

Department of Finance
BUREAU OF CUSTOMS



BAGONG ADUANA SA BAGONG PILIPINAS



ANNUAL REPORT C.Y. 2023



MISSION

*To enhance trade facilitation, strengthen border control,
and improve collection of lawful revenues.*

VISION

*A modernized and credible Customs administration that
upholds good governance and is among the world's best.*

CORE VALUES

*Professionalism
Excellence
Integrity
Accountability*



ANNUAL REPORT

2023

The year '2023' is rendered in large, bold, blue-outlined numbers. Each digit is filled with a collage of images related to port operations, including cranes, shipping containers, and cargo ships.

BAGONG ADUANA SA BAGONG PILIPINAS



BUREAU OF CUSTOMS ANNUAL REPORT 2023

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Simplify Procedures and Facilitate Secured Trade

Curb Smuggling in all Forms

Uplift Employee Welfare and Development



MESSAGE OF THE PRESIDENT

Streamlining our customs operations and administration is a significant step towards economic development as this facilitates the growth of trade and commerce in our country. As such, we must recognize the important contribution of the Bureau of Customs, not only in securing much-needed government revenues, but also in sustaining our people's trust and confidence in our customs collections system.

I am thus elated that, as you publish your 2023 Annual Report, your agency has consistently surpassed its targets as well as simplified procedures in facilitating and securing trade. I am also pleased that you have helped fortify our food security measures by curbing smuggling in all forms.

As you enter another year, I hope that your officers and employees will continue their dedication in order to achieve the strategic direction of the Bureau's Five-Point Priority Program. With our continued unity and cooperation, let us harness our energies in building a Bagong Pilipinas that prioritizes greater economic growth in every corner of our country.

I wish you all the best in your endeavors.


Ferdinand R. Marcos Jr.
The President of the Philippines

MESSAGE OF THE SECRETARY OF FINANCE

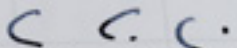


The Department of Finance (DOF) commends the Bureau of Customs (BOC) for delivering strongly on its promise to boost revenue collection, further enhance trade facilitation, and strengthen border control and security throughout the year 2023. The Bureau's stellar performance contributed immensely to the Philippine economy's resilience amid a challenging global economic environment.

Under the leadership of Commissioner Bienvenido Y. Rubio, the BOC has gone the extra mile in bringing the Philippines' customs system closer than ever to full digitalization, paving the way towards enhanced ease of doing business in the country. Furthermore, the BOC's efforts to facilitate greater regional and international trade send a strong signal to the rest of the world that the Philippines is ready to play a bigger role in global trade and global value chains.

On the local front, the BOC's firm resolve to combat illicit trade and smuggling has resulted in an unprecedented level of apprehensions and confiscations. This demonstrates the government's serious commitment to put more teeth in our border control and security policies, allowing us to better protect consumers and businesses.

As the Philippine economy revs up its engines towards stronger growth in the years ahead, I am confident that the BOC will continue to be a reliable pillar of support for the country's fiscal strength and economic stability.


BENJAMIN E. DIOKNO
Secretary of Finance





MESSAGE OF THE COMMISSIONER

It brings me immense joy and pride to present to you this annual report, a thorough narrative that captures the remarkable journey of the Bureau of Customs throughout the transformative year of 2023.

Innovation has played a crucial role, making our work more efficient, secure, and transparent, aligning well with our Five-Point Priority Program. Each section of this report showcases the combined efforts and tireless dedication of our team members who have worked hard to bring about a vivid chronicle of activities over the past year.

We have faced countless challenges, seized golden opportunities, and made our mark in customs history. The financial and operational growth this year shows our ability to adapt and be proactive in meeting the needs of our government, stakeholders, and the Filipino people.

May this report serve not just as a record of achievements but as an inspiration for Customs excellence in the years to come.


BIENVENIDO Y. RUBIO
Bureau of Customs Commissioner



OF CUSTOMS
6-8 JUNE 2023, PATTAY

CUSTOMS AND PHILIPPINE POSTAL CORPORATION
GRAND OPENING AGREEMENT SIGNING CEREMONY



REVENUE COLLECTION

| MONTH | COLLECTION | DIFFERENCE | DEVIATION |
|-------|----------------|---------------|-----------|
| JAN | 1,234,567,890 | 123,456,789 | 10.00% |
| FEB | 1,345,678,901 | 134,567,890 | 10.00% |
| MAR | 1,456,789,012 | 145,678,901 | 10.00% |
| APR | 1,567,890,123 | 156,789,012 | 10.00% |
| MAY | 1,678,901,234 | 167,890,123 | 10.00% |
| JUN | 1,789,012,345 | 178,901,234 | 10.00% |
| JUL | 1,890,123,456 | 189,012,345 | 10.00% |
| AUG | 1,901,234,567 | 190,123,456 | 10.00% |
| SEP | 2,012,345,678 | 201,234,567 | 10.00% |
| OCT | 2,123,456,789 | 212,345,678 | 10.00% |
| NOV | 2,234,567,890 | 223,456,789 | 10.00% |
| DEC | 2,345,678,901 | 234,567,890 | 10.00% |
| TOTAL | 20,000,000,000 | 2,000,000,000 | 10.00% |



EXECUTIVE SUMMARY

The Bureau of Customs (BOC) proudly presents its Annual Report for Calendar Year (C.Y.) 2023, encapsulating a year marked by significant achievements in revenue collection, trade facilitation, and border protection. The BOC's Five-Point Priority Program for 2023 is focused on (1) Digitalization of Customs Processes; (2) Hitting and Surpassing the Target; (3) Simplifying Procedures and Facilitating Secured Trade; (4) Curbing Smuggling in All Forms; and (5) Uplifting Employee Welfare and Development. Pursuant to the marching orders of President Ferdinand R. Marcos Jr., these priorities remain crucial in reforming customs administration and fortifying socio-economic development in the country.

In 2023, President Marcos Jr. called upon government leaders to prioritize the digitalization of their operations and services. In response, the BOC embarked on a transformative journey towards the digitalization of customs processes. Embracing innovative technologies, the BOC made significant strides in modernizing its core processes, ensuring seamless trade facilitation while upholding stringent security measures.

Central to the BOC's mission is its unwavering dedication to revenue collection. Through meticulous enforcement efforts, the BOC played a pivotal role in bolstering the nation's socio-economic progress by diligently collecting lawful duties and taxes, thereby contributing to the government's funds.

Furthermore, the BOC maintained unwavering dedication in fostering a conducive business environment. By simplifying procedures and implementing robust security measures through strengthened collaboration with local and foreign partners in the government and private sector, the BOC facilitated safe and expedited trade, fostering trust and confidence among stakeholders.

In its relentless effort to combat smuggling, the BOC adopted a zero-tolerance stance, employing advanced risk management systems and forging national and international collaborations to thwart illicit activities and protect the integrity of our borders.

Integral to the BOC's success is its emphasis on employee welfare and development. Geared towards nurturing a skilled workforce, the BOC invested in the conduct of extensive training and capacity building initiatives for BOC employees.

This comprehensive annual report serves as a testament to the BOC's commitment to contribute to the economic development of the Philippines. The BOC remains steadfast in its mission to enhance customs operations, driving sustainable growth, and fulfilling its mandate to serve the Filipino people.



DIGITALIZATION OF CUSTOMS PROCESSES

STREAMLINING CUSTOMS PROCESSES THROUGH DIGITAL TRANSFORMATIONS

The BOC is embracing digital transformation through advanced Information Communication Technology (ICT) systems. With 96.99% or 161 out of 166 customs processes now digitalized, the BOC is ushering in a new era of efficiency. In 2023, the Management Information System and Technology Group (MISTG) successfully implemented innovative systems designed to streamline customs operations, promoting efficiency, accuracy, and transparency in services.

In collaboration with the Department of Information and Communications Technology (DICT), the BOC introduced the **e-Travel Customs System** on November 21, 2023. Integrated into the eGov application, this platform enables the electronic submission of baggage and currency declaration forms, reducing human intervention in customs clearance and providing convenience to stakeholders and the public.

On December 13, 2023, the **National Customs Intelligence System (NCIS)** was formally introduced. It aims to enhance intelligence capabilities, supporting case build-up, risk profiling, and analysis. Initiated by the Intelligence Group (IG) and developed by the MISTG, the NCIS will empower the agency with data-driven insights, reinforcing the BOC's ability to safeguard borders and facilitate international trade.

Additionally, the BOC has implemented the **Over Staying Container Tracking System (OSTracker)**, a real-time monitoring system offering crucial data on overdue cargo and containers at all ports. This system enhances transparency in auctions, condemnation, and donations, promoting accountability. Its pilot implementation began on October 24, 2023.

Furthermore, the BOC is gearing up for the deployment of upcoming system implementations that promise to enhance customs operations to a higher level.

Looking ahead, the BOC plans to implement the **Customs Auction Monitoring System (e-Auction System)**, which will facilitate online registration and bidding for greater transparency in customs auctions.

To further simplify procedures, the BOC seeks to implement the **Automated Export Declaration System (AEDS)**, which will allow electronic lodging through licensed service providers at international airports or seaports.



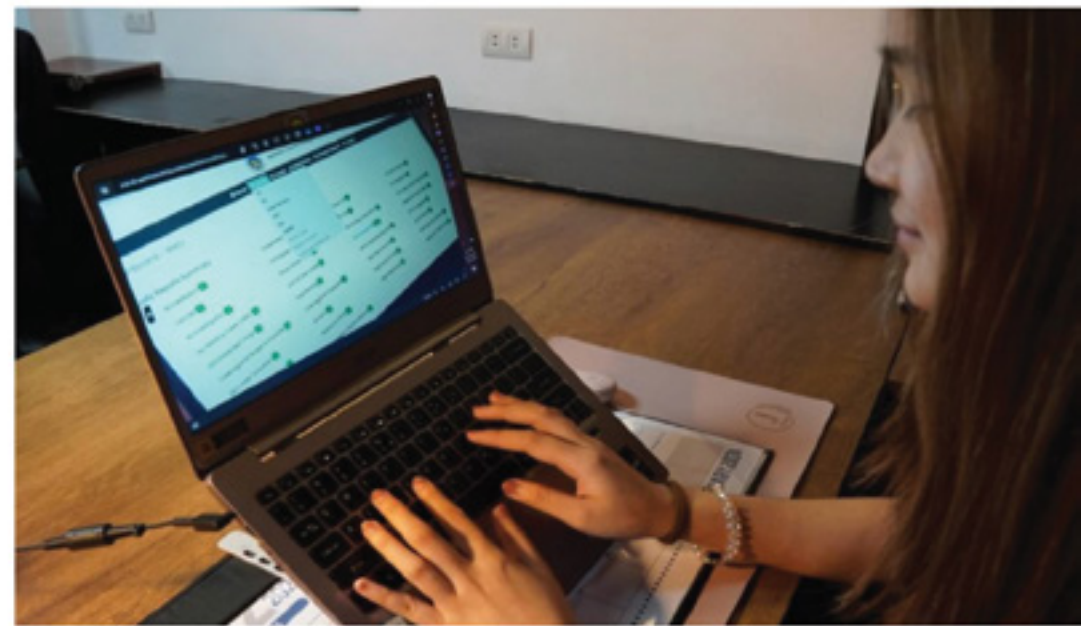
96.99%
DIGITALIZATION RATE



The introduction of the **E-Service Catalog System** will expedite the delivery of commodities and services, with automated procedures improving user experience across different ports and groups.

