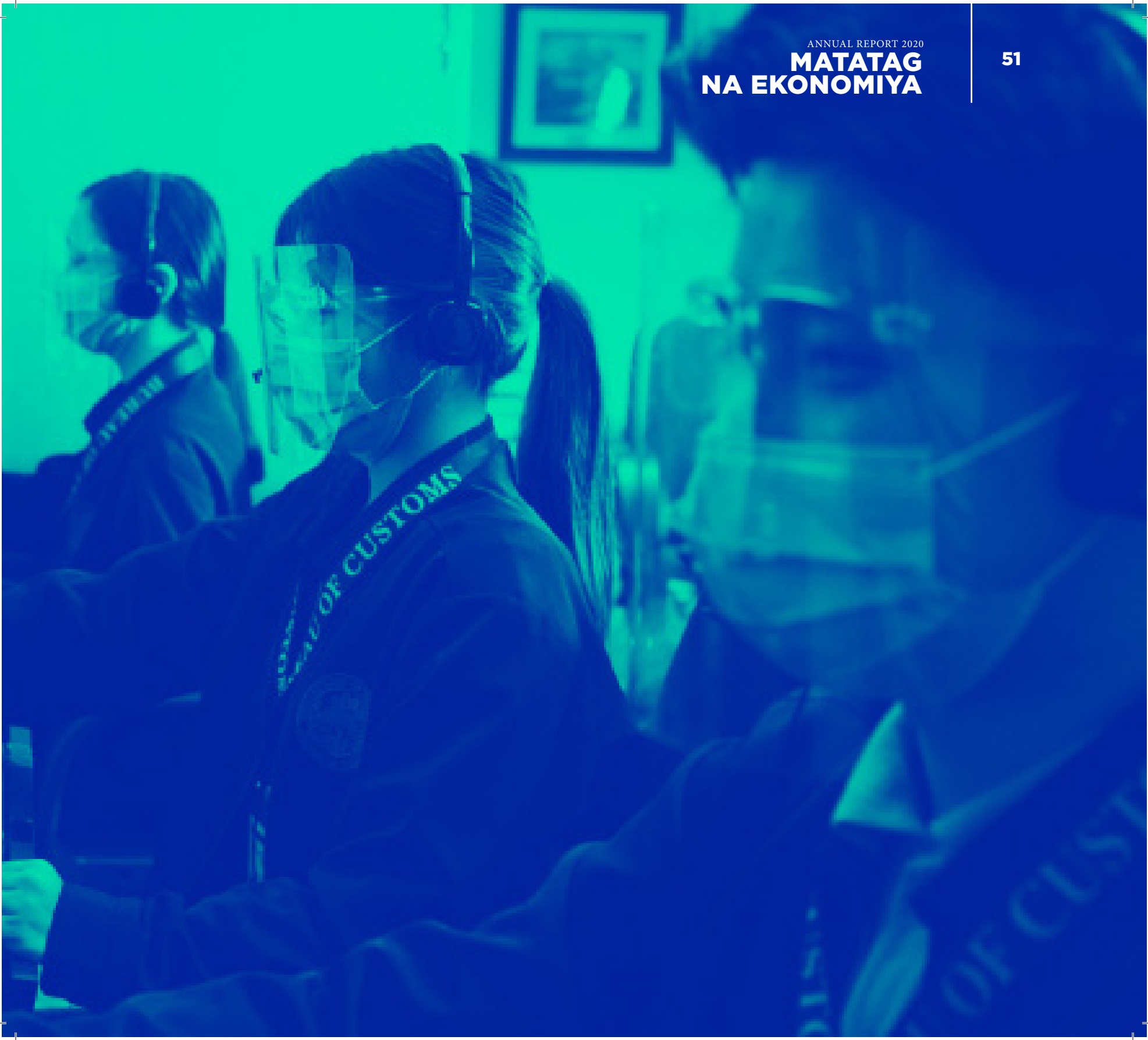
The BOC-CARES serves as the frontline for stakeholders' interaction, providing an efficient and effective mechanism to address customs-related inquiries and concerns of the transacting public.

The BOC-CARES also handles the Citizens' Complaints referred by the 8888 Citizens' Complaint Center under the Office of the President. From January 1 to December 31, 2020, the BOC received 343 Citizens' Concerns from 8888, 341 or 99.41% of which were resolved.



