

### Department of Finance BUREAU OF CUSTOMS





### 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

### ANNUAL REPORT

### "Breaking New Grounds in Customs Service"



Department of Finance BUREAU OF CUSTOMS

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## MESSAGE OF THE ..... PRESIDENT

My warmest greetings to the Bureau of Customs (BOC) as you release your Annual Report for Fiscal Year 2024.

I recognize the efforts of the men and women of the BOC in improving our country's trade facilitation and strengthening border control. These initiatives allow us to secure the resources necessary for a more progressive and stable economy. In 2024, the Bureau has demonstrated exceptional resolve in enhancing our customs procedures, combating smuggling, and confiscating contraband, which protects the interests of our local producers and our country as a whole.

The achievements in this report are a reflection of your excellence and hard work to transform the BOC into a modern government institution that is at par with global standards. I trust that the pages of this material will inspire you to continue improving our services to the Filipino people.

As we look forward to another productive year, let us continue to build on these successes to fully realize a *Bagong Pilipinas* for all. Together, let us achieve a more efficient and resilient customs system that will sustain the development of the Philippines.

I wish you the best in your endeavors.

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## MESSAGE OF THE SECRETARY OF FINANCE



I commend the men and women of the Bureau of Customs (BOC) for their dedication and hard work year after year in funding the Filipino nation's dreams and securing our people's future through the revenues it collects.

This Annual Report chronicles the accomplishments that bear witness to the BOC's commitment to generating more resources, facilitating seamless trade, upholding good governance, and defending the country's economic integrity.

I also applaud the agency's digital transformation programs, bold policy reforms, and strengthened partnerships with stakeholders—all of which have significantly enhanced revenue collection efficiency. With the new initiatives, campaigns, and digital technologies introduced this year, the agency is growing much closer to becoming a more modern and world-class customs agency.

This 2025, let us heed the President's marching orders to lead a transformation in efficiency and integrity—creating a BOC that not only fulfills its commitments but also earns the unwavering trust of the Filipino public.

Let this year's achievements serve as a springboard to propel the BOC towards full digitalization, double-digit growth, and surpassing your collection targets. Let us remain steadfast and immovable in raising the bar for customs administration under the Bagong Pilipinas.

RALPH G, RECTO Secretary of Finance







## MESSAGE OF THE COMMISSIONER

As we present the Bureau of Customs (BOC) Annual Report for 2024, with the theme "Breaking New Grounds in Customs Service," I extend my sincere appreciation to the entire BOC workforce, our partners, and stakeholders for their unwavering commitment and support.

This year has been a period of significant transformation and progress, where we embraced new challenges and seized opportunities to redefine the standards of customs service. Guided by integrity, efficiency, and collaboration, we have fortified our role as guardians of the nation's borders and enablers of economic growth.

Our progress has been shaped by a forward-thinking vision, anchored in the values of transparency, accountability, and service excellence. These accomplishments reflect the dedication, resilience, and professionalism of the men and women who uphold the mission of this institution.

As we chart the path ahead under the banner of *Bagong Aduana sa Bagong Pilipinas,* the BOC remains resolute in its mission to provide exemplary service to the Filipino people. Together, let us continue to pave new paths, strengthen trust, and drive meaningful reforms in customs administration.

Thank you for your steadfast support and trust in our vision.



## EXECUTIVE SUMMARY



The BOC Annual Report for Calendar Year (CY) 2024 highlights its commitment to securing the nation's borders, facilitating trade, and driving revenue growth. Guided by the principles of modernization, collaboration, and integrity, the BOC has implemented transformative initiatives that strengthen its role as an essential economic driver while ensuring border security.

Amid shifting economic landscapes and policy changes, the BOC embraced innovative strategies to address challenges and seize opportunities. Through digital transformation, the BOC streamlined customs processes and reduced red tape, ensuring seamless and transparent services for stakeholders.