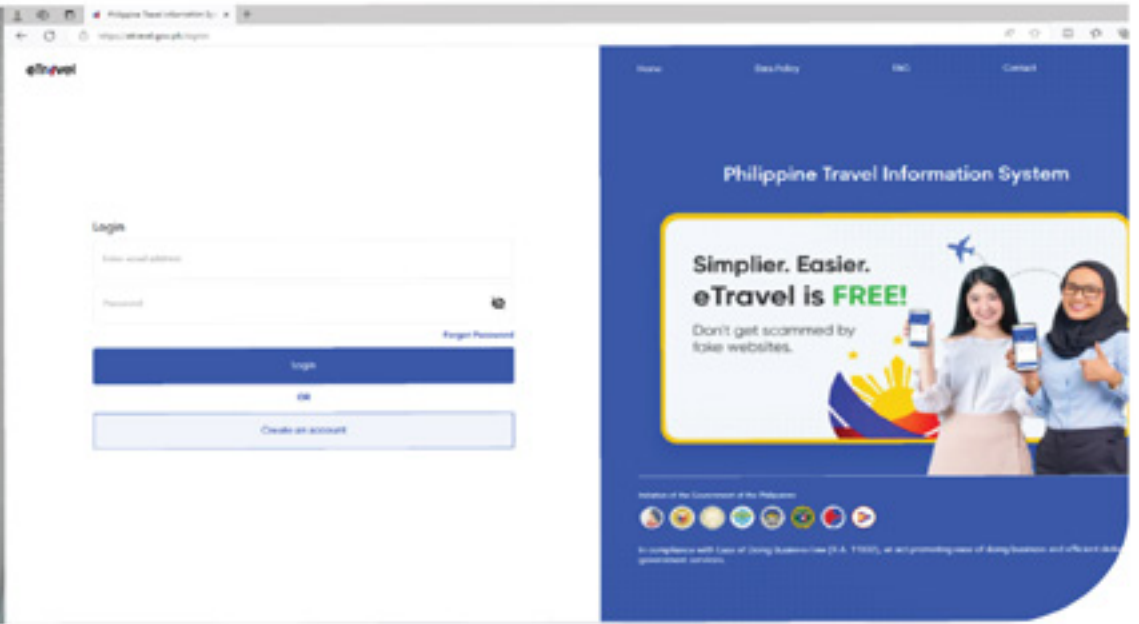
Ongoing development efforts include the **Automated Accreditation System (AMO System)**, which aims to automate and simplify the accreditation procedure, ensuring smoother operations for both brokers and importers.

The **Electronic Payment Portal System (E-Pay)** will enhance and streamline the process for collection of duties and taxes due on goods covered by goods declaration manually processed under the informal entry procedure and miscellaneous fees payable to the BOC as per Customs Memorandum Order (CMO) No. 06-2024



Also underway is the **Document Management System (DMS)**, which will ensure seamless handling of electronic documents, capturing, tracking, and the storing of files within the agency.

These initiatives underscore the BOC's firm commitment to modernize customs operations, and determination to keep pace with digital transformation in customs and trade.



CY 2023

15.38bn
DIFFERENCE

888.95bn
PARTIAL COLLECTION

1.76%
DEVIATION

DIFFERENCE DEVIATION

| PORT | TARGET | COLLECTION | DIFFERENCE | DEVIATION |
|-----------|--------------------|--------------------|---------------------|-----------|
| INDONESIA | 210,300,000,000.00 | 207,584,779,939.33 | -2,715,220,060.67 | -1.29% |
| MY | 282,806,990,462.38 | 124,282,603,083.09 | -158,524,387,379.29 | -56.06% |
| THAI | 122,304,024,862.10 | 72,764,529,498.68 | -49,539,495,363.42 | -40.51% |
| PHI | 71,441,097,706.45 | 50,691,637,811.65 | -20,749,459,894.80 | -29.04% |
| PHI | 45,732,679,400.41 | 41,646,557,561.54 | -4,086,121,838.87 | -8.94% |
| PHI | 42,591,438,284.36 | 39,268,120,290.51 | -3,323,318,093.85 | -7.80% |
| PHI | 41,349,177,047.42 | 42,568,295,843.94 | 1,219,118,796.52 | 2.95% |
| PHI | 40,807,542,524.82 | 46,921,937,051.03 | 6,114,394,526.21 | 15.00% |
| PHI | 37,838,034,899.08 | 9,681,787,319.22 | -28,156,247,579.86 | -74.41% |
| PHI | 10,942,525,795.47 | 9,050,009,994.71 | -1,892,515,800.76 | -17.33% |
| PHI | 6,645,999,721.02 | 6,377,598,483.94 | -268,401,237.08 | -4.04% |
| PHI | 7,684,343,816.19 | | | |

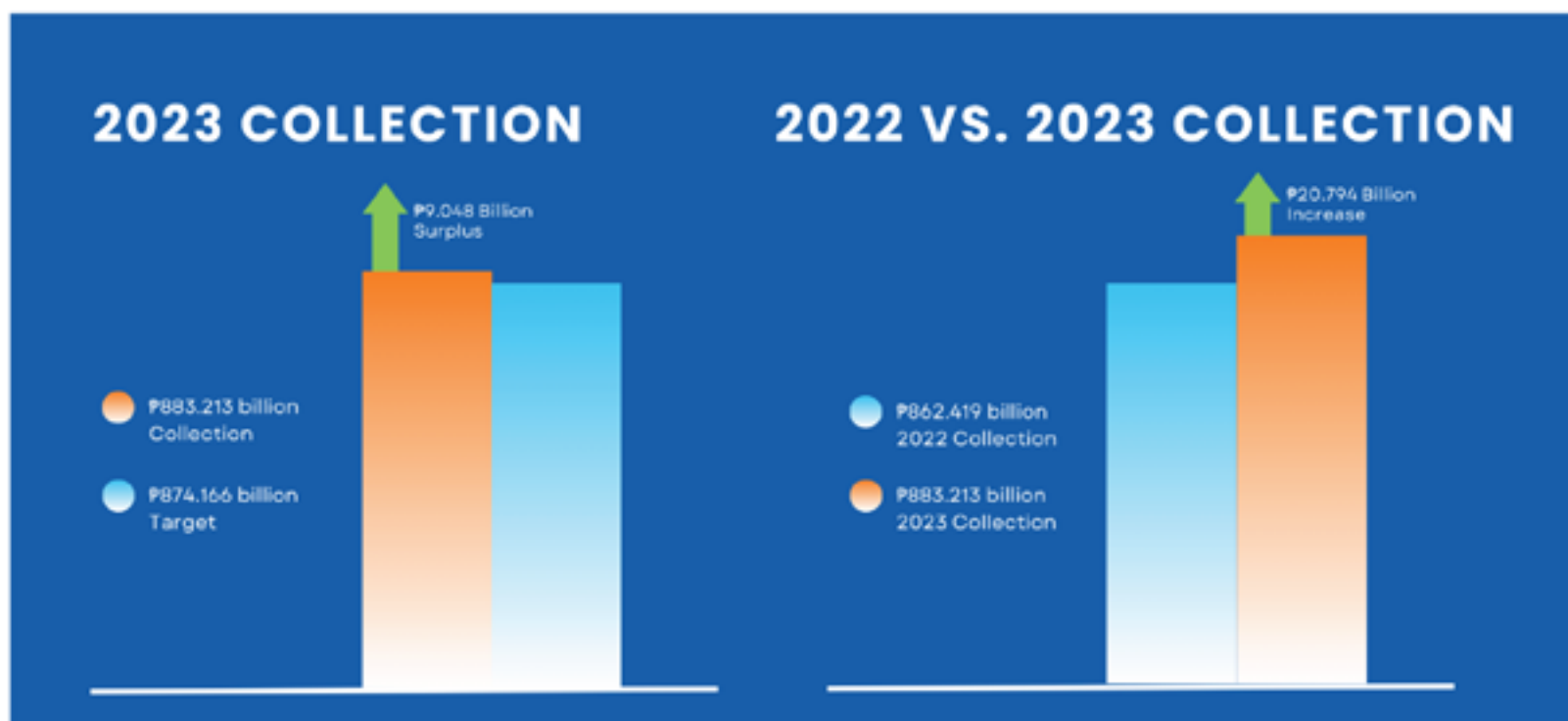
HIT AND SURPASS THE TARGET

The BOC concluded the fiscal year 2023 on a triumphant note, achieving an outstanding collection performance that surpassed expectations.

Data from the Bureau of the Treasury (BTr) show that the BOC has not only met but exceeded its revenue collection target for 2023 by a significant margin. The total revenue amassed during the fiscal year amounted to an impressive **₱883.213 billion**, representing a remarkable 1.03% excess over the target of **₱874.166 billion**. This translates to a surplus of **₱9.048 billion**, a clear manifestation of the BOC's effective revenue management strategies.

Comparing the revenue performance to the previous fiscal year, the BOC has demonstrated a consistent upward trajectory. In 2023, the total revenue collection had a substantial increase of 2.41%, or **₱20.794 billion**, reaching **₱883.213 billion** compared to the **₱862.419 billion** collection in 2022.

The table provides an overview of the BOC's revenue collection performance for both fiscal years:



Monthly Collection Performance C.Y. 2023



The table illustrates the monthly collection performance of the BOC:

Throughout the calendar year, the BOC was able to meet its target collection for January, February, and March. On the other hand, the BOC notably surpassed its target collection for the months of April, May, August, September, and October. The collaborative efforts of the 17 Collection Districts and 39 sub-ports were vital in successfully meeting and surpassing the BOC's 2023 target collection.

