



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

MASTER COPY

28 December 2018

**CUSTOMS MEMORANDUM CIRCULAR**  
NO. 08 - 2019

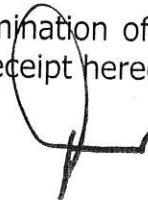
To: All Deputy Commissioners  
All Directors and Division Chiefs  
All District/Port Collectors  
And Others Concerned

**Subject: MOA/BOC-AFP-PCG/TO PROTECT & ENHANCE  
GOVERNMENT REVENUES**

Attached is the Memorandum of Agreement entered between and among the Bureau of Customs (BOC), Armed Forces of the Philippines (AFP), and the Philippine Coast Guard (PCG) ***declaring their cooperation to protect and enhance government revenues.***

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.

  
**REY LEONARDO B. GUERRERO** 08 2019  
Commissioner *12*



*Handwritten:* Master Copy only

*Handwritten:* CMC 08-0019 P-2

**BUREAU OF CUSTOMS**  
OFFICE OF THE COMMISSIONER  
**RECEIVED**

DEC 19 2018

BY: *Rickell* TIME: *11:37 AM*

Bureau of Customs  
Office of the Commissioner  
Incoming Document No.  
18-26099



Republic of the Philippines  
Department of Finance  
**BUREAU OF CUSTOMS**  
1099 Manila

*Handwritten:* 245-964

Internal Admin. Group  
Received by: *VICAY REYES*  
Date: *12/20/18*  
Time: *4:00*

28 November 2018

**ATTY. ARTHUR P. TUGADE**  
Secretary  
**DEPARTMENT OF TRANSPORTATION**  
The Columbia Tower,  
Ortigas Avenue, Brgy. Wack-wack  
Mandaluyong City

DOTr  
OFFICE OF THE SECRETARY

**RECEIVED**

DEC 12 2018

BY: *18* TIME: *9:17:44*

Dear Secretary Tugade:

We are respectfully forwarding the original copies of the Memorandum of Agreement (MOA) duly signed last November 19, 2018, by the representatives of the Armed Forces of the Philippines (AFP), the Philippine Coast Guard (PCG) and the Bureau of Customs (BOC). The MOA is based on the directive of the President of the Philippines for the AFP and the PCG to extend security assistance and augmentation to the BOC.

In this regard, we would like to request for your signature on the witness portion to seal the MOA and immediately enforce the cooperative agreement among the parties.

Thank you.

Very truly yours,

*[Signature]*

**REY LEONARDO B. GUERRERO**  
Commissioner

DEC 03 2018

Bureau of Customs  
REY LEONARDO B. GUERRERO  
18-00868

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## MEMORANDUM OF AGREEMENT

### KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (MOA) is entered into and executed by and among:

The **BUREAU OF CUSTOMS (BOC)**, with office address at G/F OCOM Building, Port Area, Manila, Philippines, duly represented by its Commissioner, **CMMR. REY LEONARDO B GUERRERO AFP**;

The **ARMED FORCES OF THE PHILIPPINES (AFP)**, with office address at Camp General Emilio Aguinaldo, Quezon City, duly represented by its Chief of Staff, **GENERAL CARLITO G GALVEZ JR AFP**;

-and-

The **PHILIPPINE COAST GUARD (PCG)**, with office address at 25<sup>th</sup> Street, South Harbor, Port Area, Manila, duly represented by its Commandant, **ADMIRAL ELSON E HERMOGINO PCG**;

The **BOC, AFP and PCG** may hereinafter be collectively referred to as the "Parties".

### WITNESSETH:

**WHEREAS**, the prevention and suppression of smuggling, stamping out of illegal drugs, graft and corruption, and other fraudulent practices against tariff and customs laws are some of the primordial concerns essential to protect the vital interest of the country;

**WHEREAS**, large-scale smuggling and the proliferation of illegal importation of Dangerous Drugs, Controlled Precursors and Essential Chemicals (CPEC), and Anti-social commodities (e.g. fake medicines) among others, continue to undermine the national interest and security;

**WHEREAS**, President Rodrigo Roa Duterte, pursuant to his power of control of all executive departments, bureaus and offices under the Revised Administrative Code, directed the AFP and the PCG to extend security assistance and augmentation to the BOC;

**WHEREAS**, Section 214 of R.A. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA), allows the authorization of the members of the AFP and national law enforcement agencies to effect search, seizure and arrest involving acts in violation of the CMTA and other customs laws, rules and regulations;

**WHEREAS**, pursuant to R.A. No. 9993, otherwise known as the Philippines Coast Guard Law of 2009, PCG is mandated to assist in the enforcement of laws on fisheries, immigration, tariff and customs, forestry, firearms and explosives, human trafficking, dangerous drugs and controlled chemicals, transnational crimes and other applicable laws within the maritime jurisdiction of the Philippines;

**WHEREAS**, the AFP, under R.A. No. 10349, otherwise known as the Revised AFP Modernization Program has the mandate, among others, to improve

*[Signature]*  
ADMIRAL ELSON E. HERMOGINO

*[Signature]*  
GENERAL CARLITO G. GALVEZ JR.