Collaboration remained a cornerstone of the BOC's efforts, with active engagement through various platforms. The BOC effectively addressed trade and customs concerns by fostering partnerships with industry stakeholders, promoting a unified approach to advancing the country's economic goals. The BOC also intensified its enforcement measures, achieving significant milestones in combating illicit trade and smuggling, and ensuring compliance with customs regulations. These actions reflect the BOC's dedication in upholding accountability and public trust while safeguarding national interests.

As the BOC continues to adapt in response to emerging challenges, its accomplishments underscore its critical role in supporting economic development and public welfare. Through innovation, partnership, and integrity, the BOC sets the foundation for a more secure, efficient, and inclusive trade environment.



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# DIGITALIZE CUSTOMS PROCESSES



The BOC continues to lead the way in modernizing and streamlining customs processes through digital transformation, ensuring smoother and more efficient trade across the Philippines.

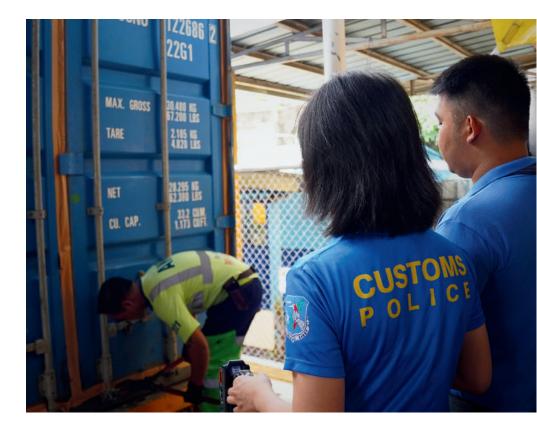


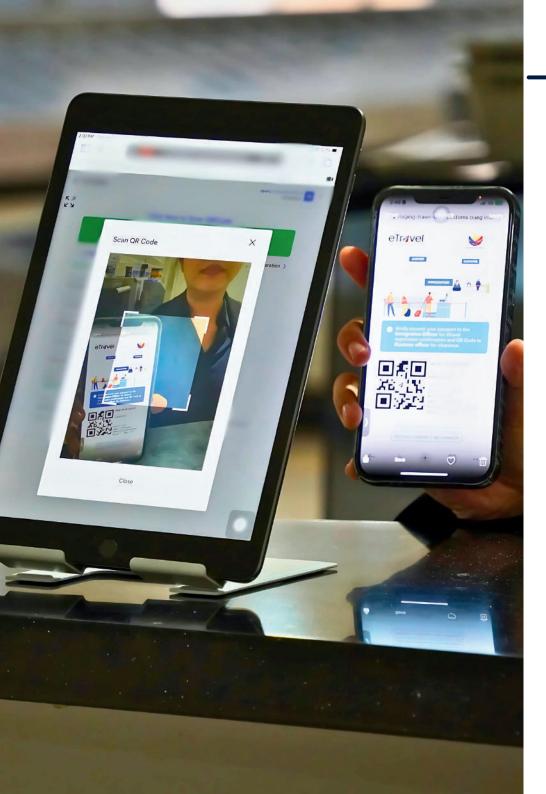
### **BOC ADVANCES THROUGH INNOVATIVE SYSTEMS**

In line with its modernization agenda in 2024, the BOC introduced several state-of-the-art systems designed to optimize customs operations and enhance service delivery.

The Overstaying Cargo Tracking System (OSTracker) was fully implemented in the second quarter of 2024, providing real-time updates on the status of overstaying cargo and containers across all ports. OSTracker enables the generation of detailed reports, enhancing cargo management and improving operational efficiency.

The ATA Carnet Monitoring System plays a crucial role in increasing transparency and efficiency for the ATA Carnet or the "Passport for Goods." By maintaining a centralized database for tracking carnet vouchers, the system simplifies duty-free and tax-free temporary import and export of goods. It also strengthens collaboration between the BOC and the Philippine Chamber of Commerce and Industry (PCCI) as the National Issuing and Guaranteeing Agency, reinforcing the BOC's vision of a dynamic, technology-driven trade environment in the country.