■ Target Collection (in billion)
■ Actual Collection (in billion)

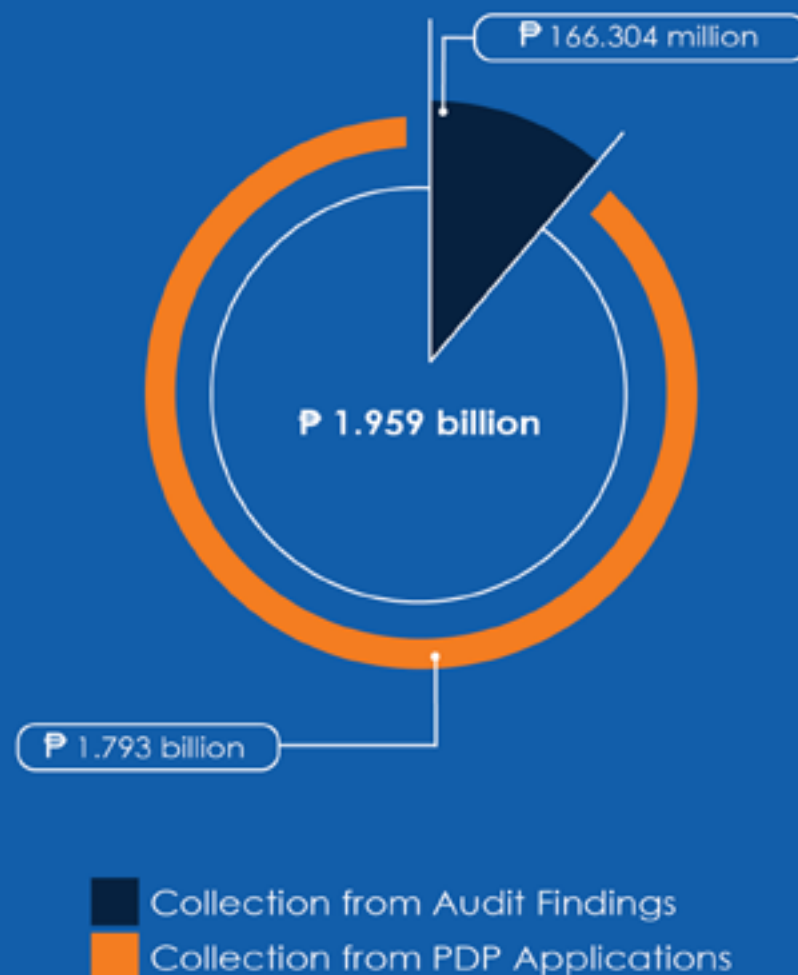
Other Revenue Generators

- Among the significant measures of the BOC to generate additional revenue for government funds is the intensified post-clearance audit verification and investigation of importers. Post-clearance audit ensures compliance of importers with Customs regulations and the collection of correct duties and taxes. The agency also conducts public auctions of various commodities under the custody of the BOC, allowing the agency to generate additional revenue from seized and forfeited goods.

Ensuring Importer's Compliance for Increased Collection

- Contributing to the improved collection performance of the BOC is the Post-Clearance Audit Group (PCAG), with ₱1.959 billion additional revenue generated from Prior Disclosure Program (PDP) applications and audit findings. The PCAG conducts profiling or information analysis on importers, customs brokers, and other stakeholders of the BOC through data gathering and evaluation of compliance with import and export processes. Based on records, the PCAG has approved and issued 496 Audit Notification Letters (ANL) to importers in 2023. The approval of PDP applications resulted in the additional collection of ₱1.793 billion, while additional revenue amounting to ₱166.304 million was generated from other audit findings.

Collections from PDP Applications and Other Audit Findings C.Y. 2023



Boosting Revenue Through Public Auctions

- Public auction serves as a transparent and efficient means to dispose of seized, abandoned, or unclaimed goods, simultaneously contributing to the government's funds. Auctions are vital in enhancing the BOC's revenue collection performance.
- In 2023, the BOC generated ₱164.503 million from public auctions conducted in several ports nationwide. Auctioned items include empty containers, sea vessels (used and unused), car parts and accessories, carpeted tiles, personal effects, and other assorted goods.

PROCEEDS FROM AUCTIONS C.Y. 2023

| PORT | TOTAL PROCEEDS |
|-------------------------------------|-------------------------|
| Port of San Fernando La Union | ₱ 52,057,500.00 |
| Port of Manila | ₱ 47,573,630.00 |
| Manila International Container Port | ₱ 45,753,416.54 |
| Port of Aparri | ₱ 14,860,100.00 |
| Ninoy Aquino International Airport | ₱ 2,790,200.00 |
| Port of Davao | ₱ 1,468,650.00 |
| TOTAL | ₱ 164,503,496.54 |



The BOC remains committed to hit and surpass its year-on-year collection target in furtherance of generating revenues for the government's programs and projects.



SIMPLIFYING PROCEDURES AND FACILITATING SECURED TRADE

INTER-AGENCY COLLABORATIONS FOR ENHANCED AND SECURED TRADE FACILITATION



In its tireless endeavor to streamline customs processes and ensure secured trade, in 2023, the BOC established and strengthened collaborations with various government agencies, international counterparts, and stakeholders. These partnerships signify a collective commitment to have automated, secured, and effective customs processes, aligning with global standards.



On June 15, 2023, the BOC formalized a Memorandum of Understanding (MOU), integrating the i-Declare System with DICT's e-Travel System. This integration facilitates the electronic completion of customs forms for airline crew members and passengers arriving in and departing from the Philippines. With digitalized data collection processes, this initiative optimizes border control, enhances healthsurveillance, and facilitates economic data analysis.

On July 21, 2023, a significant milestone was reached as the BOC and the Asian International Shipping Lines (AISL) sealed their partnership with the signing of a Memorandum of Agreement on Data Sharing. With the implementation of Customs Administrative Order (CAO) No. 08-2019, this initiative aims not only to enhance efficiency in managing and monitoring unattended containers but also to pave the way for innovative income streams beyond traditional means.



On September 04, 2023, the BOC and the Department of Trade and Industry-Strategic Trade Management Office (DTI-STMO) signed a Memorandum of Agreement (MOA), which emphasizes the commitment of both agencies to implement the Strategic Trade Management Act (STMA), focusing on data sharing, risk management, trade facilitation, and collective monitoring efforts.



The BOC also forged a Data Sharing Agreement with the Philippine Economic Zone Authority (PEZA) on September 05, 2023. This agreement grants PEZA access to the BOC's Electronic Tracking of Containerized Cargo (E-TRACC) System data. This real-time monitoring capability enables efficient, transparent, and secured cargo transportation within and beyond economic zones.



On October 18, 2023, the BOC and Philippine Postal Corporation (PHLPost) signed a MOA, which aims to expedite, secure, and elevate the efficiency of customs clearance processes related to postal shipments.



On September 27, 2023, the BOC and the Philippine Drug Enforcement Agency (PDEA) solidified their commitment to combat illicit activities related to dangerous drugs, controlled precursors, and essential chemicals. The MOA encompasses joint efforts to prevent the smuggling, importation, exportation, and transshipment of such substances. Additionally, it addresses the unauthorized handling of instruments, paraphernalia, apparatuses, and equipment involved in their administration and production.

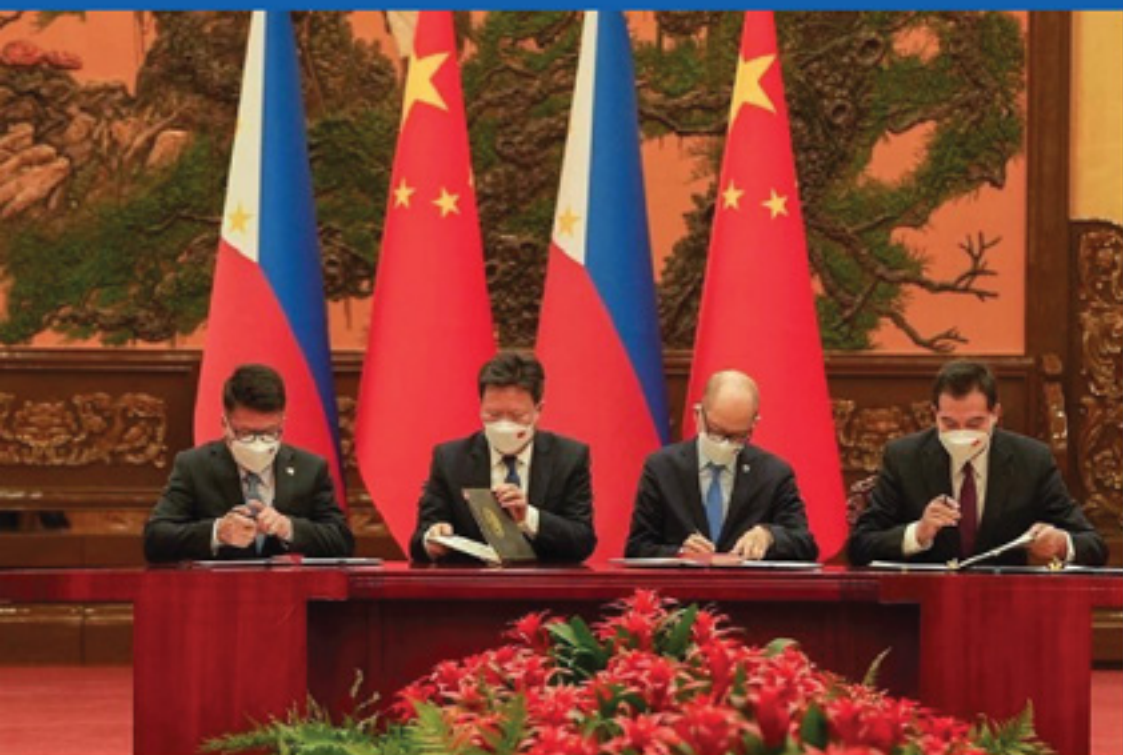
The collaborative efforts of the BOC with various government agencies are geared towards enhanced and secured trade facilitation. These partnership signify their dedication to leverage technology, share crucial data, and jointly address challenges to foster a more efficient and transparent customs administration in the Philippines. As the BOC continues to strengthen these collaborations, the nation can anticipate a more streamlined, secure, and globally competitive trade environment.

