

CUSTOMS GAZETTE

The Official Newsletter of the Bureau of Customs

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REVENUE COLLECTION OCTOBER 2020

P50.9 BILLION

P48.4 Billion
Target Collection



BOC surpasses its revenue collection for the 5th consecutive month

Consistent with its mandate to collect lawful revenues for the country and despite the effects of pandemic, the Bureau of Customs surpassed its September and October 2020 target collection by 3.17% or P12.511 billion and 5.2% or P2.503 billion, respectively.

On September to October, the BOC

collected a total of P101.135B against its September to October target of P86.121B.

Based on the September preliminary collection report from the BOC-Financial Service, fourteen of the seventeen collection districts exceeded their target for the month; Ports of San

Fernando, MICP, NAIA, Batangas, Cebu, Tacloban, Surigao, Cagayan de Oro, Zamboanga, Davao, Subic, Clark, Aparri and Limay. Meanwhile, seven of the seventeen collection districts exceeded their target for the month of October namely;

[\(See more in page 09\)](#)

Bureau of Customs seizes more than Php 300 million worth of illicit cigarettes, machines, accessories

The Bureau of Customs from September to October 2020, successfully seized more than Php300M-worth of illicit and fake cigarettes in different occasions through the collective efforts of Collection Districts, BOC Intelligence Group, BOC Enforcement Group, Anti-Smuggling Task Force, Philippine Coastguard (PCG), Philippine National Police (PNP),



[\(See more in page 04\)](#)

BOC conducts 1st Webinar on Customs Policies and Operations

The Public Information and Assistance Division (PIAD) held its first Webinar on Customs Policies and Operations at the OCOM Conference Room on October 9, 2020.



The first virtual initiative on stakeholder engagement, following the initial Stakeholders' Engagement for the year 2020 at Rizal Park Hotel, Manila last February 4, was attended by representatives of various key stakeholders and partners of BOC.

[\(See more in page 13\)](#)

BOC launches new Color Lane to enhance Risk Management System

The Customs Risk Management Steering Committee (CRMSC) launches new color lane in the Universal Risk Management System (URMS).

The URMS is aimed to enhance

the risk management capabilities of the Bureau. In line with this, the system introduces Orange Lane as a new Selectivity color with the previous Green, Yellow, and Red lanes.

[\(See more in page 12\)](#)

Bureau of Customs' SELECTIVITY LANES				
Action	Green	Yellow	Orange	Red
Assessment	✓	✓	✓	✓
Document Check	✗	✓	✓	✓
Non-intrusive Examination (X-ray)	✗	✗	✓	✓
Physical Examination	✗	✗	Upon scanning, the image is found to be suspicious. Upon scanning, the image is NOT found to be suspicious.	Whether the scanned image is found to be normal or suspicious, it will undergo physical examination.
	Low-risk	Medium-risk	Medium to High-risk	High-risk

The New Selectivity Channel: Orange Lane

The Orange Lane would select cargoes ranging from medium to high risk, including but not limited to the shipments covered by existing policies and regulations for mandatory X-ray scanning and random selection by the Selectivity System.



BOC Port of Clark uncovers Php 1.1 million worth of kush marijuana concealed inside imported coffee packs

The Port of Clark seized three (3) plastic packs of Kush Marijuana with an estimated weight of 980 grams and value of Php 1.1-million concealed inside imported coffee packs from California, USA.

The shipment arrived on 08 September 2020 declared as "Coffee T-shirt Bookbag", was profiled and referred for non-intrusive examination which revealed suspicious images. Thereafter, physical examination was conducted which led to the findings of three (3) t-shirts, one (1) book and three (3) packs of coffee beans. However, during physical examination, the Customs Examiner closely noticed the sweet aroma of coffee beans prompting him to open the same considering that it is unusual to produce a smell when they are sealed and packed. The opening of the coffee bean packs led to

the discovery of three (3) sealed packs of dried leaves suspected to be Kush Marijuana.

Thereafter, the shipment was subjected to K-9 sniffing and samples were taken for the conduct of laboratory testing and chemical analysis which confirmed positive result for the presence of Marijuana, a dangerous drug under R.A. No. 9165.

Warrant of Seizure and Detention was issued by District Collector Atty. Ruby Alameda against the shipment for violation of Sections 118 (g), 119 (d) and 1113 (f), (i) & (l) of R.A. No. 10863 or the Customs Modernization and Tariff Act (CMTA) in relation to R.A. No. 9165 or the Comprehensive Dangerous Drugs Act of 2002 and the same was immediately turned over to PDEA for disposition.

Bureau of Customs - CDO turns over hydrochloric acid to PDEA

Over 320 drums of Hydrochloric Acid has been turned-over by the Bureau of Customs (BOC) Port of Cagayan de Oro to the Philippine Drug Enforcement Agency (PDEA) Regional Office 10 on Tuesday, September 8, 2020 at Mindanao Container Terminal (MCT) Sub-port, Tagoloan, Misamis Oriental.

Hydrochloric acid is a precursor chemical for the manufacture of methamphetamine hydrochloride or 'shabu'.

The shipment consigned to Juchem Enterprises with an estimated value of 20 million pesos arrived from India and was intercepted by the Bureau of Customs at MCT sub-port last 2017 upon failure to present the necessary import permit. BOC immediately recommended the issuance of Warrant of Seizure and Detention for the said shipment.

After the signing of the memorandum of turn-over, PDEA shall now take charge of the custody of the hydrochloric acid for appropriate handling.

A Petition for Destruction will be filed by the PDEA to ensure that the chemicals will be disposed of properly and will not be used illegally.



BOC Port of Clark seizes Php 1.6 million worth of ecstasy tablets

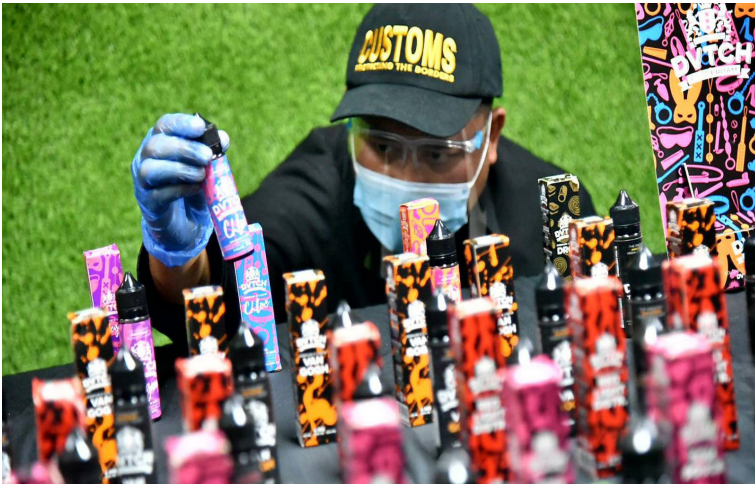
The Port of Clark seized 988 pieces of Ecstasy tablets and unidentified broken pieces with an estimated value of Php 1.6-million last September 01, 2020.