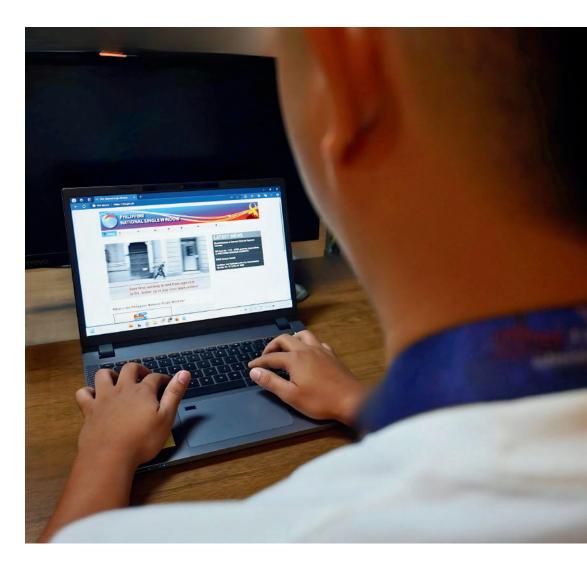
The nationwide rollout of the Enhanced eTravel System began on July 10, 2024, in partnership with the Department of Information and Communications Technology (DICT) and other key agencies. This system modernizes the travel process by allowing passengers to clear requirements using a single QR code. It enhances efficiency by streamlining clearance procedures, improving inter-agency coordination, and facilitating data sharing and security. The system is fully operational at international airports, with ongoing implementation nationwide at both airports and seaports.



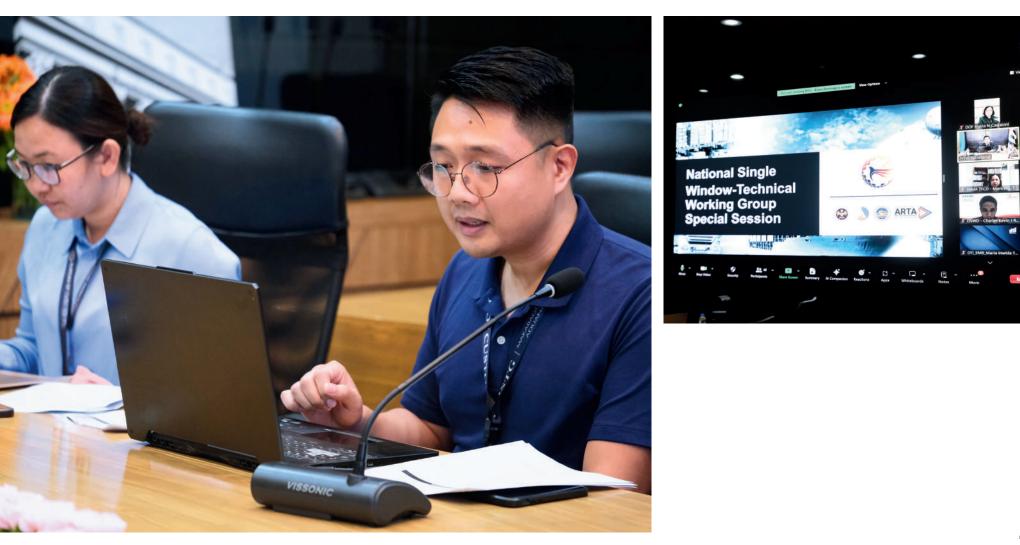
#### NATIONAL SINGLE WINDOW

The BOC reaffirms its commitment in advancing the National Single Window (NSW) system by supporting the onboarding of Trade Regulatory Government Agencies (TRGAs).

Of the 73 identified TRGAs, four agencies, including the BOC, Philippine Drug Enforcement Agency (PDEA), National Tobacco Administration (NTA), and Biodiversity Management Bureau (BMB), are fully deployed. Eighteen agencies are in Phase 1 (Staging/Testing), another 18 are in Phase 2 (Business Process Development), and 33 remain in Phase 3 (Module and System Enhancement).