PROMOTING TRADE STANDARDS THROUGH THE AUTHORIZED ECONOMIC OPERATOR PROGRAM

Firm in its pledge to enhance trade facilitation and position Philippine trade to be at par with other Association of Southeast Asian Nations (ASEAN) Member States (AMS), the BOC champions the full implementation of the Authorized Economic Operator (AEO) Program. Signed into effect on March 16, 2020, the implementation of CMO No. 9-2020 enables highly compliant stakeholders to clear their goods with minimal or zero customs border intervention, among other benefits. This program fosters customs-to-business collaboration with legitimate and trusted Philippine trading partners, paving the way for smoother and more efficient trade transactions.

As of 2023, three (3) companies have successfully attained Level 1 accreditation under the AEO Program, which include Toyota Motor Philippines Corporation, Panasonic Manufacturing Philippines Corporation, and Coca-Cola Beverages Philippines, Incorporation. These companies are currently undergoing a comprehensive evaluation process to obtain Level 2 accreditation. The AEO Office is actively advancing numerous pre-screening and Level 1 applications.





In 2023, the BOC entered into various Mutual Recognition Arrangements (MRA) to advance the AEO Program. During President Marcos Jr.'s state visit to China in January, the BOC and the General Administration of Customs of the People's Republic of China (GACC) signed an MRA on the AEO. The MRA establishes a platform for AEO-registered companies in both countries to access additional benefits, including a higher level of prioritization for cargo clearance and expedited customs clearances.

Building on this momentum, on May 12, 2023, the Philippines, represented by Commissioner Rubio, signed the ASEAN Authorized Economic Operator Mutual Recognition Arrangement (AAMRA). The AAMRA assures compatibility with the World Customs Organization's (WCO) SAFE Framework of Standards to secure and facilitate global trade, aligning the certification standards applied by the Customs Administrations of AMS within their respective AEO programs. Certified AMS AEOs stand to gain faster cargo clearance and priority treatment for cargo inspection within ASEAN, leading to increased savings through improved predictability of cargo movement. These MRAs signify a strategic move towards fostering efficiency, collaboration, and predictability in trade operations between the Philippines and China, as well as within the broader ASEAN community.



BOC concluded the year by actively participating in the Hong Kong – Philippines AEO Expert Mission and Symposium in November 2023. During this event, a Joint Action Plan was officially established with Hong Kong, which aims to ensure and assess the compatibility of the AEO Programs of both countries.

The AEO Program has emerged as a cornerstone in the BOC's efforts to elevate trade standards, enhance efficiency, and foster collaboration. The achievements in accreditation, coupled with strategic international agreements, underscore the BOC's commitment to ensure seamless trade facilitation and a secure trade



GLOBAL ENGAGEMENTS FOR CUSTOMS INNOVATION

The BOC has demonstrated strong interest in global engagement, promoting collaboration, and advancing customs practices on the international stage. Through active participation in key events and partnerships with various organizations, the BOC has contributed significantly to the international customs community.



34th Meeting of the ASEAN Customs Procedures and Trade Facilitation Working Group (CPTFWG)

- The BOC successfully hosted the 34th Meeting of the ASEAN CPTFWG from March 21 to 23, 2023. The AMS discussed the progress on customs cooperation, emphasizing the simplification, harmonization, standardization, and modernization of customs procedures to enhance regional trade. Additionally, it addressed the implementation of commitments related to the World Trade Organization - Trade Facilitation Agreement (WTO-TFA).





Korea Customs Week Participation:

- In April 2023, the BOC participated in "Korea Customs Week," which was held in Seoul, South Korea. During this event, the agency engaged in discussions covering crucial topics such as e-commerce, disruptive technologies, and customs information exchange. Notably, Commissioner Rubio and officials from other Customs Administrations signed joint statements signifying their resolve to reinforce customs cooperation in the pursuit of digital customs and strengthen narcotics control in the Asia-Pacific Region.



24th WCO Asia/Pacific (A/P) Regional Heads of Customs Administrations (RHCA) Conference:

Commissioner Rubio led the Philippine delegation at the 24th WCO A/P RHCA Conference, which was held from May 28 to 31, 2023. The delegation actively contributed to discussions on various customs matters and presented significant initiatives led by the BOC.



32nd Meeting of the ASEAN Directors-General of Customs:

At the 32nd Meeting of the ASEAN Directors-General of Customs held from June 06 to 08, 2023 in Thailand, the Philippine delegation highlighted the country's experience with the WCO Mercator Program, emphasizing the significance of integrity diagnostics. Commissioner Rubio urged fellow AMS to explore the program's offerings to promote integrity across all Customs Administrations, underscoring the importance of ethical customs practices.

141st/142nd WCO Council Sessions:

The BOC actively participated in the 141st/142nd WCO Council Sessions held from June 22 to 24, 2023, in Brussels, Belgium. Commissioner Rubio presented the BOC's 2023 Five-Point Priority Program during the event, emphasizing BOC's endeavor to digitalize processes, simplify customs procedures and facilitate secure trade, improve revenue collection, combat smuggling, and boost employee morale and development.



Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA) Trade Facilitation Cluster (TFC) Meeting:

The BOC actively hosted international events, including the inaugural BIMP-EAGA TFC Meeting held from July 25 to 26, 2023. This meeting brought together Customs, Immigration, Quarantine, and Security (CIQS) agencies from Member States to optimize cross-border procedures and foster a business-friendly environment within the sub-region.





Asia's Security Conference Exhibition in Singapore:

On July 26, 2023, Commissioner Rubio participated as a speaker at the Asia's Security Conference Exhibition in Singapore. During which, he emphasized the BOC's dedication to combat counterfeiting and protect trademarks in the Philippines. The Commissioner proudly shared that the Philippines has remained out of the United States Trade Representative's (USTR) watchlist for ten (10) consecutive years, as stated in the USTR's 2023 Special 301 Report.



31st ASEAN Single Window Steering Committee (ASWSC) Meeting:

The 31st Meeting of the ASWSC was hosted by the BOC from November 29 to December 01, 2023. The ASWSC discussed the progress on the implementation of the ASEAN Single Window (ASW) initiative. In his welcome remarks, Commissioner Rubio reaffirmed the BOC's dedication to leverage technology and digital innovation to enhance trade facilitation within the ASEAN.

The BOC's active engagement on the global stage manifests its commitment in advancing customs practices, fostering collaboration, and promoting trade facilitation. Through participation in key events, partnerships with international organizations, and hosting international meetings, the BOC continues to play a crucial role in strengthening partnerships and fortifying regional and international customs cooperation.

FOSTERING PHILIPPINE TRADE GROWTH THROUGH THE REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)

The BOC issued a CMO dated May 26, 2023, outlining the conditions for preferential tariff treatment under the RCEP. Allowing importers and exporters from any of the 15 Member Countries, including the Philippines, to claim preferential tariff rates. The move is poised to simplify trade procedures, reduce costs, and enhance the competitiveness of Philippine exports in the regional market.

The RCEP is a comprehensive Free Trade Agreement among the 15 Asia-Pacific Nations. The Member Countries are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam, Australia, China, Japan, Republic of Korea, and New Zealand.

The RCEP Agreement, beyond its macroeconomic implications, particularly benefits micro, small, and medium enterprises (MSMEs) in the region. It goes beyond market access commitments by introducing more liberal rules of origin, providing businesses with expanded options for sourcing their production. This flexibility could lead to increased productivity and competitiveness for MSMEs. Moreover, the RCEP Agreement streamlines rules and disciplines, fostering a conducive environment for regional trade and investment. The result is a reduction in transaction costs, contributing to the establishment of stronger and more resilient supply chains.

The BOC's proactive role in implementing and communicating these initiatives underscores its drive in fostering a thriving trade environment for the Philippines and its regional partners. In 2023, the BOC issued a total of eight (8) Certificates of Origin and 22 Product Evaluation Reports.



PHILIPPINES SOARS TO SECOND PLACE IN UNITED NATIONS (UN) GLOBAL SURVEY

The BOC's efforts to enhance trade facilitation has propelled the Philippines to the second position among AMS in the 2023 UN Global Survey on Trade Facilitation. This marks a significant improvement from the third position in 2021, displaying the country's commitment to enhance trade processes. The Philippines achieved an impressive score of 87.10%, emphasizing continuous progress in trade efficiency.

UN Global Survey on Digital and Sustainable Trade Facilitation 2023

| | | |
|-----|------------------------------------------------------------------------------------------------------|---------------|
| 1st |  Singapore | 96.77% |
| 2nd |  PHILIPPINES | 87.10% |
| |  Indonesia | 87.10% |
| |  Malaysia | 87.10% |
| 3rd |  Thailand | 84.95% |
| 4th |  Cambodia | 80.65% |
| 5th |  Brunei | 78.49% |
| 6th |  Vietnam | 74.19% |
| 7th |  Lao PDR | 67.74% |
| 8th |  Myanmar | 61.29% |
| 9th |  Timor Leste | 30.11% |