Resolution Rate 2020
99.41%

RESOLUTION RATE 2018-2020			
DESCRIPTION	2018	2019	2020
CITIZEN'S CONCERNS RECEIVED	650	713	343
RESOLVED	642	686	341
RESOLUTION RATE	98%	96%	99.41%



BOC Accomplishment

OTHER PROGRAMS IMPLEMENTED

The journey of transformation for the Bureau of Customs was pursued with consistency and commitment, in coordination with national agencies and international organizations.

CUSTOMS MODERNIZATION PROGRAM

The World Bank has approved a loan worth \$88.28 million (P4.3 billion) for the modernization of BOC, a project which is intended to automate the agency's processes and lower trade costs. The loan will also fund the development of a new customs processing system that is at par with global standards. The planned upgrade will integrate key processes such as trade management and registration, cargo inspection, duty payment, and clearance and release of items across a single, seamless online system.

WCO MERCATOR PROGRAM

The Mercator Programme is aimed at assisting governments worldwide to implement trade facilitation measures. The WCO has submitted 27 recommendations which are being processed and implemented by the BOC with 74.96% percentage of accomplishment as of December 31, 2020. WCO also partnered with BOC for the implementation of the Mercator Program with support from the UK Government.

NATIONAL SINGLE WINDOW

The Bureau of Customs is now working with the Department of Finance in transitioning the agencies to the new NSW platform.

A series of cluster meetings were held last September 29, 2020 through virtual conference to discuss plans on how to get the regulatory agencies onboard the new TRADENET platform. Aside from BOC and PDEA, the Biodiversity Management Bureau under the Department of Environment and Natural Resources (DENR) has informed the TWG Chairman, Commissioner Guerrero, that by December 28, 2020 they will start using TRADENET for pilot stakeholders. Fifteen (15) other agencies are to be onboarded by next year.

CUSTOMS OPERATIONS CENTER

The newly-minted customs facility employs various computer applications, dashboard, display and communication systems to monitor Customs Operations and consolidate customs data. It provides a unified oversight and command & control in managing incidents to mitigate organizational risks. It operates 24/7 to ensure continuous monitoring of the delivery of customs services.

ISO CERTIFICATION

In 2020, the Port of Batangas has successfully maintained its ISO 9001:2015 QMS Certification. Adding to the success of the Bureau, one Office and one Support have magnificently passed the audit and were ISO 9001:2015 Certified, on November 6, the Customer Care Center-Port of Manila, and on December 2, the Sub port of Dumaguete.

The Bureau, for 2021, aims to certify eleven (11) units and offices with ISO 9001:2015 QMS.

PERFORMANCE GOVERNANCE SYSTEM

The Bureau also enrolled in the Performance Governance System in 2019 and was conferred by the Institute for Solidarity in Asia the Initiated Status with the Gold Trailblazer Award. Recently, the BOC presented its Revalida on November 10 for the PGS Compliance Stage in which the Bureau received another Gold Trailblazer Award.



BOC Accomplishment **OTHER PROGRAMS IMPLEMENTED**

IMPROVEMENT OF BOC FACILITIES

ESTABLISHMENT OF CCC OFFICES IN 17 COLLECTION DISTRICTS

Customer Care Centers were built in 17 Collection Districts with complete facilities for document receiving/releasing, information, document evaluation, queuing, and pass control.

PROCUREMENT OF 65 UNITS OF RIFLE

On December 18, 2020, the BOC received 65 procured

CZ BREN 805A1 rifles from the Philippine International Trading Corporation (PITC) to help boost the enforcement capability of the Bureau against smuggling and illicit trade.

ESTABLISHMENT OF PREFABRICATED OFFICE OF THE PORT OF MANILA

The BOC, on October 12, 2020, inaugurated the prefabricated office building that shall be used by the Port of Manila's operations and administrative offices. The District Collector

and Deputy Collectors also have offices in the said building.

PROCUREMENT OF 36 UNITS OF SHUTTLE VANS

The BOC purchased 36 units of Toyota Hi-ace vans which were distributed to the various ports and offices to augment the existing vehicle complement of the Bureau.