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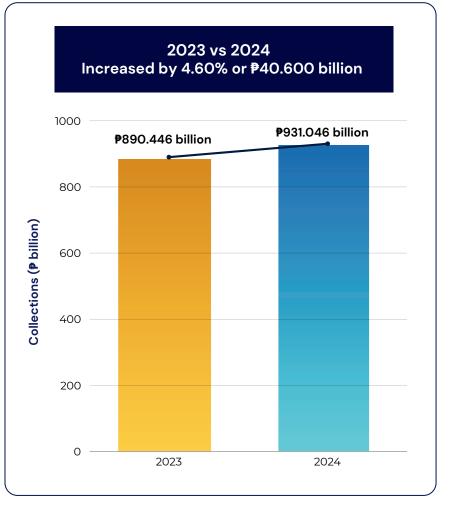
The BOC plays a crucial role in ensuring the Philippines' fiscal stability, serving as the primary agency responsible for collecting customs duties and taxes that support the nation's economy. Through meeting and surpassing revenue targets, the BOC provides the government with vital resources to fund essential public services, infrastructure projects, and socio-economic programs that fuel national development. The agency achieves this through efficient revenue collection, accurate valuation, rigorous monitoring, and continuous innovation in digitalization and trade facilitation.



Preliminary figures for Fiscal Year (FY) 2024 show a revenue collection of ₱931.046 billion, inclusive of tax credit certificate payments, representing a 4.60% increase compared to ₱890.446 billion in 2023. This growth of ₱40.600 billion reflects the BOC's commitment to efficiency and excellence in revenue generation.

In line with the government's objective to reduce the cost of living, the BOC fully supports Executive Order (EO) 62, which was signed by President Ferdinand R. Marcos Jr. on June 20, 2024. The order cuts tariffs on imported rice and expands zeroimport duty provisions to include battery electric vehicles (BEVs), hybrid electric vehicles (HEVs), plug-in HEVs, and related components. While these actions aim to make essential goods more affordable for Filipinos, the BOC remains focused on balancing fiscal responsibility and public welfare.

The BOC's success in surpassing revenue targets is a result of the combined efforts of its collection districts. Ports across the Philippines, including the Ninoy Aquino International Airport (NAIA), Port of Legazpi, Port of Tacloban, Port of Clark, and Port of Cagayan de Oro have exceeded their individual targets in 2024.



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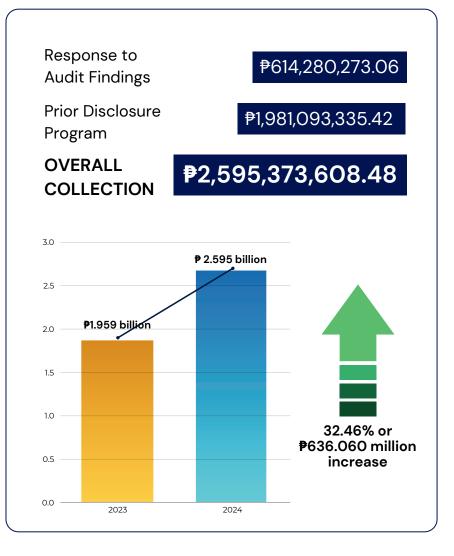


#### **NON-TRADITIONAL REVENUE SOURCES**

The BOC has made significant progress in expanding its revenue collections, with notable contributions from non-traditional revenue sources.

In 2024, the BOC, through the Post-Clearance Audit Group (PCAG), generated ₱614.280 million in additional revenue from post-clearance audit findings, aimed at ensuring proper tax compliance and addressing discrepancies in import declarations. Additionally, the BOC's Prior Disclosure Program (PDP), which encourages taxpayers to voluntarily disclose errors or underpayments in their tax declarations, has proven highly successful. The PDP collected ₱1.981 billion from 353 applications in 2024, marking a 10.49% increase compared to the previous year.

The total revenue from audit findings and voluntary disclosures reached ₱2.595 billion, reflecting a 32.46% or ₱636.060 million increase compared to the previous year.



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The BOC also contributed to overall revenue through auctions conducted across various Collection Districts. From January to December 2024, the BOC generated ₱172.019 million from auctions of forfeited goods, including items like generator components, thermoplastic insulated electric wire cables, sewing machines, bicycles, a used vehicle, 18k yellow gold jewelry, a 2005 barge, used automotive diesel, and a range of unserviceable motor vehicles.