The shipment declared as "Air humidifier", which arrived on 01 September 2020 from Milton Keynes, United Kingdom, was subjected to non-intrusive examination which revealed images of various tablets similar to that of the previously apprehended ecstasy. This prompted the physical examination of the subject shipment which yielded an air humidifier and 988 pieces of tablets in assorted colors.

Samples were immediately taken for the conduct of laboratory testing and chemical analysis which confirmed that

the qualitative examination showed positive result for the presence of Methylendioxyamphetamine (MDMA) or commonly known as "Ecstasy", a dangerous drug under R.A. No. 9165.

On September 2, 2020, a Warrant of Seizure and Detention was issued by District Collector Atty. Ruby Alameda against the shipment for violation of Sections 118 (g), 119 (d) and 1113 (f), (i) & (l) of R.A. No. 10863 or the Customs Modernization and Tariff Act (CMTA) in relation to R.A. No. 9165 or the Comprehensive Dangerous Drugs Act of 2002, and the same was turned-over to PDEA for proper disposition.



Customs NAIA seizes million worth of liquid marijuana, kush, and ecstasy

The BOC NAIA seized several shipments of liquid marijuana, kush, and ecstasy in Late August to October 2020. Among these seized shipments are (1) Unclaimed parcels of 62 vape juice cartridges in total containing liquid marijuana, (2) 533 grams of Kush, (3) another two (2) parcels with 21 vape cartridges in total containing liquid marijuana, (4) 96 pieces of ecstasy and 151 grams of MDMA powder/crystal (raw ecstasy) and (5) 980 pieces of ecstasy, all arrived in the Central Mail Exchange Center, Pasay City

The first seized shipment was found to be misdeclared as "food flavourings" and shipped by a certain Roger Bowman from Amsterdam, Netherlands and consigned to a certain Dee Sy of San Juan City. Next, the seizure of 533 grams of Kush was also discovered to be misdeclared as "5 pcs. clothes". It was shipped from California, USA to be received by a certain "Aura Talob" from Davao City.

On another instance, parcels with vape cartridges containing liquid marijuana were again seized. To avoid detection, records show that the two parcels were as sent by a certain "Tan" from California, USA, and "Travis Arvin" from Orgeon, USA, was misdeclared as "Cosmetic Beauty Cream" and "Video" respectively.

For the fourth seizure on the list, the ecstasy was sent by a certain "Jansen J.J.K." from Amersfoort, Netherlands, declared as "KEYCHAIN" intended for Cebu City. Upon 100% physical examination, the parcel was found to contain 96 pieces of dark gray oval-shaped ecstasy tablets and 151 grams of MDMA powder/crystal with aggregate street value of Php750,000.

Lastly, the seized Php 1.8M-worth of ecstasy was shipped by a certain "U Janssen" from Netherlands and consigned to a certain "Joey S. Ramos Jr." from Malate, Manila.

BOC NAIA and PDEA stressed that the importation of Marijuana, Kush, Ecstasy and the like, and their compounds, components and derivatives is prohibited under Republic Act 9165 or the Comprehensive Dangerous Drugs Act of 2002.

Field tests conducted by the Customs Anti-Illegal Drug Task Force (CAIDTF) and Philippine Drug Enforcement Agency (PDEA), and laboratory tests confirmed that the seized items were part of the restricted goods in the Philippines, thus, subject to seizure when imported without the necessary permit from Dangerous Drugs Board.

All seized restricted drugs were turned over to the PDEA for proper disposition of the same.

BOC NAIA turns over Php 4.5 million worth of seized shabu to PDEA

The BOC - NAIA in collaboration with the NAIA Inter-Agency Drug Interdiction Task Group (NAIA-IADITG), turned over to the Philippine Drug Enforcement Agency (PDEA) a seized shipment of methamphetamine or also known as "shabu" found in an unclaimed parcel at DHL Warehouse in Pasay City.

Records show that the seized shabu was intentionally concealed inside tin cans of wafer and hidden in packs of chocolates, stuffed toys, candies and slippers to avoid detection and seizure. However, thru the intensified vigilance and profiling of BOC-NAIA front liners, the fraudulent scheme was timely detected and coordinated with PDEA and NAIA-IADITG.

The seized 640 grams of shabu with an estimated street value of Php 4.5 Million came from Las Vegas, Nevada, U.S.A., and consigned to a certain resident of Hagonoy, Bulacan. PDEA Chemical Laboratory Analysis confirmed the seized White Crystalline Substance as Methamphetamine Hydrochloride.

On September 24, 2020, BOC-NAIA formally turned the seized illegal drugs to the PDEA for further profiling and case build up against the importers and responsible persons for possible prosecution for violation of the Dangerous Drugs Act of 2002 in relation to Section 1401 of the Customs Modernization and Tariff Act.

BOC nabs claimants of million worth of marijuana

The BOC together with the Philippine Drug Enforcement Agency (PDEA), Anti-Illegal Drugs Group, in two separate controlled delivery operations, arrested claimants of high grade marijuana worth Php 808,000 in a warehouse in Pasay and worth Php 1.5 Million in Cebu City, respectively, on September 2020.



On both instances, the subject cargoes were found to contain Kush Marijuana thru the vigilance and intensified profiling of BOC-NAIA frontliners, and were immediately coordinated with PDEA, NAIA-IADITG for appropriate chemical laboratory analysis. Thereafter, the subject cargoes were confirmed as Kush Marijuana.

Subject parcels were immediately turned over to PDEA for proper disposition; conducted controlled delivery operations with BOC CAIDTF, NAIA-IATG, Port of Cebu, ESS and CIIS, that led to the arrest of claimants; and for further investigation against all persons involved in this illegal importation; and eventual prosecution for violation of the Comprehensive Dangerous Drugs Act of 2002 in relation to the Customs Modernization and Tariff Act.



