



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

MEMORANDUM

**TO : ALL DISTRICT COLLECTORS
ALL ASSESSMENT DIVISIONS IN PORTS
ALL X-RAY OFFICES IN PORTS
Chief, RISK MANAGEMENT OFFICE**

**SUBJECT : PROVIDING THE RISK MANAGEMENT OFFICE (RMO) WITH ALL
DATA, INCLUDING EXAMINATION REPORTS, OF SHIPMENTS
TAGGED "RED" IN THE SELECTIVITY SYSTEM**

DATE : 28 OCTOBER 2016

BACKGROUND

1. OCOMM Representatives met with concerned port officials including representatives from Asian Terminals Inc. (ATI), to address certain concerns relative to the processing of the cargo clearance of shipments tagged under "RED" Selectivity.
2. It was raised by the Formal Entry Division (FED) that shipments under "RED" Selectivity that are subjected to x-ray examination no longer pass through the FED for final assessment but are instead, are already cleared for release by x-ray personnel assigned at the Port of Manila.
3. The aforesaid procedure is irregular considering that x-ray examinations are only used as a tool to expedite the non-intrusive examination of shipments during the cargo clearance process, and not a means to release shipments since x-ray results must be scrutinized by the assigned customs examiner of the Assessment Division concerned.
4. The x-ray result or the scanned image of the contents of the container forms part of the import entry documents which shall be the basis for proper assessments of duties and taxes relative to the shipments and the basis for the customs examiner to take any of the following courses of action:
 - 4.1. Release shipment and continue processing;
 - 4.2. Impose additional duties, taxes and surcharges;
 - 4.3. Request for issuance of alert order for finding of any violations of customs law;
 - 4.4. Recommend segregation for undeclared articles and continue processing for release of properly declared articles; and

4.5. Require presentation of additional documents if regulated articles.

DIRECTIVES

5. To protect the interest of the Bureau and to strengthen its mandate of border control, all x-ray offices of all ports and sub-ports, after examination, are required to course-through all shipments to the Assessment Division/Office of their respective ports for final evaluation and disposition as required by law and relevant customs regulations.
6. Further, the Chief of the RMO, in coordination with the authorized personnel of the MISTG, are hereby authorized to update the Selectivity Parameters in order to increase the number of containers for x-ray examination after proper corrective measures in the x-ray examination procedures are put in place.

For your strict compliance.


NICANOR E. FAELDON
Commissioner



NOV 03 2016