

Department of Finance BUREAU OF CUSTOMS





MIDYEAR ACCOMPLISHMENT REPORT C.Y. 2024

VISION

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

MISSION

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

CORE VALUES

Professionalism Excellence Integrity Accountability

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In the first half of 2024, the Bureau of Customs (BOC) has demonstrated exceptional performance, building on the successes of the previous year with renewed dedication and effectiveness.

The BOC has notably exceeded its revenue targets, collecting billions in surplus through rigorous monitoring and accurate classification of imported commodities. Revenue collection was further bolstered by non-traditional sources, including post-clearance audit findings, public auctions, and tax expenditure funds.

Significant strides were made in trade facilitation through continuous development of digitalization projects designed to streamline customs processes and enhance overall efficiency. Alongside this, the BOC strengthened its collaborations with stakeholders to tackle industry-specific challenges and improve customs operations.

Enhanced border controls and improved trade facilitation have been pivotal in the agency's impressive performance. These measures have not only augmented tax collection but also effectively deterred smuggling and illegal activities.



Additionally, the BOC places strong emphasis on uplifting employee welfare and development. The BOC has implemented a range of employee-centered programs, including continuous hiring and promotions, training and capacity-building activities, rewards and recognitions, and wellness projects. These initiatives are designed to foster a supportive and dynamic work environment, contributing to overall organizational success.

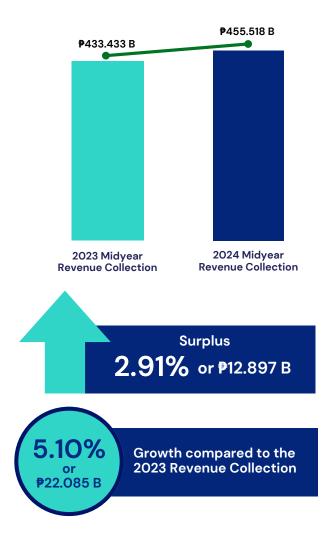
As we look ahead, the BOC remains steadfast in its commitment to driving national development through continued excellence in revenue collection, trade facilitation, border protection, and employee development.

-024 PCAG Total

REVENUE COLLECTION

BOC Surpasses Midyear Revenue Collection Target for 2024

As a revenue-generating agency, the Bureau of Customs plays a crucial role in supporting the Philippine government's financial stability and development initiatives. The funds collected by the BOC are essential in the financing of various national projects, including infrastructure development, social services, and other government programs aimed at improving the country's economic and social well-being. The Bureau of Customs (BOC) is on track to exceed its revenue target for fiscal year 2024. Based on the Bureau of the Treasury's data, the BOC collected **₱455.518 billion** from January to June 2024, surpassing the target by **2.91%** or **₱12.897 billion**.





In the first six months of 2024, the BOC consistently met and exceeded its monthly targets. This success is attributed to methods, improved valuation diverse revenue streams, collections from the tax expenditure fund, and ongoing digitalization modernization of BOC systems. and Increased import volumes and intensified collection efforts across 17 Collection Districts have also bolstered revenue outcomes.

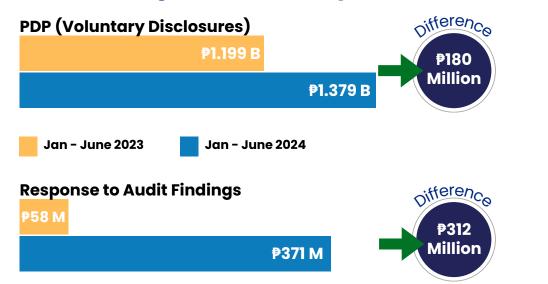


Other Revenue Streams

From January to June 2024, the BOC collected ₱1.749 billion from Post-Clearance Audit Findings and Voluntary Disclosure, representing a ₱492.088 million increase (39.13%) compared to the same period last year.



Audit Findings and Voluntary Disclosures



Total Collection



Additionally, proceeds from public auctions in various ports, including Manila, Surigao, Cebu, Zamboanga, Limay, Ninoy Aquino International Airport, and Manila International Container Port have significantly boosted revenue.



TRADE FACILITATION

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第六届全球 "经认证的经营者"(AEO)大会 6th WCO Global AEO Conference

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DIRECTORS - GENERAL OF CUSTOM



BOC Rolls Out eTravel System

The BOC successfully completed the full implementation of the eTravel System across international airports nationwide by the first semester of 2024. This system modernizes the processing of baggage and foreign currency declarations and enhances the monitoring of goods and personal effects brought by travelers. It improves the overall passenger experience and enables the BOC to receive advanced information for more effective risk profiling.