Bureau of Customs seizes more than Php 300 million worth of illicit cigarettes, machines, accessories

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Armed Forces of the Philippines (AFP), Local Government Units, and other National Law Enforcement Agencies.

Prior to seizure, shipments under customs custody or arriving shipments without declaration yet (through PLCO), were issued with Alert Orders or Pre-Lodgement Control Orders (PLCO) upon receipt of derogatory information by the port/office concerned, while in cases outside customs custody, Letters of Authority (LOA) and Mission Orders were respectively issued to effect search and seizure.

Shipments were subjected to the issuance of Warrant of Seizure and Detention (WSD) when the result of physical examination revealed non-compliance with Customs Modernization and Tariff Act such as act of misdeclaration, misclassification, or undervaluation, or found to be lacking with permits from the National Tobacco Administration (NTA). All forfeited cigarettes shall be disposed of properly according to law.

As the Bureau of Customs continues to enhance efforts to strengthen border

DATE	OFFICE CONCERNED	SEIZED
September 01, 2020	Port of Aparri	Fake Cigarette Making Machines
September 02, 2020	Port of Cebu	Php88.1M-worth of Cigarettes (Various Brands)
September 15, 2020	Port of Subic	Php60M-worth of Cigarettes (Union, D&B)
September 18, 2020	Port of Davao	Php26.08M-worth of Cigarettes (More, Mighty, D&B, Marvel)
September 18, 2020	Port of Cagayan de Oro	Php40M-worth of Cigarettes (Various Brands)
September 23, 2020	ESS-QRT	Php6.5M-worth of Cigarettes (Various Brands)
September 28, 2020	Port of Davao	Php96.60M-worth of Cigarettes (Various Brands)
October 02, 2020	IG, EG	Cigarette Label Printing Machines
October 09, 2020	Port of Zamboanga	Php10.8M-worth of Cigarettes (Fort, New Far, San Marino, Royal, Astro)

security, all collection districts and anti-smuggling team of the Bureau remain committed in ensuring that illicit goods are apprehended to prevent the proliferation of illegal and fake goods in the market.

You make check the Bureau of Customs Official Website at customs.gov.ph for complete details of seized cigarettes.



BOC disposes more than Php 1.8 billion worth of cigarettes, raw materials, fake tax stamps

The Bureau of Customs from September to October 2020, successfully disposed more than Php1.8B-worth of cigarettes, raw materials, and fake stamps in different occasions through the collective efforts of Collection Districts, Auction and Cargo Disposal Division and Units, BOC Intelligence Group, BOC Enforcement Group, Anti-Smuggling Task Force, Philippine Coastguard (PCG), Philippine National Police (PNP), Armed Forces of the Philippines (AFP), Local Government Units, National Tobacco Administration, Bureau of Internal Revenue and other National Law Enforcement Agencies.

The condemned shipments of illicit cigarettes were found to be in violation of Section 117 in relation to Section 1113 of the Customs Modernization and Tariff Act (CMTA) and other relative National Tobacco Administration (NTA),

PORT	DATE	DISPOSITION	DISPOSED
MICP	September 16, 2020	Condemnation	Php120M-worth of Cigarettes
	October 06, 2020	Condemnation	Php70M-worth of Cigarettes
Cagayan de Oro	September 09, 2020	Condemnation	Php20M-worth of Cigarettes
	October 02, 2020	Condemnation	Php50M-worth of Cigarettes
Subic	September 26-28, 2020	Condemnation	Php93M-worth of Cigarettes
Zamboanga	September 10, 2020	Condemnation/ wTurn-Over	Php1.5B-worth of Cigarettes, Raw Materials, Fake Tax Stamps

Bureau of Internal Revenue (BIR) rules and regulations, NTA Board resolution No. 079-2005 and Sec. 155 of R.A.

8293 (Intellectual Property Code of the Philippines), as applicable.



Port of Cebu intercepts Php 4.5 million worth of ukay-ukay

The BOC -Port of Cebu intercepted 694 bales of used clothing or “ukay ukay” with an estimated market value of Php 4,585,000.00 on 01 September 2020. The shipment arrived at the Port from China on 20 August 2020 and was declared to contain hotel supplies based from the Inward Foreign Manifest. The document also indicated that the shipment was consigned to GRR Trading.

With the successive seizures of previous shipments from the same importer, the container was subjected to x-ray inspection which showed suspicious x-ray images. On 28 August 2020, Acting District Collector Atty. Charlito Martin R. Mendoza issued a Pre-Lodgment Control Order (PLCO) against the shipment.

On 01 September 2020, Customs Examiner Jay A. Oyao conducted 100% physical examination together with representatives from Customs Intelligence and Investigation Service, Enforcement and Security Service, X-Ray Inspection Project Team,



Philippine Coast Guard, Philippine Drug Enforcement Agency, and Chamber of Customs Brokers, Inc.—Cebu Chapter.

The examination yielded 694 bales of used clothing or “ukay-ukay” intended to be sold in the local market.

Subsequently, District Collector Mendoza issued a Warrant of Seizure and Detention (WSD) against the shipment for violation of Republic Act No. 4653 prohibiting the importation of used clothing to safeguard the health of the people and maintain the

dignity of the nation.

In a related development, the Bureau's Action Team Against Smugglers (BATAS) has instituted criminal charges against GRR Trading before the Department of Justice for the unlawful importation of various brands of cigarettes estimated to have a total street value of Php 234.7 Million. The Bureau's Account Management Office (AMO) has also revoked the importer's accreditation of GRR Trading.

Port of Batangas intercepts misdeclared crusher machine worth Php 29.65 million

The BOC – Port of Batangas seized 11 containers of knocked down crusher machine with an estimated value of Php 29.65 Million consigned to Merchamps Empire Ltd. Co. processed by licensed Customs Broker Daryl F. Santos.

The shipment arrived at the Port of Batangas from Shanghai, China on August 11, 2020 declared as Steel Prefab Frame and Crusher Machine Spare Parts. A spot-check examination revealed that the shipment appears to be a knocked down crush machine for assembly. For this reason, an Alert Order was issued by District Collector Atty. Ma. Rhea M. Gregorio on August 18. After 100% examination of the containers, it was confirmed that it housed the following parts: Cone Crusher, Sand Washing Machine, Feeder, Low Voltage Power Distribution, Counters, Cable, Mantle, Concave, Ball Tile, Cone Head, Sealing, Pressure Ring, Pressure Cap, Lock Bolt, Spring Seat, Bolts, Locking Cylinder, Protective Cylinder, Jaw Crusher, Screen, Conveyor, Hopper, Steel Frames, Discharge Hopper, Jaw Plates, Lining Plates,



Toggle, V-belts, Toggle Seat, Foundry Weight, Tension rods, Springs and Screen Mesh. All these parts when assembled would be a working crusher machine.

