

CUSTOMS

GAZETTE

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Marcos Cites BOC for Anti-Rice Smuggling Efforts

See Page 5



BOC Strengthens Inter-Agency Cooperation and Collaboration Towards Trade Efficiency

See Page 3

BOC Exceeds September and October 2023 Collection Target

See Page 2

October 2023

P78.616 B (↑1.4%)

P77.532 B - Target Collection | **P1.084 billion - Surplus**

September 2023

P79.225 B (↑3.64%)

P76.445 B - Target Collection | **P2.780 billion - Surplus**

BOC Exceeds September and October 2023 Collection Target

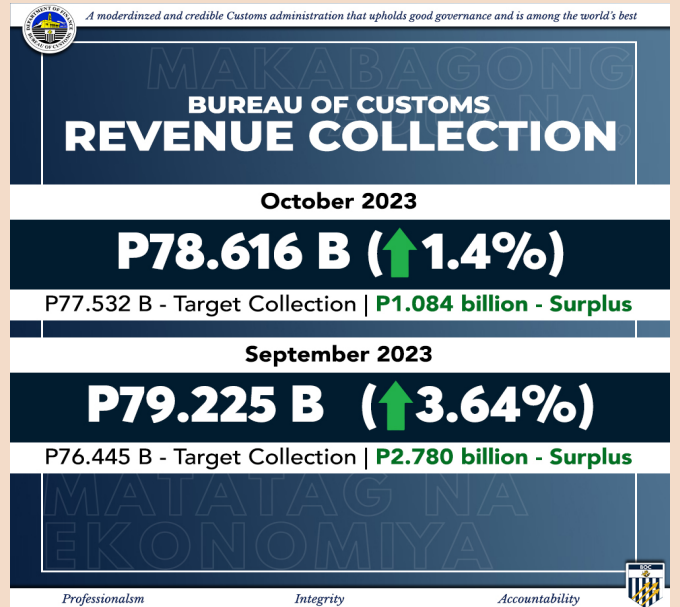
The Bureau of Customs (BOC) has surpassed its target collection for the months of September and October. Garnering PhP78.897 billion in duties and taxes, BOC exceeded its September 2023 goal of PhP76.445 billion by PhP2.452 billion or 3.2% based on the report from the Bureau of Treasury (BTR). For the month of October, preliminary results show that the BOC collected PhP78.737 billion in total revenues, posting a 1.4% increase or PhP1.205 billion above its collection target.

The BOC also topped its revenue target for January to October 2023, netting PhP739 billion, with 2.4% more or PhP17.407 billion higher than its PhP721.717 billion target collection for the period.

This year's revenue also increased by 3.5% percent or PhP25.602 billion from the previous year's collection of PhP713.522 billion.

Commissioner Bienvenido Y. Rubio said that the remarkable feat demonstrates the Bureau's dedication to excellence, reinforcing its mandate to increase revenue collection and enhance trade facilitation in support of the country's economic development.

"Our relentless drive against smuggling and the implementation of trade efficiency measures significantly contributed to the increase in revenue collection. We are doubling our efforts to provide financial resources to support the government's programs and projects." Commissioner Rubio said.



BOC Strengthens ASEAN Ties at the 34th CECWG Meeting in Davao City



The Bureau of Customs (BOC) reaffirms its commitment in building robust connections and fostering shared learning among customs administrations by hosting the 34th Meeting of the ASEAN Customs Enforcement and Compliance Working Group (CECWG) in Davao City from October 3 to 5, 2023.

Hosted by the Philippine Bureau of Customs, the three-day event served as a pivotal platform for the Philippines to strengthen its relationships with other

countries, particularly within the ASEAN community. The discussions facilitated the exchange of best practices, with emphasis on initiatives to enhance enforcement and compliance measures for the protection of the ASEAN region.

As a vital sectoral body of the ASEAN, the CECWG is dedicated in the continuous improvement of work processes, coordination, effectiveness, and efficiency. Upholding efficient customs enforcement systems and robust compliance frameworks are essential to ensure the smooth movement of goods, preventing illicit trade, protecting intellectual property rights, and facilitating legitimate business activities within the region.

The meeting delved into a comprehensive array of topics and facilitated a fruitful exchange of knowledge, inspired collaborative initiatives, and underscored the importance of collective efforts as the ASEAN Integration in 2025 approaches.

The BOC remains steadfast in advancing regional cooperation, and this engagement reflects its commitment to the development and implementation of effective customs enforcement and compliance strategies within the ASEAN community.

BOC Partners with ARISE Plus Philippines Project to Bolster Trade Facilitation



Aligned with Commissioner Bienvenido Y. Rubio's priority programs in digitalizing Customs processes and simplifying procedures to facilitate secure trade, representatives from the Bureau of Customs (BOC) recently met with the ARISE Plus Philippines Project to discuss activities and technical assistance for the implementation of the Customs Modernization and Tariff Act (CMTA) and WTO Trade Facilitation Agreement (TFA).