*[Signature]*  
CMMR. REY LEONARDO B GUERRERO



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its capability to assist other agencies in the enforcement of domestic and foreign policies as well as international covenants;

**WHEREAS**, the Parties need to strengthen their linkages, enhance their coordination, and develop new skills and expertise in order to address the said prevailing concerns and issues against the national interest;

**NOW, THEREFORE**, for and in consideration of the foregoing premises and mutual covenants hereinafter set forth, the Parties hereby agree as follows:

**Section. 1. Declaration of Cooperation**

The Parties, within their respective mandates, declare their cooperation to promote the State policy, protect and enhance government revenue, institute fair and transparent customs and tariff management that will effectively and efficiently facilitate international trade, prevent and curtail any form of customs fraud and illegal acts and modernize customs and tariff administration.

  
ADMIRAL ELSON E. HERMOGINO

**Section 2. Areas of Cooperation**

The Parties shall pursue the following areas of cooperation, to wit:

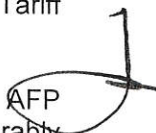
1. Capacity-building;
2. Monitoring;
3. Support Mechanism;
4. Exchange of information;
5. Operating protocols and parameters;
6. Identifying opportunities and channeling of resources for research activities to develop effective strategies; and
7. Exploring other forms of cooperation.

  
GENERAL CARLITO G. GALVEZ JR.

**Section 3. Obligations of the BOC**

The BOC shall:

1. Take the lead in the investigation and enforcement of Customs and Tariff Laws, rules and regulations;
2. Issue written authorization/deputation to personnel or units of the AFP and PCG based on the list endorsed by their respective heads preferably legal, intelligence and law enforcement officers, and those with technical capabilities in manning and operating equipment used in Customs' Operations;
3. Define the specific tasks/functions, duties and responsibilities of the duly authorized/deputized personnel of the AFP and PCG, as well as fix the length of service to be rendered;

  
COMMR. REY LEONARDO B GUERRERO

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4. Conduct capacity-building activities or trainings to the authorized/deputized personnel or units of the AFP and PCG prior to the performance of their duties and responsibilities;
5. Effect necessary adjustments in its systems and processes to accommodate the effective implementation of this joint undertaking;
6. Conduct regular monitoring of the performance of the authorized/deputized personnel or units of the AFP and PCG;
7. Submit report on the accomplishments of all activities related to this agreement to the Secretary of the Department of Finance and the Office of the President of the Republic of the Philippines;
8. Provide Secretariat and office space for the Joint Monitoring Group (JMC);
9. Perform such other tasks as may be directed by the Secretary of the Department of Finance and the President of the Republic of the Philippines.

*[Signature]*  
ADMIRAL ELSON E. HERMOGINO

#### Section 4. Obligations of the AFP

The AFP shall:

1. Create a Military Assistance Group (MAG) composed of Legal, Intelligence, Technical (LIT) and other personnel as may be needed. The MAG will be deployed on a rotation basis not exceeding six 6 months to perform tasks as may be determined by the BOC, and shall not receive additional remuneration over and above their pay and allowance from the AFP;
2. Ensure the availability of its personnel and units for the required authorization/deputation;
3. Retain disciplinary administrative and court martial jurisdiction for offenses committed by military personnel in the performance of their duties based on the authorization/deputization issued by the BOC.

*[Signature]*  
GENERAL CARLITO G. GALVEZ JR.

#### Section 5. Obligations of the PCG

The PCG shall

1. Assist in the enforcement of laws on fisheries, immigration, tariff and customs, forestry, firearms and explosives, human trafficking, dangerous drugs and controlled chemicals, transnational crimes, the CMTA and other applicable laws within the maritime jurisdiction of the Philippines;
2. Ensure the availability of its personnel and units for the required authorization/deputation;
3. Retain disciplinary jurisdiction for offenses committed by Coast Guard personnel in the performance of their duties based on the authorization/deputization issued by the BOC;

*[Signature]*  
COMMR. REY LEONARDO B GUERRERO

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**Section 6. Amendment**

This Agreement may not be amended or supplemented in any manner orally, except by an instrument in writing signed by the Parties or their duly authorized representatives.