BOC Implements 24-Hour Operations and Standardized Fees

In response to President Ferdinand R. Marcos Jr.'s directive, the BOC has introduced 24-hour operations to handle the growing volume of shipments. This initiative, aimed at preventing delays and improving efficiency, began with a pilot test of the 24-hour shift schedule on June 13, 2024.



Additionally, Customs Administrative Order No. 02–2024, issued on May 11, 2024, standardizes the collection of Service Fees, Dues, and Charges. This order ensures consistent fee rates across stakeholders, establishes a mechanism for overtime payment, and channels collected fees into a Trust Fund to support Customs personnel allowances.

BOC Boosts Efficiency Through Partnerships

In its ongoing efforts to simplify procedures and enhance trade facilitation, the BOC has collaborated with government agencies, private institutions, and companies.





On February 2, 2024, the BOC established the Customs Industry Consultative and Advisory Council (CICAC) through Customs Memorandum Order No. 02–2024. This initiative aims to foster better collaboration between the BOC and industry stakeholders, addressing customs issues more effectively. By June 30, the Central CICAC had **25** member organizations, while the District CICACs had **117** active members.









BOC and LandBank Forge Partnership to Modernize Customs Payment Systems



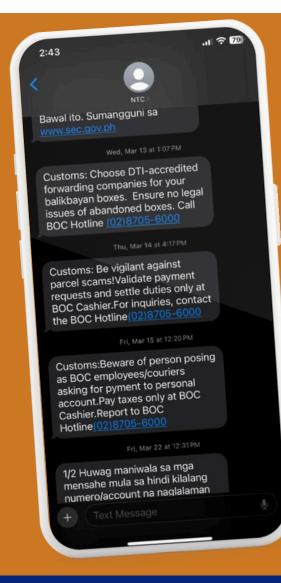
Further modernizing its operations, the BOC signed a Memorandum of Agreement with Landbank of the Philippines on March 4, 2024, to implement Landbank's Link.BizPortal for digital payments of miscellaneous fees. This agreement is set to enhance operational efficiency, reduce red tape, and improve service delivery by streamlining payment processes.

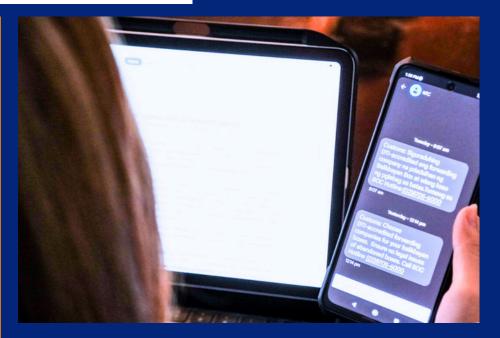
BOC-Port of Clark and DOT Establish MOU to Elevate Service Standards

The BOC – Port of Clark has signed a Memorandum of Understanding (MOU) with the Department of Tourism (DOT) at the Clark Freeport Zone, Pampanga on May 11, 2024. The signing was led by DOT Secretary Christina Garcia Frasco and includes the involvement of DOT – Region III along with other key partners. This MOU solidifies their commitment to the Filipino Brand of Service Excellence program, aiming to significantly enhance the quality of service at various tourism touchpoints across the region.



BOC Teams Up with NTC to Combat Scams





In collaboration with the National Telecommunications Commission, the BOC has launched an information campaign to educate the public on fraudulent schemes involving parcels and balikbayan boxes. This campaign aims to help citizens recognize and avoid scams by providing clear information on legitimate customs procedures.



Four Companies Earn BOC's



Accreditation

As of June 2024, the BOC has accredited four companies under the Authorized Economic Operator (AEO) program and is processing additional pre-screening and Level 1 applications. Accredited businesses benefit from expedited processing and reduced inspections by meeting high compliance and security standards.





SONY

LEVEL1

STRENGTHENED BORDER PROTECTION

BOC's Success in Combating Smuggling

In the first half of the year, the BOC conducted **868** anti-smuggling operations, seizing commodities worth **₱55.171 billion.** The BOC intercepted a range of illicit items, including counterfeit goods, various commodities, cigarettes/tobacco/e-cigarettes/vape, vehicles and accessories, and illegal drugs. These efforts reflect the BOC's commitment to combat smuggling and protect the public from unsafe and illegal products.