The pertinent documents for the said shipment was submitted by Mr. Henry Villa through the BOC Customer Care Portal System (CCPS).

A Warrant of Seizure and Detention has been issued against the subject shipment for violation of Section 1400 “Misdeclaration, Misclassification, and Undervaluation in Goods Declaration” in relation to Section 1113 “Property Subject Seizure and Forfeiture” of the Customs Modernization and Tariff Act.

MICP apprehends smuggled medicines declared as PPE

The Manila International Container Port (MICP) in collaboration with MICP Piers Inspection Division (PID), Customs Intelligence and Investigation Service (CIIS), Enforcement and Security Service (ESS) and Assessment Division, on September 15, 2020 apprehended a smuggled shipment of medicines.

Taking advantage of the current pandemic, the alleged consignee, F.E.R.N. Freight Enterprises, declared the shipment as Personal Protective Equipment in particular facemasks. Through the collective efforts of MICP personnel, the shipment was discovered to contain medicines and medicinal ointments. The said shipment did not have any import permits or clearances from pertinent government agencies.

A warrant of seizure and detention (WSD) was issued against shipment by MICP District Collector for the possible violation of Section 1113 (f) and Section 117 in connection with Section 1401 of Republic Act No. 10863 otherwise known as the “Customs Modernization and Tariff Act” (CMTA).



BOC Clark turns over forfeited poker chips and gambling paraphernalia to PAGCOR

As part of its relentless effort in protecting the borders against restricted goods, the BOC – Port of Clark turned over forfeited/abandoned poker chips and gambling paraphernalia to Philippine Amusement and Gaming Corporation (PAGCOR) last 17 September 2020.

These shipments include seven (7) packages of mahjong set/tiles, two (2) packages of poker chips and one (1) small package of gambling paraphernalia which were covered by warrants of seizure and detention (WSD) and abandonment proceedings (AP). These were seized and forfeited in violation of Section 119 (b) of the R.A. 10863 or the Customs Modernization and Tariff Act.

The said turn-over activity was made pursuant to Section 1147 (a) of the CMTA which was attended by District Collector Atty. Ruby Alameda, BOC-Clark Deputy Collectors, PAGCOR Senior Security Officer Mark Oliver Dela Cuesta, Legal Officer Atty. Dianne Dimaliwat and Senior Treasury Head Freddie Briones.

BOC Port of NAIA intercepts Php 6.5 million worth of luxury bags and shoes misdeclared as "shampoos"

The BOC - NAIA apprehended misdeclared luxury goods in commercial quantity such as handbags of Prada, Gucci, Hermes, Louis Vuitton, Chanel, Christian Dior, Valentino, including shoes and other accessories approximately valued at Php 6.5 million.

Records show that the shipment was consigned to a certain Reynaldo Tan in Paircargo Warehouse and were misdeclared as personal effects: "assorted clothes, shampoo" from Maisons-Alfort, France.

The misdeclaration is an apparent attempt to evade the payment of correct duties and taxes through the use of falsified/spurious documents and circumvent the duty and tax free privileges afforded to balikbayan boxes.

The 100% physical examination of the subject shipment confirmed that it actually consisted luxury bags, shoes, sandals, shirts and accessories in commercial quantity (157 pieces).

Records and details of the said apprehension were referred to the Bureau Action Team Against Smugglers (BATAS) for case profiling and build up against the personalities involved in the foiled smuggling of misdeclared luxury items in commercial quantities.



BUREAU OF CUSTOMS

Customs NAIA intercepts other regulated and restricted articles

The BOC - NAIA on three instances, intercepted other regulated and restricted articles without the necessary permits from regulatory agencies on September 2020. Among these seized articles are (1) Concealed USD bills, (2) Live reticulated python, and (3) Firearms, parts and accessories, in FedEx, DHL, and CMEC Warehouses respectively.

The 8,000 USD in \$50 and \$100 bills concealed between the pages of a cooking magazine was misdeclared as "correspondence", from New Jersey, USA, and consigned to a resident in San Pedro, Laguna. The seized foreign currency is now subjected to seizure and forfeiture proceedings in violation of Sections 1400 (Misdeclaration) and 1113 of R.A. No. 10863 (CMTA) in relation to the R.A. 7653 (New Central Bank Act) and BSP Foreign Exchange Transaction Manual.

Moreso, the package containing live reticulated python was also misdeclared as "wood curtains, lanterns, rattan basket" shipped by a certain "Janrei Fernandez" from Sampaloc, Manila supposedly bound for New York, United States. During

the 100% physical examination conducted by the Customs Examiner, the python hidden inside a rattan basket was found.

The seized python was immediately turned over to the Department of Environment and Natural Resources (DENR) for proper handling and care. The trading of wildlife animals without necessary permit are crimes penalized under Republic Act 9147 (Wildlife Resources Conservation and Protection Act) in relation to R.A. 10863 (Customs Modernization and Tariff Act). Violators may face imprisonment of one (1) year and one (1) day to two (2) years and a fine of Two thousand pesos (Php 2,000.00) to Two hundred thousand pesos (P200,000.00).

Lastly, the 28 parcels of various firearms, parts and accessories with an estimated aggregate value of Php 1.5 Million came without the required Import Permit from the Firearms and Explosive Office of the Philippine National Police (FEO-PNP). The seized parcels shall be turned over to Enforcement and Security Service-Firearms and Explosive Office (ESS-FEO) for safe keeping pending seizure and forfeiture proceedings.



BOC disposes firecrackers and pyrotechnics

The Bureau of Customs, through the Manila International Container Port (MICP) and Port of Davao, disposes firecrackers and pyrotechnics on September 03 and October 1-2, 2020, respectively.

MICP officially turned over to the Philippine National Police – Firearms and Explosives Office (PNP-FEO) forfeited pyrotechnics and firecrackers on September 3. The occasion took place in the staging area of a blasting site nominated by the PNP-FEO in Brgy. Pinagbayanan, Taysan, Batangas.

The turnover ceremony was attended by MICP Auction and Cargo Disposal Division Chief Atty. Ernellito G. Aquino and PNP-FEO Explosives Management Division Chief, PLTCOL Atty. Ana Fe B. Laza.