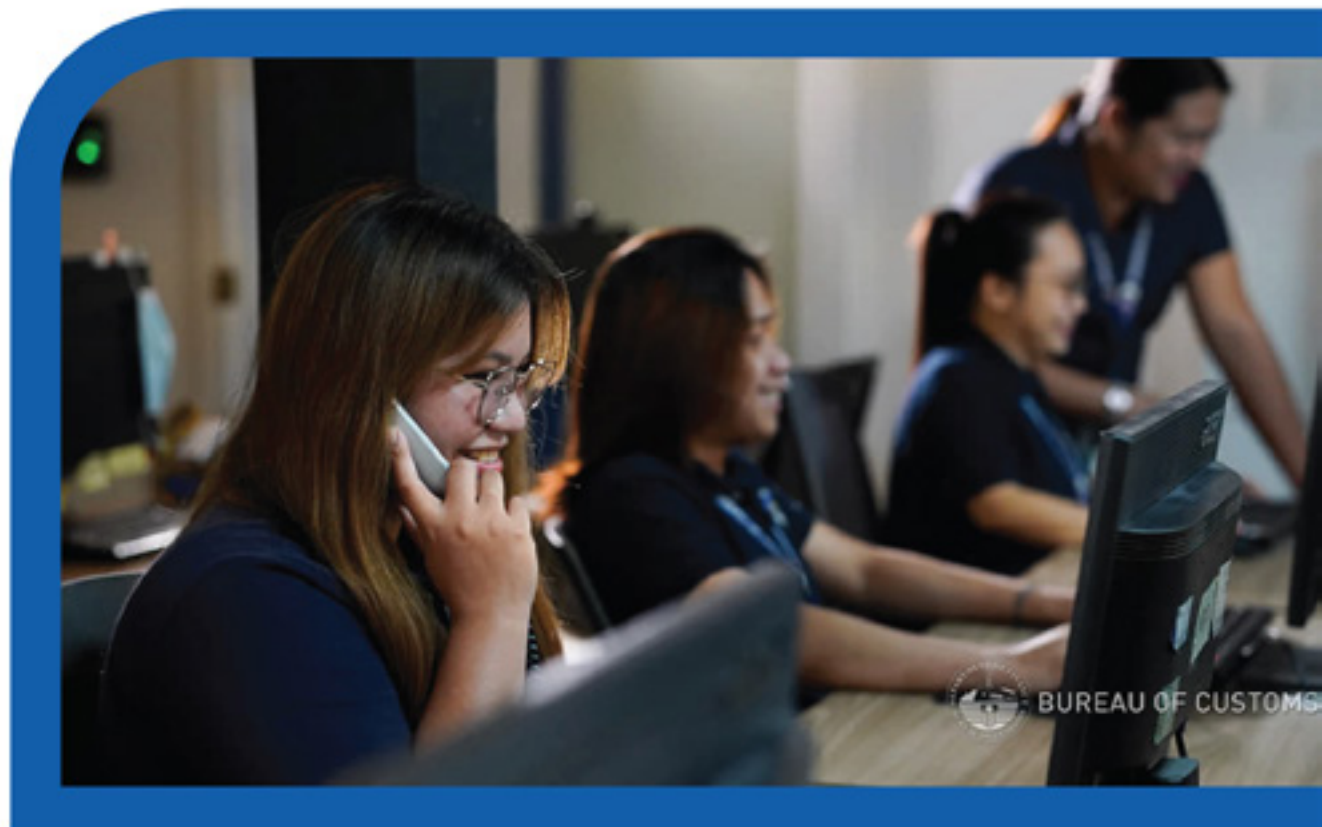
The BOC's performance in the UN Global Survey is attributed to its active participation in regional initiatives, notably the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA). These initiatives focus on innovative paperless and cross-border trade facilitation measures, which are aligned with BOC's continuous innovation and digital transformation for sustainable and inclusive trade.

CUSTOMER ASSISTANCE AND RESPONSE SERVICES: ENHANCING STAKEHOLDER SATISFACTION AND TRANSPARENCY

In an effort to boost stakeholder satisfaction and transparency, the BOC implemented the revised CMO 10-2023 on April 20, 2023, which outlines the improved operations of the BOC-Customer Assistance and Response Services (BOC-CARES) under the Public Information and Assistance Division (PIAD).

Established as an integral component of BOC's commitment to excellence, BOC-CARES serves as the frontline unit entrusted to address stakeholder inquiries, concerns, or complaints. Recognizing the vital role of customer service in fostering positive relationships with the public, BOC-CARES has been at the forefront of ensuring efficient communication and issue resolution.

The revised CMO introduces new compositions and functions within the BOC-CARES, placing a strong emphasis on efficient mechanisms to promptly address stakeholder concerns. Embracing continuous improvement and prioritizing transparent processes proves the BOC's drive to initiate accountability, cultivate greater trust among stakeholders, and elevate the standards of customer service delivery.





BOC-CARES achieved remarkable milestones in 2023, showcasing its dedication in effectively addressing citizen complaints. Throughout the year, BOC-CARES documented 1,221 complaints received directly from clients and various agencies. **97.63%** (1,196) of these concerns were successfully resolved and closed.

BOC-CARES is dedicated to continue improvement and responsiveness, ensuring that stakeholders' concerns are swiftly and adequately addressed.



97.63%
RESOLUTION RATE



CURBING SMUGGLING IN ALL FORMS

SAFEGUARDING THE NATION AGAINST SMUGGLERS THROUGH RELENTLESS SEIZURE OPERATIONS



The BOC continuously seeks to combat smuggling and safeguard the country's economic integrity and security. Through rigorous seizure operations, the BOC has intensified its crackdown on illicit activities, deploying stringent measures to detect and prevent the entry of contraband into the nation's borders.

In 2023, the BOC issued 154 Alert Orders against import and export shipments suspected of carrying smuggled goods. Eighty-four (84) of which were found to be in violation of customs laws, highlighting the effectiveness of the BOC's enforcement and intelligence measures. Additionally, 142 Letters of Authority (LOA) were issued, which allowed authorized customs operatives to visit and inspect warehouses with derogatory reports, further reinforcing BOC's anti-smuggling efforts.

The BOC intercepted billions of pesos worth of smuggled commodities across various ports nationwide. The BOC's commitment to drive out smugglers is evident in the substantial results achieved, with 980 seizure operations conducted throughout the year. The seized goods amounted to a total estimated value of ₱43.295 billion, demonstrates BOC's efforts in combatting smuggling in all forms.

SUMMARY OF SEIZED SMUGGLED GOODS C.Y. 2023

| Commodity | No. of Seizure Operations | Estimated Value Peso |
|----------------------------------|----------------------------------|-----------------------------|
| Counterfeit Goods | 268 | 25,379,504,262.11 |
| Illegal Drugs | 114 | 7,709,541,944.55 |
| Cigarettes/Tobacco | 255 | 3,823,341,578.87 |
| Agricultural Products | 159 | 3,464,680,171.53 |
| General Merchandise | 17 | 974,069,884.75 |
| Fuel / Oil | 22 | 870,098,268.42 |
| Steel Products | 1 | 585,203,500.00 |
| Vehicles & Accessories | 5 | 284,066,469.22 |
| Food Stuff | 12 | 103,334,612.24 |
| Electronics | 21 | 28,415,105.40 |
| Chemicals | 12 | 18,902,973.34 |
| PPE, Medical Supplies, Cosmetics | 26 | 18,756,083.24 |
| Firearms | 9 | 16,649,391.00 |
| Currency | 8 | 13,449,607.40 |
| Other Products | 13 | 3,931,588.52 |
| Used Clothing | 5 | 1,114,709.10 |
| Wildlife & Natural Resources | 6 | 513,486.50 |
| Jewelry | 27 | 158,947.04 |
| TOTAL | 980 | ₱ 43,295,732,583.23 |



 **₱ 43.295 B**
SEIZED COMMODITY



The top-seized commodities were counterfeit goods (P25.379 billion); illegal drugs (P7.709 billion); cigarettes/ tobacco products (P3.823 billion); agricultural products (P3.464 billion); and general merchandise (P974 million). The total number of seizure operations conducted in 2023 exemplify the BOC's efforts to counter smuggling and maintain public safety.





Counterfeit Goods

In 2023, counterfeit goods emerged as the top-seized commodity with a total estimated value of ₱25,379 billion. On June 14, 2023, a shipment suspected to contain counterfeit items with an estimated value of ₱240 million arrived at the Port of Subic. Firm in fulfilling BOC's mandate to protect the nation's borders, customs operatives from the Port of Subic subsequently apprehended the said shipment.

The unlawful activity of counterfeiting, marked by deceptive labeling and manufacturing practices, continue to pose a threat to markets and consumers. The BOC recognizes its negative and harmful impact on society, thus maintaining a vigilant stance and implementing cautious measures to secure the nation from the proliferation of counterfeit products.



Illegal Drugs

- The BOC has remained consistent in countering the entry of illegal drugs, resulting in the seizure of an estimated total of ₱7.709 billion worth of illegal substances. Enhanced collaboration with key agencies such as the Inter-Agency Drug Interdiction Task Group (IADITG), National Bureau of Investigation (NBI), Department of Justice (DOJ), and the Philippine Drug Enforcement Agency (PDEA) was instrumental in the realization of these efforts.
- The collaborative operations and information-sharing mechanisms established through these partnerships were influential in intercepting significant volumes of illegal substances.

Below is a detailed breakdown of the data on seizures operations:

| SEIZED ILLEGAL DRUGS C.Y. 2023 | | |
|--------------------------------|---------------------------|---------------------------|
| TYPE OF DRUGS | NO. OF SEIZURE OPERATIONS | ESTIMATED VALUE IN PESO |
| Crystal Meth (<i>Shabu</i>) | 45 | 7,318,498,163.00 |
| Cocaine | 10 | 242,121,564.80 |
| Unlabeled/Other | 7 | 76,759,346.16 |
| Marijuana | 22 | 39,330,587.59 |
| Ecstasy | 12 | 27,168,700.00 |
| Kush | 10 | 3,448,453.00 |
| Ketamine | 2 | 2,130,360.00 |
| Cannabidiol | 6 | 84,770.00 |
| TOTAL | 114 | ₱ 7,709,541,944.55 |



The total number of seizure operations conducted reflects the BOC's strengthened campaign against illicit drug trade, ensuring public safety, and preserving national security by disrupting the flow of various illegal substances.

Cigarettes and Tobacco Products

Valued at **₱3.823 billion**, seized cigarettes and tobacco products ranked third among the commodities confiscated by the BOC in 2023. Noteworthy among these seizure operations was the interception of **₱160.3 million** worth of undocumented cigarettes and tobacco products in Zamboanga on August 23, 2023. Throughout the year, the BOC recorded 255 seizure operations, underscoring its endeavor to address the challenges posed by illicit tobacco trade.

To tackle this issue comprehensively, the BOC implemented a multifaceted strategy involving collaboration with AMS, international partnerships, and engagements with industry stakeholders and local law enforcement agencies, notably the National Tobacco Administration (NTA). The BOC actively participated in industry summits alongside major tobacco firms to enhance strategies and enforcement capabilities to combat illicit tobacco activities effectively.

Moreover, the BOC leveraged advanced technologies, particularly in data management, to identify and prevent illicit tobacco trade. Focused on data-driven inspections and enhancing transparency across supply chains, the BOC aims to strengthen its ability to detect and interdict illicit tobacco products entering the country's borders.



Agricultural Products

In 2023, the BOC achieved significant accomplishments in addressing the illicit trade of agricultural products, reflecting its determination to uphold regulatory standards and safeguard the country's economy. Agricultural products ranked fourth among the top-seized commodities, with an estimated value amounting to **₱3.464 billion**.

A notable operation conducted in collaboration with House of Representatives Speaker Ferdinand Martin G. Romualdez and other agencies led to the confiscation of **₱519 million** worth of rice grains stored in warehouses in Bulacan province. The said operation, which was carried out on August 30, 2023, resulted in the seizure of 154,000 sacks of imported rice and 60,000 sacks of 'palay.' The operations emphasize the importance of proactive inspections in thwarting smuggling attempts and safeguarding the nation's interests.