Bureau of Customs

10-POINT PRIORITY PROGRAM FOR 2021

- 1** IMPLEMENTATION OF CUSTOMS MODERNIZATION PROGRAM
- 2** INTENSIFICATION OF POST CLEARANCE AUDIT AND POST MODIFICATION MEASURES
- 3** ONBOARDING OF 15 AGENCIES TO THE NATIONAL SINGLE WINDOW
- 4** FULL IMPLEMENTATION OF AUTHORIZED ECONOMIC OPERATOR PROGRAM
- 5** PROMOTION AND APPLICATION OF ADVANCE RULING PROGRAM
- 6** PURSUIT OF INTEGRITY DEVELOPMENT AND QUALITY MANAGEMENT
- 7** STRENGTHENING OF PORT SURVEILLANCE, MARINE INTERDICTION, AND WATER PATROL CAPABILITY
- 8** ENHANCEMENT OF CUSTOMS FACILITIES AND WAREHOUSES MANAGEMENT
- 9** STREAMLINING OF EXPORT CLEARANCE PROCESS
- 10** SIMPLIFICATION OF INFORMAL ENTRY PROCESSING

AUTHORIZED ECONOMIC OPERATOR



Bureau of Customs **10-POINT PRIORITY PROGRAM FOR 2021****1****IMPLEMENTATION OF CUSTOMS MODERNIZATION PROGRAM**

The BOC will continue with the implementation of its modernization program to further improve its performance by boosting its border protection capability, as well as improve the quality of customs administration with the operationalization of the Customs Operations Center and the establishment of the Customs Training Institute.

2**INTENSIFICATION OF POST CLEARANCE AUDIT AND POST MODIFICATION MEASURES**

With a view to expediting the release of goods while ensuring due compliance, the post clearance audit procedures for account based and transaction audit will be enhanced, and the computer aided risk management system will be utilized.

3**ONBOARDING OF 15 AGENCIES TO THE NATIONAL SINGLE WINDOW**

As part of its continuous effort to automate and simplify trade processes, enhance engagement with other control agencies and stakeholders and promote benefits of implementing international standards on single window.

4**FULL IMPLEMENTATION OF AUTHORIZED ECONOMIC OPERATOR PROGRAM**

Full implementation of AEO will be done through accreditation of several companies, creation of the AEO online Portal, formulation of CMO on AEO level 2 operationalization will be formulated and participation in the discussion of possible Mutual Recognition Agreement (MRA) with other customs administration.

5**PROMOTION AND APPLICATION OF ADVANCE RULING PROGRAM**

The Advance Ruling Program will be enhanced with the utilization of Electronic-Advance Ruling System. Information campaign will be conducted to increase public awareness on the uses and benefits of advance ruling.



6

PURSUIT OF INTEGRITY DEVELOPMENT AND QUALITY MANAGEMENT

BOC will continue to align its Offices with the ISO 9001:2015 Quality Management System standards and achieve both the proficiency and institutionalization status under the Performance Governance System (PGS). Likewise, the Values Transformation Program will continue.

7

STRENGTHENING OF PORT SURVEILLANCE, MARINE INTERDICTION AND WATER PATROL CAPABILITY

Reinforcement of port surveillance and water patrol capability will be done through increased police manpower, capacity building and procurement of modern equipment to strengthen border control capabilities.

8

ENHANCEMENT OF CUSTOMS FACILITIES AND WAREHOUSES MANAGEMENT

Full control and authority over Customs Facilities and Warehouses or CFWs around the country to protect government revenue, prevent the entry of contraband, and curtail custom fraud through the development of a seamless CFW Management System, which will make full use of ICT.

9

STREAMLINING OF EXPORT CLEARANCE PROCESS

Export clearance process will be streamlined through the use of ICT-enabled systems such as integration of AEDS with the E2M system; integration of E-TRACC; automatic payment of documentary stamps upon lodgment of export declaration; reactivation of export release status; and standardized export procedure for one time/first and last exportation, thereby fostering trade facilitation and ensuring the smooth flow of goods for the benefit of our exporters.

10

SIMPLIFICATION OF INFORMAL ENTRY PROCESSING

Regulations to amend and simplify the processes and procedure for the informal entry will be issued to further improve revenue collection and reduce the opportunities for illicit trade. These include the CAO and CMO on Information entry process, mandatory x-ray inspection of all consolidated shipment of balikbayan boxes, and mandatory installation of x-ray facility on all CY-CFS and CFWs.





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