COLLECTION DISTRICTS	TOTAL PROCEEDS		
Ninoy Aquino International Airport	₱106,430,207.64		
Manila International Container Port	₱39,250,411.00		
Port of Manila	₱10,578,850.00		
Port of Zamboanga	₱6,924,984.00		
Port of Limay	₱4,330,100.00		
Port of Surigao	₽2,210,100.00		
Port of Davao	₱1,491,150.00		
Port of Batangas	₱778,100.00		
Port of Cebu	₱25,250.00		
TOTAL	₱172,019,152.64		

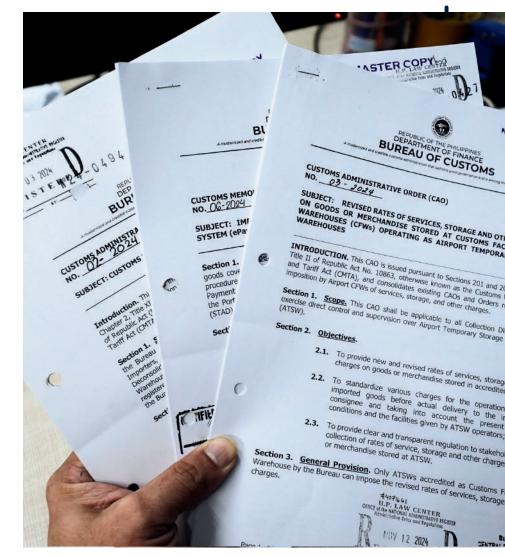


#### **ISSUED POLICIES ON FEES AND PAYMENT SYSTEM**

Building on its commitment to enhance revenue collection, the BOC has implemented a series of transformation policies aimed at improving transparency, efficiency, and stakeholder experience in customs transactions. These initiatives further solidify the BOC's dedication to align operations with global standards while fostering economic growth.

To ensure clarity and fairness in customs dues, fees and charges, the BOC issued **Customs Administrative Order (CAO) No. 02-2024: Customs Dues, Fees, and Charges**, which standardizes the fee structure for filing import and export entries, warehousing, and other critical services. This directive, in compliance with the Customs Modernization and Tariff Act (CMTA), reinforces accountability in customs transactions while eliminating ambiguities in the collection process.

To complement this, the BOC issued **Customs Memorandum Order (CMO)** No. 06-2024, which introduces the Electronic Payment Portal System (e-Pay). This system streamlines payment processes by offering stakeholders a secure and convenient online alternative option to settle financial obligations. By minimizing in-person transactions, the e-Pay system reduces processing times and mitigates risks associated with manual payments.





### CAO No. 02-2024



QR CODE: https://customs.gov.ph/wpcontent/uploads/2024/05/2024CAO-02-2024\_1.pdf

### CMO No. 06-2024



QR CODE: https://customs.gov.ph/wpcontent/uploads/2024/04/2024CMO-06-2024.pdf

CAO No. 03-2024

QR CODE: https://customs.gov.ph/wpcontent/uploads/2024/11/2024CAO-03-2024.pdf

Further advancing its modernization goals, the BOC implemented CAO No. 03-2024: Revised Rates of Services, Storage and Other Charges on Goods or Merchandise Stored at Customs Facilities and Warehouses (CFWs), Operating as Airport Temporary Storage Warehouses, which revises rates and procedures for services, storage, and related charges at Customs Facilities and Warehouses operating as Airport Temporary Storage Warehouses. This policy standardizes fees across major airports, including NAIA and Clark International Airport, and establishes clear guidelines for service charges, storage rates, and penalties. The categorization of cargo types, from general goods to perishables and restricted items, ensures a balanced approach that benefits both stakeholders and the government, while promoting fairness and consistency.

Together, these policies highlight the BOC's proactive measures to streamline operations and foster a more transparent and efficient customs environment.





