



BUREAU OF CUSTOMS

MAKABAGONG ADUANA, MATATAG NA EKONOMIYA

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05 SEP 2023

Date U.P. LAW CENTER
OFFICE of the NATIONAL ADMINISTRATIVE REGISTER
Administrative Rules and Regulations

CUSTOMS MEMORANDUM ORDER (CMO)
NO. 15-2023

REGISTRATION
SEP 05 2023
N^o 23-0877
BY: MGAJ

SUBJECT: AMENDMENT TO CUSTOMS MEMORANDUM ORDER (CMO) NO. 04-2020 Re: ESTABLISHMENT OF AN ELECTRONIC TRACKING OF CONTAINERIZED CARGO SYSTEM (E-TRACC SYSTEM) AND ACCREDITATION OF A SERVICE PROVIDER FOR THE PURPOSE

In order to streamline and improve the implementation of Electronic Tracking of Containerized Cargo System (E-TRACC System), the following amendments to CMO No. 04-2020 are hereby made:

Section 1. Section 4.2. is hereby amended as follows:

4.2. The Bureau shall have an E-TRACC System dashboard showing the data collected and transmitted by the E-TRACC System Service Provider. This will allow the Bureau to monitor the movement and location of all containers as well as get real time alarms both on the dashboard and by e-mail. Access to the E-TRACC System dashboard shall be given to the Commissioner, Deputy Commissioner, Assessment and Operations Coordinating Group (AOCG), Director, Enforcement and Security Service (ESS), District Collectors, and Deputy Collector for Operations.

The E-TRACC Service Provider shall likewise submit a weekly report through e-mail to the Deputy Collector for Operations and Chief, Piers and Inspection Division or equivalent office of both the Port of Discharge and Port of Destination all bookings for E-TRACC, with the following information:

Importer/ Exporter	Entry No.	Container Number	Port of Discharge (e.g., POM)	Destination (e.g., AFAB)	Date of Booking	Date of Exit	Date Received at Destination	Status	Remarks (e.g., cancelled)
								Armed	Unarmed

The status report of bookings shall be updated every Tuesday of the week.

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The E-TRACC Service Provider shall draft the amendment to the Service Level Agreement (SLA) to reflect the changes as provided in this Order, subject to the approval of the Bureau.

The E-TRACC SLA shall be subject to review every year for possible amendments.

Section 2. Section 4.5 is hereby amended as follows:

- 4.5.** The Chief, Piers and Inspection Division (PID)/equivalent office or his/her duly authorized representative at each port of entry and destination shall remotely monitor the sealing and unsealing operations, authorize start and end trip of the vehicle loaded with transit import/export cargo, and monitor for alarms.

Section 3. Section 10.13 is hereby amended as follows:

10.13. Approval of PID or equivalent office for the End Trip Authorization.

10.13.1. Import Cargo Arriving at Customs Bonded Warehouses (CBWs) and Free Zones.

- a. All Customs offices located at Free Zones shall regularly monitor in the Bureau's E2M system all transit shipments destined to their respective jurisdiction. The E-TRACC Service Provider shall likewise notify the Customs offices at the Collection District which has jurisdiction over the CBW or Free Zone of the incoming shipments covered by the E-TRACC.
- b. Upon arrival of the container at its intended destination, the status thereof shall be reflected as "**End Trip**" and be tagged "**Arrived**" and "**Received**" in the E-TRACC system.
- c. The responsible Customs officer at the destination Port or Zone before disarming shall:
 - i. Compare the container's visual evidence during sealing of the Electronic Customs Seal against the actual container that arrived and look for any discrepancy or signs of tampering (e.g., if the bottom of the container bears any markings or indication that a hole or opening is done, or if the container is newly painted

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and hinge pins have markings that were forcibly opened, etc.).

- ii. Compare if the container seal as well as the Electronic Customs Seal number is the same as indicated in the Trip Details.
- d. The responsible Customs officer at the destination Port or Zone, together with representative from the E-TRACC Service Provider, shall then proceed with the disarming or removal of the device. In case of CBWs, the device shall be disarmed or removed by the designated Warehouseman or authorized Customs Officer.
- e. The Commissioner may, in certain cases and upon the recommendation of the Deputy Commissioner, AOCG and District Collector, allow the disarming or removal of the device by authorized representative of the CBW Operator or Zone Authority in cases where the shipment arrives beyond office hours. Said authority, however, shall not include the authority to open and strip the container of its contents.

The stripping and physical examination of the shipment by authorized Customs Officers shall be made at the start of business hours of the following day subject to existing Civil Service rules and regulations.

Removal of the container seal and unloading of the cargo by non-Customs personnel shall make the person concerned liable to sanctions by the Bureau pursuant to the Customs Modernization and Tariff Act.

In case of alerted trips, the automatic end-trip under Section 10.13.1 (b) shall not be applicable and the procedures under Section 10.13.2 hereof shall apply.

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10.13.2. Import Cargo Arriving at Customs Facilities and Warehouses (CFWs), Depots, Terminals, and Consignee's Facilities or Authorized Location.

- a. Upon arrival of the container at the destination, the container shall be tagged as "**Arrived**" in the E-TRACC system. The Bureau's authorized personnel shall perform the following:
 - i. Compare the container's visual evidence during sealing of the Electronic Customs Seal against the actual container that arrived and look for any discrepancy or signs of tampering (e.g., if the bottom of the container bears any markings or indication that a hole or opening is done, or if the container is newly painted and hinge pins have markings that were forcibly opened, etc.).
 - ii. Compare if the container seal for the particular voyage as well as the Electronic Customs Seal number is the same as indicated in the Trip Details.

The above information shall be transmitted to the Chief, PID or equivalent office or his/her duly authorized representative at the port of discharge for the approval of End Trip.

- iii. The Chief, PID/equivalent office or his/her duly authorized representative shall review the trip details and visual evidence of the armed container, and if found to be in order, authorize End Trip.
- iv. Once End Trip is authorized, the cargo is tagged "**Received**" in the E-TRACC system and the Bureau's authorized personnel shall then disarm the container by removing the Electronic Customs Seal.
- v. The Bureau's authorized personnel shall not remove or disarm the Electronic Customs Seal of the container if any sign of tampering or discrepancy is observed. The Director, ESS shall be notified immediately to investigate

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and submit findings to the Commissioner and District Collector of the Port of Discharge, copy furnished the Chief, PID/equivalent office or his/her authorized representative. The Chief, PID/equivalent office or his/her authorized representative upon receipt of notification shall perform manual end trip and update status of the container as "**Subject for Investigation**" in the E-TRACC System.

- vi. For shipments subject to further verification and/or monitoring, the Bureau's authorized personnel shall request for authorization to end the trip for the cargo to be tagged as "**Received**" and disarm or remove the device in the presence of the designated Customs Operations Officer III or assigned Customs Officer, and authorized representatives from other government regulatory agencies. Physical examination, condemnation or destruction, as the case may be, of the goods shall then follow.

Section 4. Repealing Clause. All other provisions of existing Customs Memorandum Orders, Memoranda, and other Orders inconsistent herewith are hereby repealed or amended accordingly.

Section 5. Effectivity. This Order shall take effect after fifteen (15) days from issuance. The Office of National Administrative Register (ONAR) of the UP Law Center shall be provided three (3) certified copies of this Order.

[Signature]
BIENVENIDO Y. RUBIO
Commissioner



AUG 30 2023

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