Strengthening the Fight Against Counterfeit Goods



The BOC has intensified efforts against counterfeit goods, resulting in a significant seizure amounting to over **P29.738 billion** in mid-2024. Notably, on June 14, 2024, the Intellectual Property Rights Division of the Intelligence Group uncovered **P11 billion** worth of counterfeit products, including imitations of high-end brands such as Gucci, Chanel, Louis Vuitton, Nike, Rolex, Apple, Hermes, and Dior.

On April 29, 2024, the BOC received an award from the Intellectual Property Office of the Philippines (IPOPHL) for its dedication to defend Intellectual Property Rights (IPR). This accolade highlights the BOC initiatives on IPR enforcement.

Further supporting these efforts, the first IPR Summit was held in March 2024. The summit gathered key government agencies, including the IPOPHL, the National Committee on Intellectual Property Rights, and the Food and Drug Administration, along with private sector representatives. The event featured discussions on product identification, IPR enforcement, and other challenges related to intellectual property practice.

Intensified Anti-Illegal Drugs Operations

By mid-2024, the BOC had intercepted **P2.277** billion of illegal drugs through **80** seizure operations. Shabu (methamphetamine) was the most commonly seized drug, totaling over **P1.239 billion**, followed by marijuana with a total value of **P934 million**, and ecstasy with **P92 million**.

A notable seizure operation of a parcel containing approximately **32** kilograms of shabu (methamphetamine), with an estimated street value of **₱218,484,000**, at the Paircargo Warehouse in Pasay City.

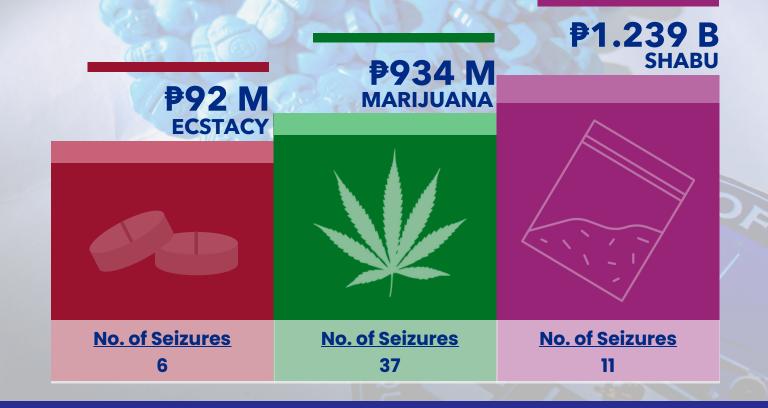
These achievements were supported by enhanced X-ray scanning, improved risk profiling training, and increased intelligence sharing with agencies such as the Philippine Drug Enforcement Agency and the National Bureau of Investigation.





Top-Seized Illegal Drugs

TOTAL: ₱2.277 B









Installation of Advanced X-ray Machines







The BOC has upgraded airport security with high-quality scanning machines at major international airports. This includes the installation of two (2) Rapiscan 920CT Hand-Carried Baggage Scanners, two (2) RT T110 CT Checked-in Baggage Scanners, and three (3) Tek84 Intercept Body Scanners. These advancements enhance security screenings and provide detailed images for thorough inspections.



Successful Implementation of the Fuel Marking Program

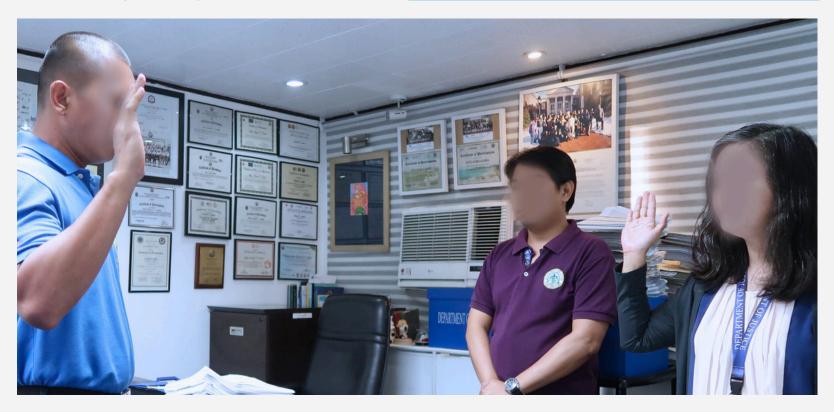


9.89 B Liters of Marked Fuel As of June 30, 2024, the BOC marked **9.89 billion liters** of fuel under the Fuel Marking Program, generating **₱121.72 billion** in duties and taxes. This success is attributed to enhanced monitoring and strict regulation of petroleum movements, ensuring accurate revenue collection and reducing the risk of illicit activities.