The series of activities focus on key emerging trade facilitation areas, namely the Integrated Risk Management (IRM), Authorized Economic Operator (AEO) and e-commerce clearance, and taxation, as well as for the operationalization of the Philippine Trade Facilitation

Committee (PTFC). These are implemented from March 2023 until February 2024 under the Year 3 support of the ARISE Project.

The ARISE Plus Philippines Project is a 4-year project, with the Department of Trade and Industry (DTI) as lead partner, together with the Department of Agriculture (DA), the Food and Drug Administration (FDA), the BOC, the Department of Science and Technology (DOST), as well as the private sector. It is funded by the European Union (EU) with the International Trade Centre (ITC) as the technical agency for the project.

Under its Year 2 Work Plan, the BOC and ARISE Plus Philippines conducted series of consultative sessions with the BOC e-Commerce Technical Working Group for the development of the draft Customs Administrative Order (CAO) and Customs Memorandum Order (CMO) on e-Commerce. In addition, focused sessions dedicated to the discussion and line-by-line review of the BOC-PHLPOST MOA were also conducted which resulted in considerable progress in the draft MOA.

Series of public outreach activities are also in the pipeline to expand awareness of the trading community, TRGAs and PTFC to further support the readiness of the BOC to comply with existing international commitments, including new or evolving requirements.

Importer Convicted for Agricultural Smuggling



The Metropolitan Trial Court – National Judicial Capital Region Branch 24 rendered its verdict on September 8, 2023, declaring Divina Bisco Aguilar, the proprietor of Real Mart, guilty of violating Customs laws by misdeclaring a shipment of carrots as frozen pastry buns. This conviction resulted from a criminal complaint filed by the BOC on September 10, 2020, with the Department of Justice (DOJ).

The case stems from an incident that occurred on June 26, 2020, when a shipment consigned to Real Mart arrived at the BOC – Port of Manila from Singapore. The consignee, owned by Divina Bisco Aguilar, declared the shipment to contain 2,500 cartons of frozen pastry buns.

However, suspicions were raised when a derogatory report was received by the Port of Manila, prompting a physical examination of the shipment.

Upon inspection, it was discovered that the shipment did not contain frozen pastry buns as declared, but instead, it contained misdeclared carrots, a clear violation of Customs regulations. Subsequently, a warrant of seizure and detention was issued against the shipment, and appropriate charges were filed against the owner of Real Mart.

The legal battle that followed involved years of preliminary investigation and court hearings. Finally, on September 8, 2023, the Metropolitan Trial Court – National Judicial Capital Region Branch 24 rendered its verdict, finding the accused guilty beyond a reasonable doubt for violation of Section 1401 in relation to Sections 102 and 1400 of Republic Act No. 10863, commonly known as the Customs Modernization and Tariff Act (CMTA).

The accused has been sentenced to a prison term of three (3) years and one (1) day to four (4) years.

In another incident, the BOC filed two (2) criminal complaints with the DOJ on September 8 and 15, 2023. These cases involve the misdeclaration of various goods from Korea without approved clearance from the Food and Drug Administration and the exportation of a universal CT tester with a falsified General Authorization Certificate. These incidents are in violation of relevant provisions of the CMTA.

BOC Strengthens Inter-Agency Cooperation and Collaboration Towards Trade Efficiency

In furtherance of the mission of the Bureau of Customs (BOC) to enhance trade facilitation processes in the country, the BOC collaborated with the Department of Trade and Industry (DTI), Philippine Economic Zone Authority (PEZA), and Philippine Postal Corporation (PHLPOST) in a joint agreement.

On September 4, 2023, BOC-Commissioner Bienvenido Rubio, together with Dr. Ceferino Rodolfo, Undersecretary of DTI, and Atty. Janice Sacedon-Dimayacyac, Director of the DTI-Strategic Trade Management Office (STMO), convened in a momentous event to sign a Memorandum of Agreement (MOA) on strategic trade facilitation. Among the main aspects of this agreement's provisions are the capacity building assistance for the BOC to improve its understanding of strategic items and create improved cooperation between the BOC and STMO. Data exchange, risk management, trade facilitation, and monitoring group efforts are also included in the key features of this collaboration.

Commissioner Rubio also signed on September 5, 2023, the Data Sharing Agreement with PEZA to formally establish their partnership. In this agreement, BOC will provide PEZA an access to the Bureau's E-TRACC System data, allowing them to conduct real-time monitoring of containerized goods and individuals within and outside economic zones. Through this partnership, cargo transportation to and from these zones is expected to become more effective, transparent, and secure.