Meanwhile, the Port of Davao with the PNP and Davao City Explosive Ordinance and Canine (EODK9) Unit, condemned 1000 boxes of illegally imported firecrackers through burning.

According to BOC Port of Davao District Collector, Atty. Erastus Sandino B. Austria, the 1,000 boxes of hot firecrackers that were destroyed by burning last October 1 and 2 this year, were slipped into the local market, and could have posed unnecessary risks to the community.

Investigations behind the seizure of said hot firecrackers were found in violation to Sections 1400 and 119 of the Customs Modernization and Tariff Act (CMTA).

Customs NAIA condemns expired glutathione products and unregistered medicines

The BOC NAIA condemned 52 cartons of expired glutathione products and



expired medicines, food supplies, vape products, medical kits and devices, without the necessary import permit in Trece Martires, Cavite on September 3 to 19, 2020.

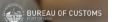
The expired glutathione products were assessed to be unsafe for consumer use and must be properly disposed of through condemnation to protect the public.

Glutathione products are strong antioxidant which recently become the most popular systemic skin lightening molecule. Based on a study, when a glutathione product is taken beyond the expiration date, the consumer may not reap the same benefit from registered and unexpired pills.

Along with unregistered medicines, similarly destroyed were One Time Password (OTP) Devices, SIM Cards, USB Flash Drives and Bank Cards commonly used in Money Laundering activities and are prohibited under

Republic Act No. 8484 (Access Devices Regulation Act of 1998) and R.A. 9239 (Optical Media Act), and regulated items such as cements, electrical items, bulbs and batteries without Bureau of Product Standards (BPS) clearances; tobacco leaves and cigarettes without National Tobacco Administration (NTA) clearance.

The weekly condemnation activities were in furtherance with the directives of Customs Commissioner Rey Leonard B. Guerrero to inspect all abandoned and overstaying cargoes and the immediate disposal thereof.



BOC Port of Manila seizes Php 18.3 million worth of undeclared fake products



The BOC - Port of Manila seized Php 18.3 million pesos worth of undeclared and counterfeit items on September

24, 2020. The shipment, which arrived last September 12, 2020 from Vietnam, was consigned to Crimsonguard Trading.

Based on the initial report, the exporter of the shipment was inconsistent with their list of commodities.

The Port Control Office (PCO) under the Intelligence Group received derogatory information that said shipment contains herbal powder and counterfeit apparels. Upon 100%

physical examination, the Customs Examiner found whitening herbal powder, fake Lacoste wearing apparel, Vans and Converse branded shoes and undeclared assorted dried tea.

District Collector Michael Angelo Vargas issued a Warrant of Seizure and Detention against the entire shipment for violation of Section 1400, in relation to Section 1113 "Property Subject Seizure and Forfeiture" of the CMTA.



BOC surpasses its revenue target for the fifth consecutive year

BOC intensifies audit on rice imports vs smuggling: BOC intensifies post clearance audit of rice importations

The BOC, through the Post Clearance Audit Group (PCAG), heightened its campaign against all forms of smuggling of imported agricultural products, most especially rice, through continuous post clearance audit verification and investigation on rice importers.

The conduct of post clearance audit is a continuing effort by the BOC which aims to check and verify the compliance of importers to customs laws and regulations and determine whether they are still liable for any payment of customs duties, taxes, and other charges, including any fine or penalty.

For this year, sixty (60) rice

importers have been subjected to post clearance audit. This comes in light of the passage of the Rice Tariffication Law (RTL) and after the completion by the BOC of its regular audit of rice importers for the year 2019, which found a low level of compliance among the audited rice importers where 85.45% were found to have violated customs laws and regulations.

Based on the results of the audit, auditees were found liable for the payment of deficiencies worth Php 1,417B in customs duties, penalties, surcharges, and interest due to undervaluation, misclassification, and / or

understatement of freight and insurance charges. The audit also found that undervaluation of the declared customs value remains to be the primary risk in revenue collection from rice imports, accounting for Php497M or 36.08% of the total deficiency assessment.

In addition to the audit, the BOC has also intensified intelligence and enforcement measures, verifying reports from concerned citizens and stakeholders such as local farmer federations, in order to interdict smuggled rice into the country.

Fuel Marking Program marks first year of implementation on a high note

A year after its implementation, a total of 12,050,632,524 liters of fuel have been marked and Php126.55 billion duties and taxes were collected by BOC and BIR under the Fuel Marking Program.

Diesel comprises the 62.05% of the total volume marked, followed by Gasoline with 37.43% and Kerosene with 0.51% marked volume. As to location, 75% of the marking was in Luzon, 20% in Mindanao and 5% in Visayas.

Since the first actual marking in Seoil Mabini Terminal last 4 September 2019, twenty (20) oil firms are now marking for the first year of the program. Petron Corp. has the highest marked volume with 2.79 billion liters or 23.12% of

the total, followed by Pilipinas Shell Petroleum Corp. with 2.44 billion liters or 20.21%, Unioil Petroleum Philippines, Inc. with 1.29 billion liters or 10.77%, Seoil Philippines, Inc. with 1.02 billion liters or 8.5%, and Chevron Philippines, Inc. with 1.01 billion liters or 8.46%. Other participating companies are Phoenix Petroleum, Insular Oil, Total, Filoil, Jetti, PTT, Marubeni, Micro Dragon, Warbucks, Golden Share, High Glory Subic, ERA1, SL Harbor, Jadelink and SL Gas.

For the 2nd year of implementation, DOF, BOC and BIR issued Joint Memorandum Order 1 - 2020 prescribing the guidelines for the collection and disbursement of Fuel Marking Fee amounting to

Php0.06884 per liter of fuel subject to marking. Said fee shall be used to defray the cost for the 2nd to 5th year of the program.

In preparation for the Field Testing phase of the program, the BOC and the BIR has conducted covert sampling of fuels from various retail stations in the National Capital Region, Central Luzon and CALABARZON. On 16 September 2020, the BOC and BIR also conducted compliance check targeting tank trucks exiting the Tipo Gate in Subic. DOF, BOC and BIR are currently finalizing its Field Testing guidelines with due consideration on the DOH/IATF health and safety protocols to be observed in view of the COVID-19 pandemic.



Revenue collection Executive month

From page 1

Port of Batangas, Port of Manila, Port of Cebu, Port of Zamboanga, Port Subic, Port of Clark, Port of Limay.