Strengthening Legal Actions Against Smuggling

The Legal Service of the BOC has filed **24** criminal cases against **94** individuals involved in smuggling. Additionally, in the first half of 2024, the BOC secured **four (4)** convictions for violations of the Customs Modernization and Tariff Act and other related customs laws from cases filed in previous years.





Preserving Integrity through Ensuring Strict Regulatory Compliance

Additionally, the Accounts Management Office of the BOC has taken decisive action by revoking the accreditation of **17** erring importers and customs brokers within mid-2024, which highlights the BOC's ongoing efforts to enforce regulatory compliance and uphold the integrity of customs operations.







17 Revoked Accreditations

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Condemnation of Seized Goods

In mid-2024, the BOC condemned **83** containers of seized and forfeited goods. Notably, the Port of Zamboanga destroyed **₱595 million** worth of smuggled cigarettes on June 13, 2024. The BOC remains resolute in promoting public welfare and market protection, emphasizing the importance of compliance with Customs regulations.





83 Containers

Condemned Seized and Forfeited Goods





BOC Donations to Government Agencies

The Bureau of Customs donated various forfeited goods to several government agencies, including the Department of Agriculture, Philippine Drug Enforcement Agency, Philippine Navy, Provincial Government of Batangas, Department of Social Welfare and Development, and the Province of llocos Norte. The donations included fertilizers, auditorium chairs, empty water tanks, assorted books, empty containers, steel trusses, scaffolding, and other miscellaneous items.





UPLIFT EMPLOYEE WELFARE AND DEVELOPMENT

Strengthening the BOC Workforce



In support of its increasing operational needs, the BOC has significantly expanded its workforce. The BOC, through the Human Resource Management Division of the Internal Administration Group (IAG), hired 144 new personnel employees from including other government agencies, and promoted 139 existing staff. Moreover, this priority program is part of the BOC's strategic effort to ensure the delivery of improved Customs services across all Offices and Ports.

NEWLY HIRED AND PROMOTED







The BOC's Learning and Development Management Office conducted **187** training programs in the first half of 2024. This includes **37** international seminars, **83** programs in collaboration with other government agencies, and **67** internal sessions.



Continuous ISO Certification





As of June 30, 2024, **14** Collection Districts and **six (6)** stand-alone offices of the BOC have received ISO 9001:2015 certification. This certification confirms their compliance with the International Organization for Standardization (ISO) quality management standards and underscores their dedication to delivering high-quality service and operational efficiency.





Cash Rewards for Revenue Excellence



To boost employee morale and encourage outstanding performance, Commissioner Rubio secured the approval from the Revenue Performance Evaluation Board (RPEB) on the allocation and release of rewards and incentives for all eligible BOC officials and employees, as well as performing BOC units, as mandated under Republic Act No. 9335, also known as the Attrition Act of 2005. This law stipulates the grant of individual and unit rewards when the agency exceeds its annual revenue targets. In February 2024, the BOC commenced the distribution of individual cash rewards to eligible officials and employees for surpassing the revenue collection target in 2018.



Employee Wellness Programs

The BOC engaged in humanitarian efforts, including blood donation drives with the Philippine Red Cross (PRC). As a result of these initiatives and its outstanding role in processing and distributing COVID-19 vaccines, personal protective equipment, and essential supplies, the BOC received awards from both the International Federation of Red Cross and the PRC on May 30, 2024.









In February 2024, the BOC marked its 122nd Founding Anniversary with activities to boost employee morale. The celebration included a special ceremony honoring retirees for their years of service and offering various health services to employees, such as wellness screenings and consultations.

In May 2024, the BOC hosted an Employees Wellness Day, featuring the Commissioner's Cup 2024 sports fest to encourage physical activity and team spirit among staff. The event also included a Stress Management Seminar designed to provide employees with techniques for handling workplace stress. Additionally, comprehensive health services were offered, including blood tests, vaccinations, eye check-ups, and body treatments, ensuring that employees have access to necessary health resources and support.









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