BOC increased border vigilance, leading to the execution of 159 crackdown missions aimed at preventing the detrimental effects of smuggled agricultural commodities on the nation's economy. These undertakings showcase the country's defenses against the entry of illegally imported agricultural goods. By preventing economic exploitation and disruption in vital sectors, such as agriculture, the BOC contributes in the preservation of the integrity and stability of the national economy.

Overall, the accomplishments of the BOC in addressing illicit agricultural trade underscore its diligence in combating smuggling activities, protecting local farmers, and promoting fair trade practices.



General Merchandise

The BOC was successful in seizing General Merchandise with a total estimated value of ₱974.069 million. Notable among these seizure operations was the confiscation of smuggled goods worth ₱900 million in Plaridel, Bulacan on May 26, 2023. The confiscated items comprised various products, including housewares and kitchenware. By apprehending such enormous quantity of smuggled goods, the BOC effectively curtailed the flow of illegal products into the market, safeguarding consumers from potential harm and protecting the interests of legitimate businesses.



In 2023, the BOC further intensified its anti-smuggling campaign on high-revenue commodity through the Fuel Marking Program (FMP). The close monitoring efforts of the BOC's Enforcement Group (EG) in the fuel supply chain led to the marking of 18.97 billion liters of fuel, amounting to ₱234.18 billion in duties and taxes collected. This measure demonstrates the BOC's effort to track and trace the movement of petroleum products in the country, effectively deterring smuggling.

| VOLUME OF MARKED FUEL & REVENUE COLLECTED C.Y. 2023 | | | | |
|-----------------------------------------------------|---------------------------------------------|-----------------|---------------|---------------|
| VOLUME MARKED (in billion liters) | DUTIES AND TAXES COLLECTED IN BILLION PESOS | | | |
| | DUTY | VALUE ADDED TAX | EXCISE | TOTAL |
| 18.97 | 0 | 94.45 | 139.71 | 234.18 |

The robust implementation of the FMP has improved the BOC's capacity to regulate the import and distribution of oil products, ensuring compliance with taxation and customs regulations. Illicit activities in the fuel sector have been effectively curtailed, contributing to the preservation of government revenue and improved market compliance.

Noteworthy among the achievements of the BOC in 2023 are the apprehensions of unmarked fuel shipments at the vicinities of Sual, Pangasinan, and Batangas. These operations resulted in the seizure of 1.35 million liters and 847,395 million liters of unmarked fuel, respectively.

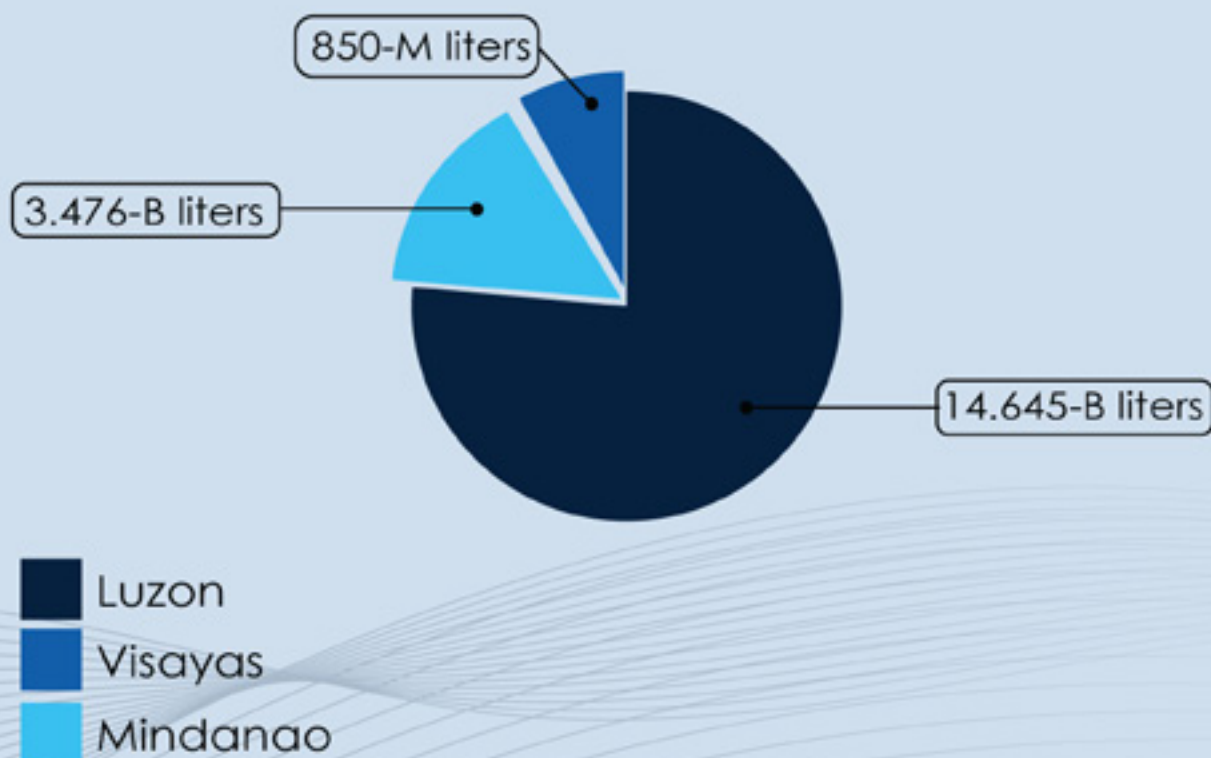


The breakdown of fuel marked in 2023 includes 3.465 million liters of diesel, 1,281 liters of kerosene, and 92,760 liters of gasoline. Additionally, 24 tank trucks and 12 vessels containing unmarked fuel were apprehended during the year.

| COMMODITY | VOLUME/QUANTITY | ESTIMATED VALUE IN PESO | RETAIL STATIONS | NON-RETAIL STATIONS |
|--------------|---------------------|-------------------------|-----------------|---------------------|
| Diesel | 3,465,372.44 liters | 197,173,604.76 | 6 | 18 |
| Kerosene | 1,281 liters | 76,175.46 | | |
| Gasoline | 92,760 liters | 6,977,833.07 | | |
| Tank Trucks | 24 units | 68,678,539.60 | | |
| Vessel | 12 units | 122,104,542.19 | | |
| TOTAL | | ₱ 395,010,695.08 | 6 | 18 |

The volumes of marked fuel were distributed across the islands in the Philippines, Luzon recording the highest at 14.645 billion liters, followed by Mindanao with 3.476 billion liters, and Visayas with 850 million liters.

VOLUME OF MARKED FUEL BY ISLAND

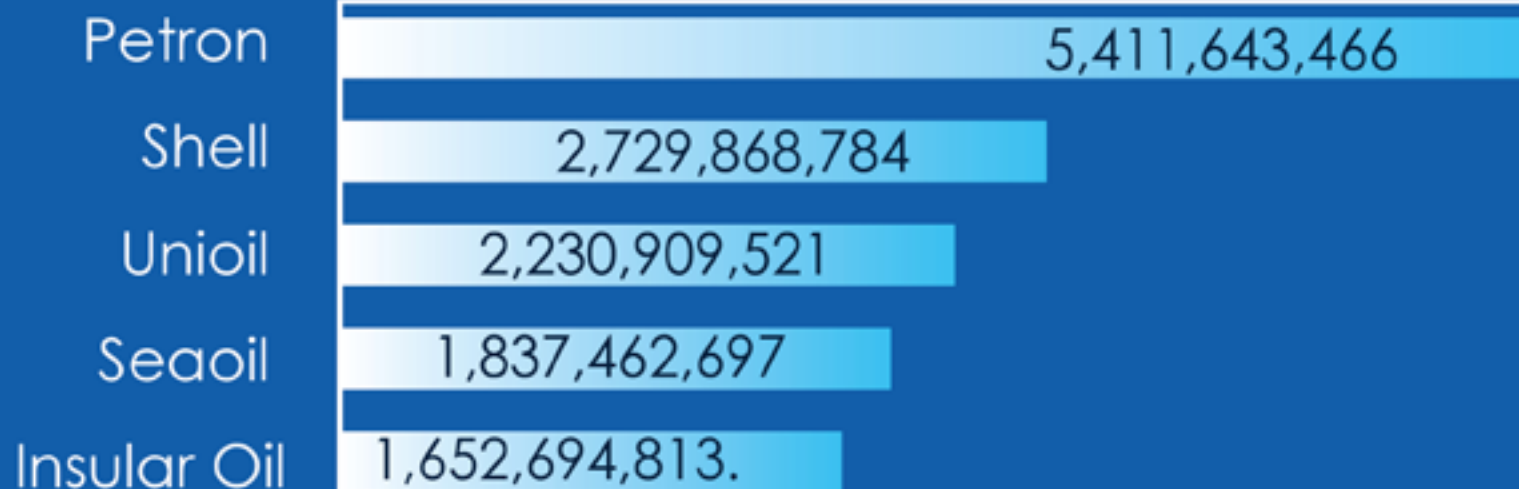


The top five companies that registered the largest volume of marked fuel under the FMP include Petron, Shell, Unioil, Seaoil, and Insular Oil. The successful implementation of the FMP is a testament to the BOC's commitment to effective border control, ensuring the regulation of oil product imports and distribution in the Philippines.

TOP COMPANIES WITH THE MOST MARKED FUEL UNDER THE FMP C.Y. 2023

COMPANY

VOLUME (L)



| | |
|-------------|----------------|
| Petron | 5,411,643,466 |
| Shell | 2,729,868,784 |
| Unioil | 2,230,909,521 |
| Seaoil | 1,837,462,697 |
| Insular Oil | 1,652,694,813. |



DISPOSAL OF SEIZED AND FORFEITED ILLICIT GOODS

Seized goods undergo prompt disposition following forfeiture proceedings, with the options of condemnation, donation, or auction. This process aims to maximize revenue potential from forfeited items while ensuring the proper handling of goods deemed harmful to public safety and health, thereby safeguarding governmental interests.

Throughout 2023, the BOC showed support for humanitarian causes through 11 donations of seized commodities to various government agencies. A notable example includes the distribution of 42,180 sacks of rice, valued at ₱ 42 million. The initiative, which was spearheaded by President Marcos Jr., benefited recipients in Mindanao and several areas in Metro Manila and nearby regions.

The donation sprung from a successful seizure operation in Zamboanga City on May 19, 2023.