As of date, the Bureau of Customs collected P448.423 billion since January reflecting the 88.59% of the 2020 target collection of P506.150 billion.

The BOC's positive revenue collection performance is attributed to the improved valuation and intensified collection efforts of all the ports.



JUNE 2020

P42.5 Billion

Actual Collection

P40.7 Billion

Target Collection

JULY 2020

P50.1 Billion

Actual Collection

P40.7 Billion

Target Collection

AUGUST 2020

P44.6 Billion

Actual Collection

P33.7 Billion

Target Collection

SEPTEMBER 2020

P50.2 Billion

Actual Collection

P37.7 Billion

Target Collection

OCTOBER 2020

P50.9 Billion

Actual Collection

P48.4 Billion

Target Collection



**BOC-BATAS files
smuggling raps against
smugglers, brokers**

In its effort to curb all sorts of reprehensible smuggling activities, several importers and its customs brokers are now facing charges for alleged violation of Customs laws after the Bureau of Customs (BOC) Bureau's Action Team Against Smugglers (BATAS) filed criminal complaints before the Department of Justice (DOJ) on August 28, September 04, and October 23, 2020.

On August 28, four cases were filed:

The first case is against the sole proprietor/owner and customs broker of Meraki Car Trading for allegedly smuggling through misdeclaration one-unit Renault black van last February 16, 2020 at the Port of Manila.

The second case is against sole proprietor/owner and customs broker of Llorin Trading for purportedly misdeclaring a shipment of 1-unit McLaren 620R which arrived last July 16, 2020 at the Port of Manila.

The third case is against Flexhale Trading, its owner and customs broker for alleged illegal importation and misdeclaration of aluminum window frames and accessories.

Finally, the fourth case is against a Filipino passenger and declarant of the

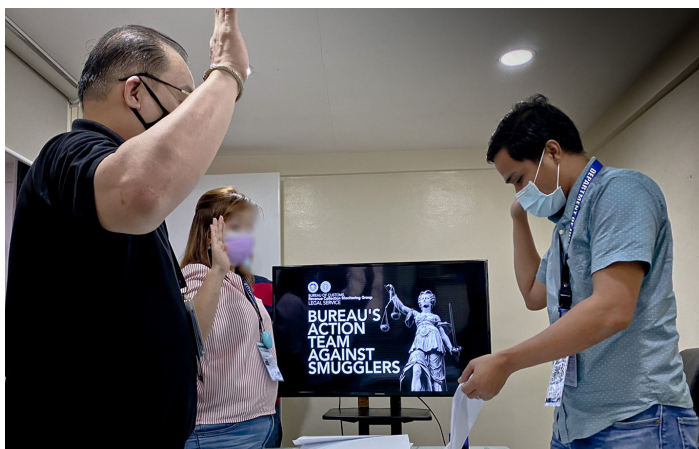
subject baggage of undeclared foreign currency amounting to USD 491,600 seized on September 21, 2019 at the Ninoy Aquino International Airport.

On September 04, three cases were filed:

The first case is against Caliente Empezar Ventures Inc. for alleged unlawful importation of 3x40' containers of counterfeit cigarettes contrary to the declaration that the shipments contained led lights and accessories, which arrived at the Port of Subic last June 25, 2020.

The second case is against Golden Aark Enterprises due to the alleged misdeclaration of 5x40' containers of cigarettes contrary the declaration that the shipments contained tissue paper, which arrived at the Port of Davao. last July 9, 13, and 22, 2020.

Finally, the third case is against GRR Trading for the alleged unlawful importation of 5x40' containers of cigarettes as opposed to its declaration that the shipments contained various personal effects and household goods. The shipments arrived at Cebu International Port last August 8, 13, and



19, 2020.

On October 23, two cases were filed:

The first case is against Santo Nino Marketmarket Co. (SNMC) for alleged unlawful importation of a shipment containing squid balls, peking duck, and chicken wings contrary to its declaration, which arrived in the Port of Manila.

The second case is against Navotas Fish Traders Association Market (NFTAM) due to the alleged misdeclaration of shipment of Frozen Bonito contrary to its declaration which arrived in the Manila International Container Port.

To date, 41 cases have already been filed before the Department of Justice against importers and customs brokers for violation of customs laws, rules and regulations.

**BOC Activates E-TRACC
Monitoring Center**

The Bureau through the guidance of BOC Commissioner Rey Leonardo B. Guerrero to the Enforcement and Security Service (ESS), activated on September 23, 2020 the E-TRACC Monitoring Center.

Implemented by Customs Memorandum Order (CMO) 04-2020 which further implements Customs Administrative Order (CAO) 15-2019 in relation to Sections 1418 to 1421 of the Customs Modernization and Tariff Act (CMTA), the E-TRACC system also known as Electronic Tracking of Containerized Cargo System enables container tracking via GPS trackers attached by the Piers Inspection Division of the Ports.

The E-TRACC monitoring center is a state of the art facility that shall serve as the central monitoring hub that will enable nationwide tracking of container

cargoes. Manned by a team of ESS personnel, the Monitoring Center can track the real-time location and status of containers thus ensuring that no deviation from their supposed route is done. Once affixed, the trackers are immediately activated and information can already be monitored by E-TRACC Monitoring Center.

**Customs signs MOA with
Philippine Coast Guard**

The BOC on September 10, 2020 signed a Memorandum of Agreement with the Philippine Coast Guard (PCG) for the latter to provide support to the Bureau's Patrol Boats.

The MOA signing was held at the PCG grounds and was attended by BOC Commissioner Rey Leonardo B. Guerrero and PCG Commandant Admiral George Ursabia Jr. Also present were Deputy Commissioner Donato B. San Juan of the Internal Administration Group and

Deputy Commissioner Teddy Sandy S. Raval of the Enforcement Group.

The MOA stipulates that the PCG shall provide manpower to BOC for 20 Fast Boats that the latter shall purchase as part of the Bureau's enhancement of its border security efforts. Other than providing vital personnel, the PCG also committed to provide training support to personnel tasked to man the patrol boats.

In his statement, BOC Commissioner Rey Leonardo B. Guerrero acknowledged the strong cooperation between the PCG and the Bureau. He thanked the PCG for their continuing support in bolstering Customs units tasked with border security.

The MOA between the BOC and the PCG together with the purchase of the 20 Fast Boats truly embodies the Bureau's commitment to modernize its equipment and provide efficient customs service to every Filipino.