### STRENGTHENING DIGITAL PAYMENT SYSTEMS WITH LANDBANK AND MAYA PARTNERSHIPS



24 | OCOM Conference, Bureau of Customs, South Harbor, Port Area, Manila





To enhance its electronic payment systems, the BOC partnered with LANDBANK of the Philippines (LANDBANK) and Maya Philippines, Inc., to provide stakeholders with seamless, efficient, and accessible digital payment solutions.

A Memorandum of Agreement (MOA) with LANDBANK was signed on March 04, 2024, integrating the Link.BizPortal into BOC's operations. This platform allows stakeholders to digitally pay customs-related fees, such as penalties and storage charges, minimizing delays and improving the overall user experience.

Additionally, on December 19, 2024, the BOC renewed its MOA with Maya Philippines, Inc., to expand digital payment options. Through online portals, point-of-sale (POS) terminals, and Smart Padala centers, stakeholders particularly in remote areas can now efficiently fulfill financial obligations. And Son Statements

SIMPLIFY PROCEDURES AND FACILITATE SECURED TRADE



Facilitating secure trade is essential for resilient supply chains, as it ensures the uninterrupted flow of goods and strengthens the foundations of global commerce. The BOC has consistently implemented measures and collaborated closely with stakeholders to enhance trade facilitation. Throughout the year, the BOC strengthened communication and cooperation across the supply chain, reducing delays and costs associated with cross-border trade.



### CUSTOMS INDUSTRY CONSULTATIVE AND ADVISORY COUNCIL (CICAC)

To strengthen collaboration with industry stakeholders, the BOC launched the Customs Industry Consultative and Advisory Council (CICAC) on February 02, 2024. The Council aims to address customs-related issues more effectively while fostering an integrated approach to trade facilitation.

At its inception, the CICAC began with only 16 member organizations. By December 31, 2024, membership had grown significantly to 59 organizations and industry partners, highlighting substantial engagement with key industry players. Over the same period, eight (8) meetings were conducted to discuss critical matters and gather member insights.

Additionally, the District CICACs have expanded to 122 active member organizations. This collaborative effort demonstrates the BOC's focus on efficient customs processes and strong industry partnerships.





## CUSTOMS INDUSTRY CONSULTATIVE STADVISOR COUNCIL

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### AUTHORIZED ECONOMIC OPERATOR (AEO) PROGRAM

The BOC continues to support secure and efficient international trade through the Authorized Economic Operator (AEO) Program, which accredits businesses that meet strict trade and security standards.

As of 2024, the BOC has accredited five (5) companies under the AEO Program including Sony Philippines Inc., Toyota Motor Philippines Corp. (TMPC), Coca-Cola Europacific Aboitiz Philippines, Inc. (CCEAP), Panasonic Manufacturing Philippines Corp. (PMPC), and Brother Industries (Philippines), Inc. Of these, three (3) companies have successfully achieved Level 2 accreditation, demonstrating their compliance with advanced trade and security standards, while two (2) companies have reached Level 1, which focuses on basic compliance and security measures. Meanwhile, two (2) companies, namely I.E Medica, Inc. and DKSH Philippines Inc., were issued pre-screening certificates. Likewise, 18 companies have expressed interest in joining the AEO Program.

On June 18, 2024, the Philippine BOC and Hong Kong Customs conducted a joint validation visit to Toyota Motor Philippines Corp. (TMPC) in Sta. Rosa, Laguna. TMPC, a Level 2 AEO member, showcased its adherence to AEO criteria, which include advanced information technology systems, comprehensive record-keeping, robust personnel management, and stringent access controls. This collaboration strengthens international cooperation and ensures compliance with global trade standards, fostering enhanced security and efficiency in cross-border trade.



















### **REVOLUTIONIZING PHILIPPINE TRADE THROUGH NEW POLICIES**

In 2024, the BOC implemented several policies to elevate its operations and strengthen the country's trade environment.

One significant initiative is the **establishment of the CICAC** under **CMO No. 02-2024**, which institutionalizes regular consultations between the BOC and the industry partners. By fostering collaboration, CICAC member stakeholders help address customs-related challenges, improve compliance, and streamline trade processes through transparent and productive dialogue.