Additionally, seized, and forfeited goods underwent condemnation, notably 5,624 master cases and 1,171 reams of seized cigarettes worth ₱323.59 million in Zamboanga City.

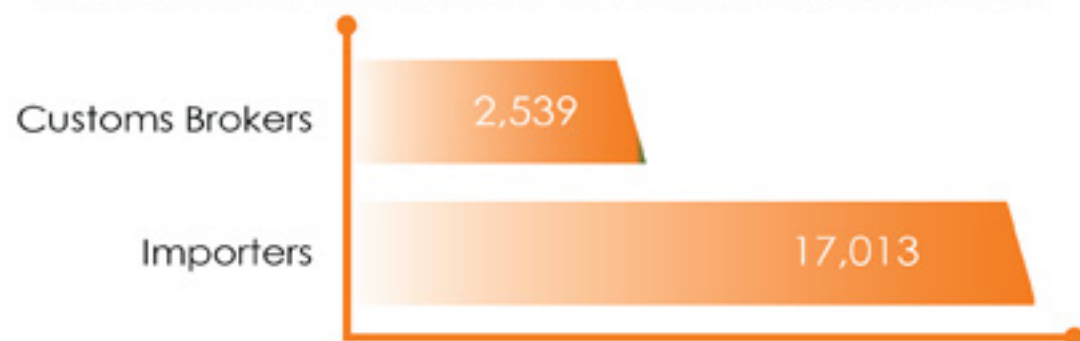
Furthermore, the BOC contributed to agricultural initiatives by donating 4,000 metric tons of confiscated Thailand white sugar to the Department of Agriculture (DA) on August 01, 2023. This donation was earmarked for various local communities, ensuring convenient access to sugar.

Overall, the BOC's effective management of seized and forfeited goods not only ensures compliance with regulatory standards but also contributes to humanitarian efforts and ensures public safety.



SECURING TRADE INTEGRITY THROUGH ACCREDITATION WITH CUSTOMS

ACCREDITED IMPORTERS & CUSTOMS BROKERS C.Y. 2023

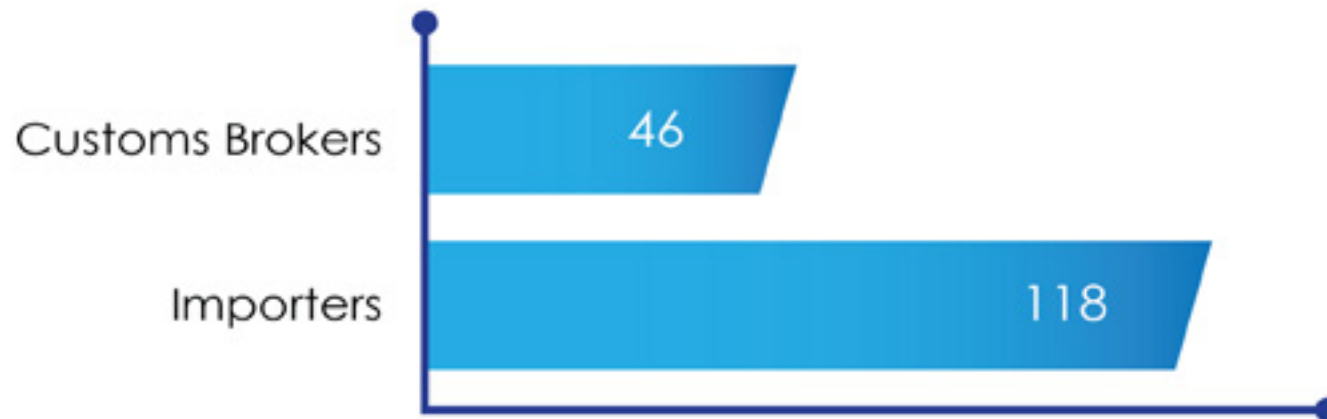


Through the Accounts Management Office (AMO) of the Intelligence Group (IG), noteworthy progress was made in accrediting importers and customs brokers, while also taking appropriate action against individuals found in violation of customs laws.

Throughout the year, AMO successfully processed the accreditation of 17,013 importers and 2,539 customs brokers with the BOC. This rigorous accreditation process ensures that only legitimate and compliant entities are authorized to engage in import and customs brokerage activities.



IMPORTERS & CUSTOMS BROKERS WITH REVOKED ACCREDITATION C.Y. 2023



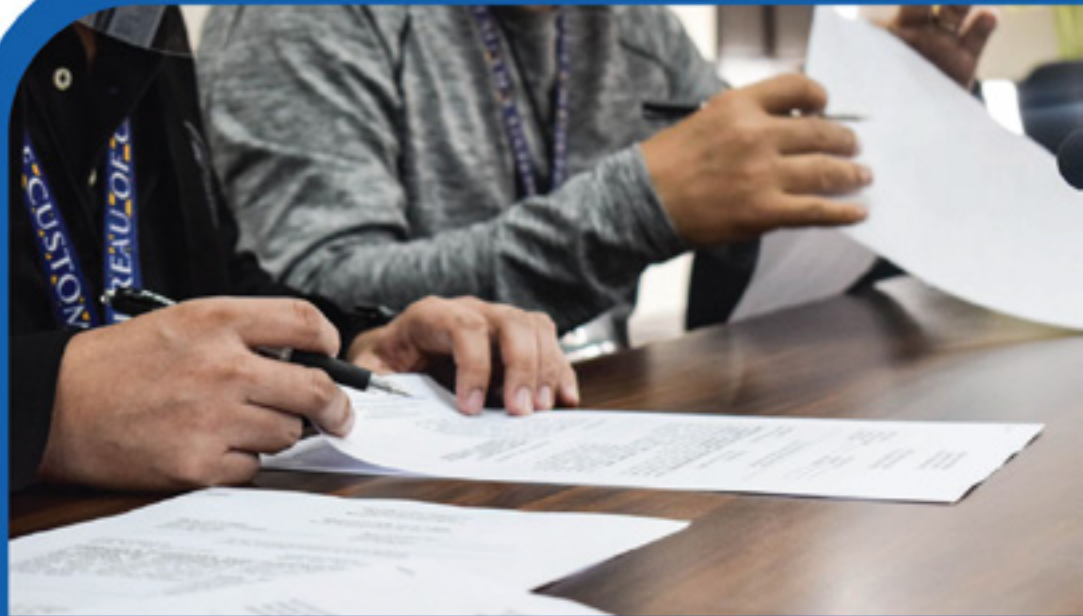
However, the BOC also continues to uphold customs laws by revoking the accreditation of entities found to have violated regulations. In total, 118 importers and 46 customs brokers had their accreditation revoked due to proven violations of customs laws, rules, and regulations. This measure helps maintain the integrity of trade operations and protect the interests of legitimate stakeholders.

PROMOTING ACCOUNTABILITY THROUGH PROMPT FILING OF CHARGES

In its ongoing campaign to promote transparency and accountability, the BOC filed charges against violators of customs laws in 2023. The Bureau's Action Team Against Smugglers (BATAS), operating under the Legal Service, successfully filed 90 cases before the DOJ from January to December 2023. These cases involved 366 respondents, including 326 importers and/or their representatives, and 40 customs brokers.



| | CASES | | CASES |
|---------------|-------|---------------------|-------|
| Agriculture | 60 | General Merchandise | 4 |
| Fuel | 13 | Cigarettes | 1 |
| Food | 4 | Used clothing | 1 |
| Illegal drugs | 4 | Other goods | 3 |



The cases span various categories, with a major focus on agricultural smuggling, constituting 60 cases, including 56 instances of large-scale agricultural smuggling. Other filed cases cover unlawful importations of fuel, food items, illegal drugs, general merchandise, cigarettes, used clothing, and miscellaneous items.



Meanwhile, the BOC recorded six (6) convictions against respondents of criminal complaints filed by the BOC with the DOJ in previous years. These cases involve the illicit importation of various goods, including cigarettes, agricultural products, and general merchandise. The BOC pursued these cases to ensure accountability and deter potential customs law violations.

This proactive stance sends a clear message that violations of customs laws will be met with stringent legal consequences. By fostering a transparent, lawful, and secure customs environment, the BOC contributes to the overall integrity of trade practices, reinforcing the importance of compliance by stakeholders.





UPLIFTING EMPLOYEE WELFARE AND DEVELOPMENT

DRIVING EMPLOYEE WELFARE AND PROFESSIONAL GROWTH



The BOC is resolute in its drive to uplift employee welfare and foster professional development within its workforce. Recognizing the integral role of competent and skilled personnel in driving organizational success, the BOC has implemented various initiatives aimed at empowering its employees and maximizing their potential.

The Internal Administration Group (IAG) enhanced employee welfare through innovative programs designed to unlock the full potential of its workforce by elevating employee competence which is vital in the overall development of the BOC.



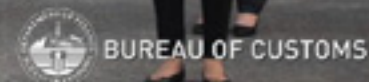
In pursuit of this objective, the Human Resource Management Division (HRMD) has spearheaded various Competency-Based Human Resource Management (CBHRM) activities. These initiatives were meticulously crafted to assess and evaluate the capabilities of BOC personnel, identifying essential skills, knowledge, and attitudes necessary in achieving the BOC's goals effectively.

Furthermore, the BOC-HRMD has successfully implemented a merit-based recruitment and selection program. This program aims to identify and appoint qualified personnel to fill vacant positions within the BOC. As a result, 480 personnel have been promoted, and 352 new employees have been recruited, thereby augmenting the workforce, and contributing to the BOC's strategic growth and enhancement of service. By investing in programs that assess and develop employee skills, the BOC is poised to strengthen its workforce and achieve greater operational efficiency.



480
PERSONNEL
PROMOTED

352
NEW EMPLOYEES
RECRUITED



The BOC continues its commitment in fostering a skilled and dynamic workforce through the implementation of robust Learning and Development (L&D) training programs. In 2023, the Interim Training and Development Division (ITDD) played a pivotal role in facilitating 357 L&D training programs, with emphasis on key initiatives aimed at enhancing personnel capabilities.

Crash Course for Assessment Personnel:

A noteworthy highlight of the year was the successful organization of 18 batches of the Crash Course for Assessment Personnel. Conducted from October 24 to December 15, 2023, this comprehensive training initiative ensured that 100% of all assessment examiners bureau-wide were equipped with essential knowledge across a diverse range of topics. The program is designed to enhance the competency and proficiency of assessment personnel.