BOC opens more Customer Care Centers

The BOC formally opened nine (9) more Customer Care Centers (CCC) in its effort to re-engineer BOC systems and processes towards a credible and efficient customs service.

The CCCs will serve as a central hub or One-Stop-Shop for Customs-related transactions such as document receiving and releasing, payment, document tracking, information, among others. These hubs aim to address the systemic corruption in the Bureau through a faceless transaction. In effect, stakeholders will be restricted from directly transacting with any Customs officials, examiners, appraisers and other personnel of the Bureau to minimize the opportunity for illegal practices.

The CCC will be the main focal point of BOC stakeholders for all customs-related inquiries. Thus, a team of trained and professional Customs Service Personnel are then assigned in each Customer Care Center to ensure smooth delivery of its services.

In the span of 2 months, 9 ports have established their own CCCs; (1) Port of Subic, (2) Port of Clark, (3) Port of Zamboanga, (4) Port of Davao, (5) Port of Limay, (6) Port of San Fernando, (7) Port of Iloilo, (8) Port of Tacloban, and (9) Port of Cebu.

Customs Cagayan de Oro adopts 30-minute Cargo Releasing System

The BOC – Port of Cagayan de Oro is set to undertake the First ASEAN Standard Time-Cargo Releasing System (FAST-CaRes) Project on November 2020.

The cargo release system is the first in the country to adopt the ASEAN standard time of 30-minute clearance from the electronic lodgement of the Goods Declaration to the actual release of the cargo in the importer's premises.

The pilot project will be participated in by pre-selected companies classified as most trusted traders engaged in the movement of bulk and break-bulk cargoes in Northern Mindanao. It will not cover containerized cargoes.

Identified participants of the project are Petron Corporation, Jetty Philippines Inc., SL Harbor Bulk Terminal, FDC Misamis Power Corp., STEAG State Power Inc., Philippine Sinter Corp., Phoenix Petroleum Corp., Minergy Power Corp., PRYCE Gases Inc., and Pilipinas Kao Incorporated.

The project will be executed by the Office of the Strategy Management (OSM) of the Port of Cagayan de Oro headed by Atty. Roswald Pague.

SELECTIVITY LANES

Action	Green	Yellow	Orange	Red
Assessment	✓	✓	✓	✓
Document Check	✗	✓	✓	✓
Non-intrusive Examination (X-ray)	✗	✗	✓	✓
Physical Examination	✗	✗	<p>Upon scanning, the image is found to be suspicious</p> <p>✓</p> <p>Upon scanning, the image is NOT found to be suspicious</p> <p>✗</p>	<p>Whether the scanned image is found to be normal or suspicious, it will undergo physical examination.</p> <p>✓</p>
	Low-risk	Medium-Risk	Medium to High-Risk	High-Risk

The New Selectivity Channel: Orange Lane

The Orange Lane would select cargoes ranging from medium to high risk, including but not limited to the shipments covered by existing policies and regulations for mandatory x-ray scanning and random selection by the Selectivity System.

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BOC, through the Risk Management Office (RMO), emphasized that the activation of another color lane is purposely to delineate scanning and physical inspection.

With the new color lane, assigned to medium to high risk cargoes, goods declarations tagged "Orange" shall pass through the x-ray scanning and once the image is found to be

suspicious, it shall be subjected to physical examination.

On the other hand, goods declarations tagged "Red", covering high risk cargoes, shall be mandatorily subject to both x-ray scanning and physical examination. The "Yellow" lane is intended for cargoes with low to medium risk subject to document-check and the "Green" lane for cargoes with no to

low risk.

Further, RMO underscores that the selection process under the URMS is analytics-based through the Memory-Based Reasoning (MBR) feature of the system that enables risk and compliance prediction as an Artificial Intelligence Tool promoting automation and lesser human intervention to assist traders.



BUREAU OF CUSTOMS

BOC conducts 1st Webinar on Customs Policies and Operations

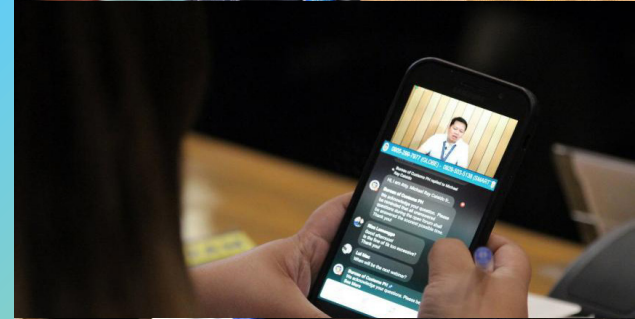
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The Webinar kicked off with an opening remark from Assistant Commissioner Vincent Maronilla. This was followed by the presentation of topics concerning Port Operations, Enhanced Value Reference Information System (e-VRIS), Selectivity System in the activation of a new color lane, Fines and Surcharges, Customs Accreditation, and E2M stabilization. The discussed topics were classified as the most frequent or recent concerns of the Bureau's stakeholders and were presented by Deputy Commissioner of Assessment and Operations Coordinating Group (AOCG) Atty. Edward James Dy Buco, Romeo L. Leneses of Import and Assessment Service (IAS), Jemky Flor S. Sacar of Risk Management Office (RMO), Deputy Commissioner of Revenue Collection and

Monitoring Group (RCMG) Atty. Vener Baquiran, Junichelle C. Hababag of Accounts Management Office (AMO), and Jonathan T. Soriano of Management Information System and Technology Group (MISTG), respectively.

Further, an open forum was part of the program that enabled key stakeholders and partners of the BOC to participate in the discussion by raising questions related to the topics presented.

To conclude the virtual initiative, Customs Commissioner Rey Leonardo Guerrero highlighted the relevant developments in the six areas discussed that manifest the sustained and determined drive of the Bureau to transform. These latest initiatives go hand-in-hand with the efforts of the Bureau to optimize the participation and contribution of its stakeholders to a reformed BOC.





Bureau of Customs donates tents to DSWD

The Bureau donated 12 tents to the Department of Social Welfare and Development (DSWD) last August 27, 2020.

The tents were part of the goods in the Port of NAIA declared as abandoned in 2019. These consist of 10 Emperor Bell Tents of 6 x 4x 2.5 meters size that can house 10 people designed to withstand severe weather conditions and 2 stretch tents measuring 12 x 9 meters that can serve as mobile command centers, clinics or infirmaries. Both large tents can be assembled within 15 minutes and taken down completely within 10 minutes.