Last is the MOA signing of BOC and PHLPOST, spearheaded by Commissioner Rubio and PHLPOST Postmaster General Luis Carlos, on October 18, 2023. This agreement highlights the shared commitment of BOC and PHLPOST to combat offenses and violations of customs laws, addressing the transport of illicit substances, drugs, fake goods, contraband, and money laundering activities that jeopardize the Philippine government's interests in the economy, society, fiscal, and security.

These agreements demonstrate the agencies' shared commitment in improving trade facilitation programs for importers and stakeholders.



Marcos Cites BOC for Anti-Rice Smuggling Efforts



Photo by Presidential Communications Office

President Ferdinand R. Marcos, Jr. praised the Bureau of Customs' (BOC) strong stand against smuggling during the successful turnover of P42 million worth of rice to selected government agencies and beneficiaries on September 19, 2023.

The remaining stocks were distributed to different areas in Metro Manila, three provinces in Western Visayas, and two provinces in the Caraga Region, spearheaded by the Department of Social Welfare and Development (DSWD).

In his speech, President Marcos cited BOC for its consistent investigation and inspection of warehouses suspected of storing smuggled rice. He praised the government's commitment to address smuggling, highlighting BOC's pivotal role in the campaign against illicit trade. The President's recognition underscores the importance of BOC's efforts and reaffirms the government's determination to safeguard national interests and border integrity.

Customs Commissioner Bienvenido Y. Rubio expressed full support for the President's campaign, stating, "The BOC

treats this matter with utmost urgency, as it is crucial not only for our farmers but also for all Filipinos who work diligently to put food on the table. That's why the BOC will relentlessly curb these illegal activities."

Halfway in September, the BOC seized the 42,180 subjected sacks of rice at the Port of Zamboanga after the owner failed to submit the necessary documentation to prove the legality of its importation and payment of correct duties and taxes due thereon.

Following Executive Order No. 39-2023, the President ordered BOC to intensify intelligence gathering efforts to identify and padlock warehouses suspected of storing smuggled rice. The Bureau was also instructed to work closely with the Department of Agriculture (DA) and Department of Trade and Industry (DTI) for appropriate steps to address unwarranted price increases and supply shortage manipulation.

The President's marching orders aim to safeguard the interests of consumers and ensure that rice remains an affordable and accessible staple for all Filipinos.



BOC Starts Training for the Re-establishment of the Customs Laboratory



The specialized training in customs laboratory processes was joined by the BOC team, led by Atty. Yasser Ismail A. Abbas, CESO IV, Director III of the Imports and Assessment Service (IAS). It was hosted by the Korea International Cooperation Agency (KOICA), Korea International Cooperation Services (KOICS), Korean Central Customs Laboratory (KCCL), and Korea Customs Service (KCS).

This event marked the second phase of KOICA's multiyear Capacity Improvement and Advancement for Tomorrow (CIAT) fellowship program. The program's key objectives were to enhance bilateral collaboration, strengthen knowledge sharing between South Korea and the Philippines, and provide valuable insights into constructing, operating, and managing a sustainable PCL, with a focus on revising the Project Concept Paper (PCP).

During the training, the delegation embarked on field study visits to strategic customs offices in South Korea. These included the Korean Customs Central Laboratory and Scientific Service, a World Customs Organization Regional Customs Laboratory, the Busan Regional Customs housing a Local Customs Laboratory (LCL), and the Busan Customs Container Cargo Inspection Center.

The delegation gained firsthand experience in the use of customs laboratory equipment, operational guidelines, and staffing structures. The experts from KCCL and KCS Laboratory actively shared their expertise and addressed the delegation's queries.

A special session was dedicated to understanding and preparing a comprehensive PCP, a critical component for attracting both local and international development assistance.

The re-establishment of the Philippines Customs Laboratory promises multiple benefits, including more accurate tariff classification analysis, improved revenue collection, enhanced border security against illicit trade, and heightened public health safety through the identification of harmful chemicals and substances.

BOC, PDEA, DOJ, and NBI Thwart Attempt to Smuggle P3.8 Billion Worth of Shabu

The Bureau of Customs—Port of Subic, in collaboration with the National Bureau of Investigation (NBI), the Philippine Drug Enforcement Agency (PDEA), and the Department of Justice (DOJ), has successfully intercepted an attempt to smuggle narcotics valued at P3.8 billion.

The operation, initiated following a derogatory report from the Intelligence Group, resulted in the seizure of 530 packs, each containing approximately one kilogram of methamphetamine. These illicit substances were concealed within a 1×40□ container, originally declared to contain 881 bags of animal feed from Thailand.