Another major development is the **implementation of the ATA Carnet System** in the Philippines, introduced through **CMO No. 08-2024**. The CMO provides detailed instructions for the temporary importation of goods, such as exhibition displays and professional equipment, without the need to pay customs duties or taxes. By defining clear procedures, authorized ports, and monitoring mechanisms, the BOC ensures a seamless experience for global trade participants, thereby boosting the nation's competitiveness on the international stage.







Additionally, **CMO No. 11-2024** provides the **Guidelines for preferential tariff treatment under the Philippines-Korea Free Trade Agreement (PH-KR FTA)**. This policy enables exporters to benefit from reduced tariffs by securing Proof of Origin through Certificates of Origin or Origin Declarations, while also streamlining processes for importers validated by the Preferential Rate Unit at ports.





### **BOC PARTICIPATES IN KEY INTERNATIONAL FORUMS AND INITIATIVES**

The BOC has consistently worked to strengthen its global presence by actively engaging in key international forums and initiatives that focus on customs practices, trade security, and regional cooperation. In 2024, the BOC continued to contribute to discussions on international trade practices and collaboration, emphasizing the country's commitment to global standards.

During the World Customs Organization (WCO) High-Level Roundtable held in Japan on February 08, 2024, Commissioner Rubio stressed the importance of regional intelligence cooperation in combating global trade issues. He also showcased the BOC's impressive record in seizing smuggled goods, highlighting the agency's strengthened enforcement of customs laws and its role in protecting the Philippine economy.

From May 08 to 10, 2024, the BOC took part in the 6th Global AEO Conference in China, where it presented its strategic responses to post-pandemic challenges. The BOC shared its efforts to enhance the AEO Program, focusing on resilience, partnerships, and providing support for micro, small, and medium enterprises. These international engagements highlight BOC's ongoing role in promoting effective customs operations and international cooperation.







The Commissioner has demonstrated his longstanding commitment to the Association of Southeast Asian Nations (ASEAN) through his participation in the 33rd Meeting of the ASEAN Directors-General of Customs in Phu Quoc, Viet Nam from June 04 to 06, 2024.

During the meeting, he presented the establishment of the CICAC, highlighting BOC's strategic alliance to foster stronger cooperation among trade industry stakeholders. He also encouraged other ASEAN Member States to establish their own versions of CICAC to promote transparency and accessibility within ASEAN Customs Administrations.

As part of his international engagements, the Commissioner visited the U.S. Customs Border Protection (CBP) Headquarters from June 24 to 28, 2024, to exchange best practices and conduct an on-site visit to Customs facilities, where U.S. CBP showcased its currency fraud detection operations.





In the same month, he attended the 143rd/144th WCO Council Sessions in Brussels, Belgium, where he engaged in extensive discussions with other Heads of Customs Administrations, exchanging insights and solutions on various Customs-related issues and concerns. During these sessions, the Philippines successfully highlighted BOC's implementation of the Commissioner's Five-Point Priority Program, which received positive feedback and encouragement from other delegations.

This event also provided an opportunity for the Commissioner to conduct a bilateral meeting with his counterparts from the Kingdom of Cambodia and the Hong Kong Special Administrative Region to discuss future collaborations and the potential signing of a Customs Mutual Agreement between their respective Customs Administrations.



### **BOC AND PARTNER AGENCIES STRENGTHEN COLLABORATIVE EFFORTS**

The BOC's collaboration with key partner agencies in 2024 further bolstered its efforts to streamline trade facilitation and address pressing national issues.

A significant initiative was the review of the Philippine Trade Facilitation Committee Roadmap in partnership with the Department of Finance (DOF), which includes the National Time Release Study. This study aims to reduce delays in customs clearance and improve the overall trade environment in the country.









Another major area of focus was addressing the challenges related to abandoned Balikbayan boxes. The BOC partnered with the Overseas-Filipino-Workers (OFW) Party-List and the Department of Migrant Workers (DMW) to expedite the delivery of these boxes to OFWs who were victims of unscrupulous freight forwarders abroad. This partnership sought not only to ensure timely and efficient delivery to the rightful recipients but also to investigate and hold accountable those involved in illegal activities surrounding the shipment of these Balikbayan boxes.