**Section 7. Joint Monitoring Committee**

The Parties may create a Joint Monitoring Committee (JMC) that will carry out the terms of this Agreement.

The JMC shall be composed of the representatives of the Parties, whereby the Commissioner, BOC, or his duly authorized representative shall act as the Chairperson and the representatives of the AFP and PCG as Members. It shall meet regularly on such time as the Parties may set or as often as the Chairperson may call or upon the request of the Parties.

The JMC shall have the following powers:

1. Create Monitoring Teams (MTs) for each port, as may be necessary, to render assistance in the implementation of this Agreement. The MTs shall be based on the same representation of the JMC;
2. Provide regular updates and status reports to the Heads of the Parties;
3. Study, evaluate and recommend the propriety or the need for early termination or extension of the deployment of AFP and/or PCG authorized/deputized personnel or unit;
4. Monitor the performance of the activities of the AFP and/or PCG authorized/deputized personnel or unit in the implementation of this Agreement;
5. Recommend or propose an Award and/or Reward System to recognize the outstanding contributions of the BOC, AFP and PCG authorized/deputized personnel or units to the effective and successful implementation of this Agreement.

The JMC may further issue its internal rules and operational guidelines consistent with its functions and based on the respective policy directives of the Parties.

**Section 8. Terms and General Guidelines**

This MOA shall take effect upon its execution and shall continue as the exigency of the service warrants or as may be directed by the President of the Republic of the Philippines.

This Agreement may be terminated not less than thirty (30) days from the written notice of any Party or by agreement of the Parties or upon the recommendation of the JMC, stating thereto the valid reason(s) for such termination.

*[Signature]*  
ADMIRAL ELSON E. HERMOGINO

*[Signature]*  
GENERAL CARLITO G. GALVEZ JR.

*[Signature]*  
COMMR. REY LEONARDO B GUERRERO



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Once terminated, the Parties will have to ensure that all activities in progress are allowed to be completed successfully.

This MOA is the entire agreement between and among the Parties and the same shall not be altered or modified in any way whatsoever, except by a written instrument executed by all Parties with the same formalities as this Agreement.

The Parties recognize that circumstances may arise with respect to the terms and conditions in the implementation of this Agreement which could not have been foreseen at the time this Agreement was entered into. The Parties agree that they will exert their best efforts to solve any problem due to any such unforeseen circumstances in the spirit of mutual understanding and collaboration.

This Agreement constitutes the entire understanding and agreement of the Parties and supersedes previous agreements, negotiations and understandings among all the Parties that are inconsistent herewith. Any matter which is not stipulated herein shall be discussed and agreed upon in writing by the Parties. They may, however, issue specific guidelines for the effective implementation of this Agreement.


#### **Section 9. Severability**

If one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable, the remaining provisions contained herein shall remain and shall be given full force and effect.

#### **Section 10. Funding**

Funds for the implementation of this Agreement shall be sourced from such funding sources as may be recommended by the BOC.


**IN WITNESS WHEREOF**, the Parties have hereunto affixed their signatures this 19<sup>th</sup> day of November 2018 in the City of Manila, Philippines.



**COMMR. REY LEONARDO B GUERRERO**  
Commissioner  
Bureau of Customs



**GENERAL CARLITO G. GALVEZ JR.**  
Chief of Staff  
Armed Forces of the Philippines



**ADMIRAL ELSON E. HERMOGINO**  
Commandant  
Philippine Coast Guard

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Approved by:

*[Signature]*  
DELFIN N. LORENZANA  
Secretary  
Department of National Defense



*[Signature]*  
CARLOS G. DOMINGUEZ III  
Secretary  
Department of Finance

*[Signature]*  
ARTHUR P. TUGADE  
Secretary  
Department of Transportation



Jan 03, 2019

*[Signature]*  
ADMIRAL ELSON E. HERMOGINO

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9  
JAN 03 2019

*[Signature]*  
ATTY. M. FERDINAND V. JOSE  
NOTARY PUBLIC  
UNTIL DEC. 31, 2019  
PTR NO. 7972744/MANILA 12-12-18  
IDP NO. 007107/ROLL NO. 388617/QUEZON  
MCLE NO. V-0023837/INTRAMOROS MANILA TEL# 3718399

*[Signature]*  
GENERAL CARLITO G. GALVEZ JR.

*[Signature]*  
COMMR. REY LEONARDO B GUERRERO