The donated items can be utilized to



aid in disaster response, social works and anti-pandemic efforts. Notably, the donation was made possible thru the active coordination between the BOC and the DSWD. The turnover ceremony was graced by the DSWD

Undersecretary for Disaster Response Management Group, Mr. Felicisimo C. Budiangan, and the Bureau Director of the National Resource and Logistics Management Bureau (NRLMB), Mr. Emmanuel P. Privado.

MICP officials recognized by JUSMAG-P for efforts during pandemic



Among those recognized were Commissioner of Customs Rey Leonardo B. Guerrero represented by MICP Collector Romeo Allan R. Rosales, MICP Deputy Collector for Operations, Atty. Jennifer Lagbas, Piers Inspection Division (PID) Dr. Siegfried Manaois, Chief, Informal Entry Division Marife Recinto, Former Chief, Informal Entry Division Emelita Morales, Customs Appraiser Carlos Ferrer and Customs Examiner Ronal Encarnacion. The certificates of recognition were awarded by the Joint United States Military Assistance Group to The Republic of The Philippines (JUSMAG-P) to the Port for efforts in assisting the foreign group during the height of the COVID-19 pandemic.

In their statement the recipients thanked JUSMAG-P for the recognition. All of them however were quick to state that the efforts were part of their duty as frontliners and public servants to expedite much needed humanitarian assistance in this time of COVID-19 pandemic.

The Manila International Container Port (MICP) personnel were recognized on September 16, 2020 for their efforts

to decongest the Manila International Container Terminal and ensure the smooth processing of shipments.

CUSTOMS GAZETTE

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BOC-WCO conducts executive kick-off activity on Mercator Programme



The World Customs Organization (WCO) and the Bureau of Customs (BOC) held its Executive Kick-Off Activity on Mercator Programme through a virtual conference last October 21, 2020 in the Office of the Commissioner (OCOM) Conference Room, OCOM Building, Bureau of Customs, Port Area, Manila.

Last August 1-9, 2019, the WCO-BOC Team conducted a gap analysis on the Philippine Customs Implementation of the WTO-TFA Agreement, under the Mercator Programme of the World Customs Organization. The Mercator Programme embodies the global Customs community's commitment to trade facilitation, in particular the implementation of the Trade Facilitation Agreement (TFA) following a structured and harmonized approach, using the WCO instruments and standards.

The virtual conference was graced

by guests and experts from the World Customs Organization led by WCO Deputy Secretary-General Ricardo Treviño and his delegation, Donia Hammami, Jonathan Fellows, Johanna Tornstrom, Si Mohamed El Hail, Stephen Miller, and Doorgaprasad Rajcoomar. Also in attendance are BOC Officials lead by Customs Commissioner Rey Leonardo B. Guerrero, Deputy Commissioners – Donato B. San Juan for Internal Administration Group, Atty. Edward James Dy Buco for Assessment and Operations Coordinating Group, and Raniel T. Ramiro for Intelligence Group, and other customs officials.

The milestone meeting served to kick-off already identified areas for BOC-WCO collaboration with the respective leadership's full support and further discuss BOC's organizational development and technical areas under the programme.

According to the WCO, the global Customs Administration has been declared as an essential sector in this global crisis. Customs' strategic role against the pandemic is becoming a challenge and opportunity to keep the role of Customs relevant and consistent on innovating to secure the concrete actions being undertaken. Moreover, the WCO expresses its continuous support to the BOC on its 2019 Mercator Implementation Plan under the UK Government supported Trade Facilitation in Middle Income Countries Programme (TFMIC).

The WCO also commended the Bureau of Customs on its successful re-exportation of 6,000 tons of illegal Korean waste which was completed last August 04, 2020, in spite of the COVID-19 restrictions in logistical operations.

BOC - Cagayan De Oro inaugurates security warehouse and auction house

The BOC - Port of Cagayan de Oro recently inaugurated a Security Warehouse and Auction House located at Brgy. Tablon, Cagayan de Oro on August 31, 2020.

The Security Warehouse and Auction House is the first of its kind in the country. It will house and secure seized items from various ports of entry in Northern Mindanao, namely Port of Cagayan de Oro, Ozamiz Subport, Iligan Subport, and Mindanao Container Terminal (MCT) in Tagoloan, Misamis Oriental.

The facility aims to centralize the inventory of seized goods such as minerals, cigarettes, clothing products, cars and other goods subject for condemnation or auction. The establishment of a security warehouse and auction house will improve the collection of government revenues from seized goods and will also help ease the process of BOC auction.

For the first time, the BOC will hold an online auction this October to promote faceless transactions among interested bidders.

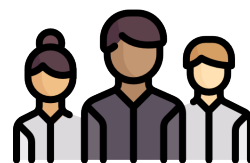


BALIKBAYAN BOX

Balikbayan boxes (BBB) are consolidated boxes coursed through freight forwarders either by sea or air. Anyone can send BBB to the Philippines, even Corporations, Partnerships, and Sole Proprietors but only Qualified Filipinos while abroad can avail of the duty- and tax-free privilege under the Section 800 (g) of the CMTA.

QUALIFIED FILIPINO WORKERS ABROAD (QFWA) COVERS THE FOLLOWING FILIPINOS

- (1) Overseas Filipino Workers (OFWs) with valid DFA-issued passports, certified by Department of Labor and Employment (DOLE) and Philippine Overseas Employment Administration (POEA) for overseas employment. This also includes Filipinos under job contracts not requiring certification from the foregoing.
- (2) Non-Resident Filipinos with permanent residency abroad but has retained Filipino Citizenship.
- (3) Resident Filipino Citizens that may include holders of student visa, investors' visa, tourist visa, and similar visas which allow them to establish temporary stay abroad.

**PROCESS****QFWA SUBMITS**

The QFWA/sender shall submit an accomplished Information Sheet (available from consolidators, value-added service providers, or through Customs Website (customs.gov.ph), photocopy of biographical page of passport, and invoice/receipt if applicable, to an International Forwarder or Consolidator.

CONSOLIDATOR

The hired International Forwarder/Consolidator shall then submit all documents, including Information Sheets, to the Bureau of Customs and Philippine Forwarder/Deconsolidator in a secured electronic format.

DECONSOLIDATOR

Lastly, the Philippine Forwarder/Deconsolidator shall also submit all documents, including the Information Sheets received from the Consolidator, to the Bureau of Customs in a secured electronic format.

For further inquiries, you may contact us at:

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