On September 21, 2023, the port issued a pre-lodgement control order against the shipment and underwent x-ray scanning, which raised suspicions. Following this, a physical examination, led by District Collector Ciriaco Ugay and his team, was conducted. Collector Ugay was accompanied by representatives from the NBI, PDEA, DOJ, Subic Bay Metropolitan Authority, Customs Antillegal Drug Task Force, and PDEA K9 Handlers. Samples were extracted and promptly handed over to the PDEA for chemical analysis. The results confirmed the presence of methamphetamine, commonly known as shabu, categorized as a dangerous drug under Republic Act (R.A.) No. 9165.

In response to these findings, District Collector Ciriaco DG. Ugay promptly issued a Warrant of Seizure and Detention on September 23, 2023, for violations of Section 4 of R.A. No. 9165, also referred to as the Comprehensive Dangerous Drugs Act of 2002, and Sections 118 (g) and 119 (d) of R.A. 10863 (CMTA), in connection with Section 1113(f) of R.A. No. 10863, also recognized as the Customs Modernization and Tariff Act.

The seized drugs were immediately handed over to the PDEA, followed by the execution of a controlled delivery operation by the NBI and PDEA.



BOC Files Criminal Cases Against Rice Traders for Alleged Smuggling

The Bureau of Customs (BOC) filed four (4) criminal complaints against three (3) rice traders on September 29, 2023, following the seizures and investigations in various warehouses in Bulacan.

In August 2023, BOC agents uncovered unlawfully imported sacks of rice in Bulacan, valued at more than P260 million. Upon establishing probable cause, the BOC issued warrants of seizure and detention against the subject warehouses for alleged violations of Customs laws, rules, and regulations.

Subsequently, on September 29, 2023, the BOC, led by the Bureau's Action Team Against Smugglers, presented its findings and filed appropriate criminal charges before the Department of Justice (DOJ) against the owners and proprietors of the warehouses for alleged rice smuggling.

The four criminal complaints involve violations of Republic Act (R.A.) 10863, also known as the Customs Modernization and Tariff Act (CMTA), and R.A. 11203 or the Rice Tariffication Law. Among the total cases filed, three (3) pertain to large-scale smuggling, which violates R.A. 10845, known as the Anti-Agricultural Smuggling Act.



BOC – Port of Limay Foils Entry of Smuggled Fuel



The Bureau of Customs – Port of Limay seized a truck carrying 40,000 liters of smuggled fuel valued at P2.4 million.

On October 5, 2023, an operation led by Acting District Collector Guillermo Pedro A. Francia, authorities observed a fuel loaded truck attempting to pass through the checkpoint, which when flagged down failed to present proper documentation.

In response, Collector Francia directed the Port of Limay Enforcement and Security Service (ESS) to conduct a field test on the fuel in the trailer tanker. The test results indicated a “fail,” prompting a more in-depth

investigation by the ESS – Customs Police Division (CPD). Subsequent verification of the initial test result led to the confiscation of the smuggled fuel.

Upon establishing probable cause to warrant the seizure of the subject truck and fuel products, authorities took possession of thereof including the 40,000 liters of unmarked fuel valued at P2.4 million.

Collector Francia emphasized their commitment in strengthening the anti-smuggling campaign through the implementation of regular checkpoints in their area of jurisdiction. These efforts aim to detect and prevent the illegal transport of goods, ensuring the protection of the country's economic interests and upholding the rule of law. He further added that buyers of such unmarked fuel run the risk of not only losing the illegally imported fuel they bought but also the truck carrying the fuel, which is valued at around P5 million.

Meanwhile, Commissioner Bienvenido Y. Rubio commended Collector Francia and the Port of Limay for their active monitoring and patrolling of the country's borders against illicit trade. “The Bureau of Customs remains steadfast in its dedication to thwarting illegal smuggling operations and safeguarding the nation's economy. This successful operation reflects the unwavering commitment of our dedicated personnel,” said Commissioner Rubio.

BEWARE OF SCAMS INVOLVING CUSTOMS CLEARANCE FEES

The Bureau of Customs (BOC) has received reports of fraudulent activities involving individuals posing as BOC representatives. These scammers falsely claim that payment of "CUSTOMS CLEARANCE TAX/FEES" is required to release parcels or packages.

They send forged "ACKNOWLEDGEMENT LETTERS" with the names of BOC officials or employees to victims as false proof of payment receipt.

To combat this, we urge the public to remain vigilant and report any similar incidents to BOC through the following platforms:

- Email: boc.cares@customs.gov.ph
- Facebook Page: [BureauOfCustomsPH](https://www.facebook.com/BureauOfCustomsPH)
- Twitter: [@CustomsPH](https://twitter.com/CustomsPH)
- Instagram: [@customs.ph](https://www.instagram.com/customs.ph)

Stay vigilant and report any suspicious communication immediately.



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