



BUREAU OF CUSTOMS

MAKABAGONG ADUANA, MATATAG NA EKONOMIYA



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OCOM Memo No. 16-2021

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MEMORANDUM

TO : ALL DISTRICT AND SUB-PORT COLLECTORS

FROM : REY LEONARDO B. GUERRERO
Commissioner

SUBJECT : GUIDELINES FOR RENTAL OF WAREHOUSE

DATE : 15 January 2020

JAN 15 2021



BOC-03-08193

1. This Memorandum shall serve as future reference for all Collection Districts and Sub-ports seeking to lease warehouses to be utilized as storage facilities.
2. Section 201 of Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA), defines the powers and functions of the Commissioner, including the authority to delegate all the powers vested under the CMTA, to wit:

Section 201. Powers and Functions of the Commissioner.

- The Commissioner shall have the following powers and functions:

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(e) Delegate the powers vested under this Act to any Customs officer with the rank equivalent to Division Chief or higher except for the following functions:

- i. Promulgation of Rules and Regulations;
- ii. Issuance, revocation or modification of rulings; and
- iii. Compromise or abatement of Customs obligations.

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3. In relation thereto, Section 1.2 of Commission on Audit (COA) Circular No. 88-282A or the Uniform Standards/Guidelines to Determine the Reasonableness of the Terms and Rental Rates of Lease Contracts for Private or Government Buildings/Spaces provides that ***if the lessee is a government agency, the head of the agency shall be represented by the official having control of the appropriation against which the contract shall create a charge, and the contract shall be subject to approval by the head of the agency concerned.***

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4. Further, Item J of Annex H of the Implementing Rules and Regulations of R.A. No. 9184 otherwise known as the Government Procurement Reform Act, provides that:

J. Delegation of Authority. *The conduct of Shopping and Negotiated procurement under Emergency Cases, Small Value Procurement and Lease of real Property and Venue may be delegated to the End-user unit or any other appropriate bureau, committee, or support unit duly authorized by the BAC through a Resolution approved by the Head of the Procuring Entity (HOPE).*

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For record and monitoring purposes, all awards shall be immediately reported with all supporting documents to the HOPE, through the BAC to ensure compliance with all the conditions and requirements provided under R.A. No. 9184, its IRR and related guidelines.

5. Thus, the power to enter into a Lease Agreement on warehouses may be delegated to other officials of the Bureau, such as District Collectors, subject to the Authorization of the Bids and Awards Committee of the Bureau and the approval of the Commissioner.

For your reference.

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