Specialized Training in Customs Laboratory Processes:

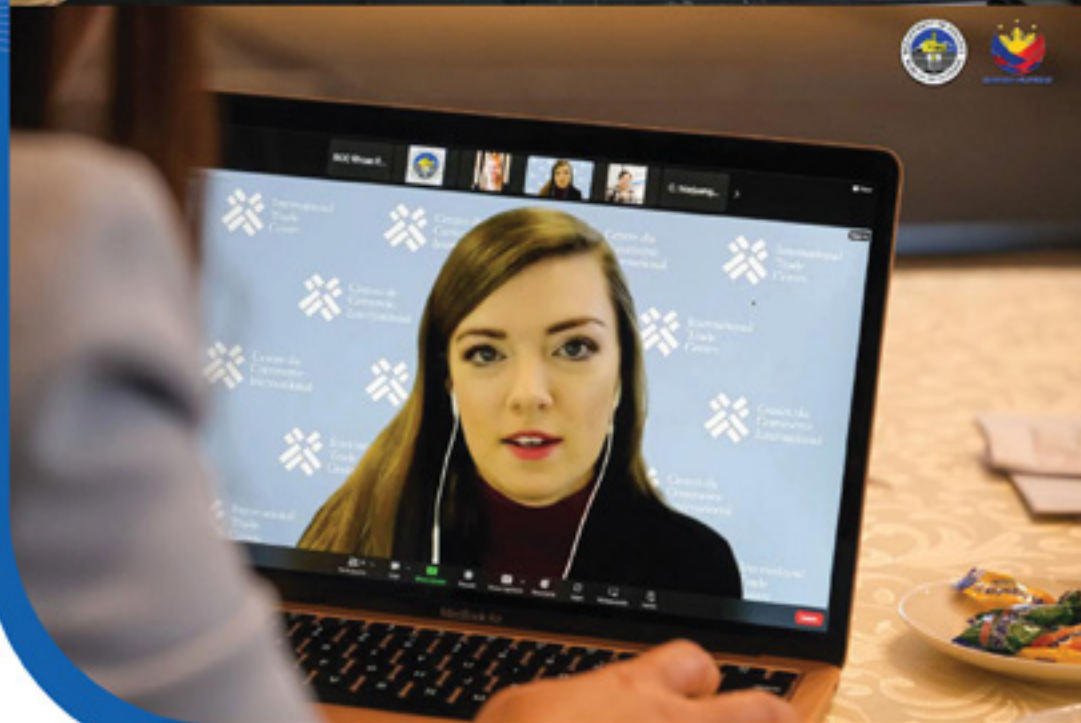
In collaboration with the Korea International Cooperation Agency (KOICA), the BOC conducted specialized training on customs laboratory processes. This initiative not only aimed to enhance bilateral collaboration but also facilitated knowledge sharing between South Korea and the Philippines. The anticipated benefits of this collaboration include improved tariff classification analysis, enhanced revenue collection, and bolstered border security. Additionally, this initiative played a crucial role in the re-establishment of the Philippine Customs Laboratory.



ARISE Plus Philippines Event - Strengthened Trade Facilitation Capacity:

The two-day event which was conducted from December 05 to 06, 2023 featured a segment on "Integrated Risk Management (IRM) Awareness, Risk Analysis, and Treatment Workshop." This workshop, involving the BOC Risk Management Office (RMO) and frontline officers, was developed to enhance the BOC's readiness to comply with commitments under the WTO-TFA and Republic Act (R.A.) No. 10863, otherwise known as Customs Modernization and Tariff Act (CMTA). Participants engaged in hands-on exercises, focusing on implementing a risk analytics strategy and exploring innovative risk management approaches.

The second segment, "Strengthened Trade Facilitation Capacity for implementing the CMTA and WTO-TFA," concluded with executive sessions on e-Commerce De Minimis Threshold and Taxation Regulations. Supported by ARISE Plus Philippines and executed by the International Trade Centre (ITC), this initiative sought to enhance BOC's trade facilitation capabilities. A write shop was also conducted to formulate a CAO addressing procedures for cross-border e-Commerce clearance.



Nurturing Employees' Well-being

As part of its ongoing initiatives on employee welfare, the BOC has undertaken various activities aimed at enriching the overall well-being of its workforce. Through programs focused on professionalism, development, and health, the BOC continues to nurture a workplace environment conducive to growth, engagement, and resilience.

In its effort to promote employee well-being, the BOC organized inaugural Employees' Consultative Assembly, which serves as a platform for employee engagement. During which, the Commissioner also presented to the employees the priority programs of the BOC.

The Medical and Dental Division (MDD) has been at the forefront of initiatives geared to ensure employee health and safety. Notably, the division spearheaded earthquake drills held in June, October, and November 2023. These drills were instrumental in enhancing employees' disaster preparedness and raising awareness on critical response measures in the event of calamities.

Furthermore, during the "Culminating Activity for Women's Month and Consultative Assembly 2023," the MDD organized



a bi-annual medical examination for employees. One hundred ninety-seven (197) employees participated in this examination, on the other hand 408 employees get vaccinated received flu, pneumonia, anti-rabies, or HPV vaccines, etc. to prevent and reduce the risk of transmission of critical illnesses.

In addition to medical examinations, the MDD also facilitated a blood donation drive during the same event. Seventy-four (74) donors participated in this noble initiative, reflecting the BOC's adherence to its social responsibility and its dedication to supporting community health and wellness.



To achieve operational excellence and service delivery, the BOC, through the Planning and Policy Research Division (PPRD), has implemented key initiatives to streamline procedures, enhance transparency, and align the BOC's operations with global standards and best practices.

Strategic Performance Management System:

The issuance of the CMO on the Strategic Performance Management System signifies a crucial step in aligning individual performance with the agency's overarching vision, mission, and strategic goals. By establishing this connection, the BOC aims to enhance accountability, foster a performance-driven culture, and ensure that employees' efforts contribute to the overall success of the organization.

Committee on Anti-Red Tape and Revised BOC Code of Conduct:

The establishment of the Committee on Anti-Red Tape through a CMO emphasizes the BOC's dedication to transparent and predictable customs procedures. This committee strives to enhance all customs services, improve public service delivery, and streamline processes throughout the BOC's operations. Simultaneously, the revised BOC Code of Conduct, incorporating key provisions from the WCO Code of Ethics and Conduct, aims to elevate ethical standards in alignment with global best practices.

Revised Citizen's Charter for 2024:

The commitment to excellence is further exemplified by the forthcoming 2024 Revised Citizen's Charter. This update, aligned with current rules and regulations on customs processes, will eliminate outdated procedures, incorporate newly issued guidelines, and ensure compliance with R.A. No. 11032. By doing so, the BOC seeks to provide a more transparent, efficient, and user-friendly experience for the public.

Harmonized Client Satisfaction Measure (HCSM):

The adoption of the Anti-Red Tape Authority (ARTA) Memorandum Circular No. 2022-05 and its amendment Memorandum Circular No. 2023-05 reflects the BOC's responsiveness to client feedback through the implementation of the Harmonized Client Satisfaction Measure (HCSM). This measure aims to comprehensively evaluate client satisfaction and perceptions regarding customs services. Coordination among the 17 Collection Districts and seven (7) groups ensures a systematic and thorough implementation of the HCSM, demonstrating the BOC's commitment to continued improvement.



These initiatives aim to deliver better services and foster greater efficiency and transparency within the BOC through enhancing its organizational framework and operational processes.

FOSTERING EMPLOYEE RECOGNITION AND INCENTIVES

In his bid to uplift employee morale and welfare, Commissioner Rubio spearheaded the BOC's application for the grant of the C.Y. 2018 rewards and incentives to qualified officials and employees pursuant to R.A. No. 9335, otherwise known as the Attrition Act of 2005.

The approval for incentives based on the agency's 2018 revenue collection performance, in accordance with R.A. No. 9335, marks a significant achievement in fostering a culture of recognition and appreciation. This legislative framework, also known as the Attrition Act, allows government agencies like the BOC and Bureau of Internal Revenue (BIR) to allocate 15% of the surplus from their annual revenue collection to the Rewards and Incentives Fund.

The accomplishment received the unanimous approval of the Revenue Performance Evaluation Board (RPEB), underscoring the meticulous efforts of the BOC Lateral Attrition Coordinating Committee and the Rewards, Incentives, and Attrition Technical Working Group. Their collaborative endeavors, guided by the Department of Finance (DOF) and the RPEB, were crucial in securing approval for the incentives. This collective commitment to diligence and hard work reflects the BOC's dedication to transparency and fairness in the distribution of rewards.

The Rewards and Incentives Fund, a direct outcome of this achievement, is designed to recognize and reward eligible officials and employees who have significantly contributed to achieving their respective collection targets. The distribution follows a predetermined criteria, ensuring that the incentives are allocated based on merit and performance.



BUILDING A MORE CONDUCTIVE ENVIRONMENT FOR BOC EMPLOYEES



Committed in creating a more conducive work environment, the BOC has upgraded its facilities. The new customs office of the Sub-port of Batangas opened its doors on February 03, 2023, in Puerto Princesa, Palawan. This milestone signifies a crucial step towards enhancing facilities and creating a more comfortable working area for employees. The new office promises improved working conditions, contributing to a better



The inauguration of the new Sub-port of Laoag Office at the Laoag International Airport and the unveiling of the new building for the Sub-port of Mindanao Container Terminal at the Phividec Industrial Estate in Tagoloan, Misamis Oriental, further underscore BOC's duty to provide state-of-the-art facilities for its internal and external stakeholders.



These developments reflect BOC's dedication to create a conducive work environment that fosters productivity and employee satisfaction. By investing in upgraded facilities, BOC aims to support its workforce in delivering quality service while ensuring their well-being and comfort.

ENSURING QUALITY SERVICE THROUGH BOC'S ISO CERTIFICATIONS

The BOC has demonstrated its commitment to deliver quality service by prioritizing the implementation of robust quality management systems. Through the efforts of the Interim Internal Quality Management System Office, the BOC has achieved significant milestones, including the acquisition of 24 ISO 9001:2015 Quality Management System (QMS) certifications. These certifications validate the BOC's adherence to international best practices in quality management, ensuring consistency, efficiency, and effectiveness in its service delivery.





Among the BOC's notable achievements is the Port of Batangas' remarkable record of accomplishment in quality management. The Port of Batangas has maintained their 9001:2015 certification for 11 consecutive years. Their sustained certification underscores the BOC's dedication to maintaining high standards of service, operational efficiency, and customer-centric practices.

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