## IMPROVING SERVICE QUALITY BY ALIGNING OPERATIONS TO INTERNATIONAL STANDARDS

In its continuous pursuit of excellence, the BOC has focused on enhancing its service quality and operational efficiency by aligning its processes with global best practices. With the agency's commitment to delivering high quality services to its stakeholders, efforts have been made to achieve ISO 9001:2015 certification for the seventeen (17) ports, three (3) subports, and one (1) stand-alone office as of December 31, 2024.

This certification is an acknowledgment of the agency's conformity with the ISO's quality management standards. This also signifies the BOC's resilience to provide exceptional public service and improving operational effectiveness, ensuring that it remains a highly efficient and reliable institution in the global trade environment.











# CURB SMUGGLING IN ALL FORMS

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Throughout the year, the BOC maintained its vigilance in protecting the nation's borders, employing advanced enforcement strategies, cuttingedge technologies, and fostering strong inter-agency cooperation. The BOC's intensified efforts in combating smuggling, illicit trade, and customs-related violations led to significant successes in intercepting contraband, ensuring trade security, and protecting government revenues.

Key enforcement and intelligence actions included the issuance of 72 Letters of Authority and 85 Alert Orders, which authorized the inspections and investigations of suspected smuggled goods at various ports and other locations beyond BOC premises.



Through a series of anti-smuggling operations, the BOC confiscated illicit goods valued at ₱85.167 billion, following 2,116 operations aimed at curbing various forms of smuggling across the country.

Based on records, counterfeit goods topped the list of seized items based on value, with an estimated amount value of ₱34.698 billion, followed by multiple various items (₱33.443 billion), cigarettes, tobacco, and vape products (₱9.294 billion), vehicles, accessories, and vessels (₱4.243 billion), and illegal drugs (₱1.901 billion). These figures highlight the BOC's commitment to preventing the entry of harmful and prohibited goods into the Philippine market, thereby protecting public health and safety as well as ensuring fair competition for legitimate businesses.

#### SUMMARY OF SEIZED SMUGGLED GOODS C.Y. 2024

Commodity	No. of Seizure Operations	Estimated Value
Counterfeit Goods	16	₱34,698,479,500.00
Multiple Various Items	92	₱33,443,735,308.10
Cigarettes, Tobacco, Vape	437	₱9,294,426,239.94
Vehicles, Accessories, Vessels	32	₱4,243,438,592.28
Illegal Drugs	160	₱1,901,051,279.98
Agricultural Products	1,029	₱1,186,659,223.03
Fuel/Oil	43	₱156,315,717.66
Currency	193	₱ 150,987,239.29
Foodstuff	3	₱57,048,000.00
Steel	59	₱19,987,728.29
Electronics	24	₱5,886,003.78
Chemicals	13	₱4,526,312.02
Wildlife and Natural Resources	3	₱4,226,386.73
Jewelry	1	₱214,869.00
Firearms	2	₱52,581.97
Others	9	₱34,258.00
TOTAL	2,116	₱ 85,167,069,240.07





#### **Counterfeit Goods**

With a total of ₱34.698 billion, counterfeit goods emerged as the top seized commodity during the year. A major highlight was the June 14, 2024 operation in Binondo, Manila, in which the BOC seized ₱11 billion worth of fake products, marking one of the year's largest seizures.

The BOC has also enhanced its surveillance and enforcement capabilities through inter-agency collaborations, promoting knowledge sharing, and risk mitigation. A key initiative was the First Intellectual Property Rights Summit conducted during the first quarter of 2024, featuring dialogues on counterfeit product identification to strengthen intelligence networks, forge partnerships, and upskill field agents.

The event brought together reputable brands such as Guess, Louis Vuitton, Nike, and Unilever Philippines, alongside key agencies like the Intellectual Property Office of the Philippines (IPOPHL) and Food and Drug Administration (FDA), among others, to combat counterfeiting and protect consumers and trademark owners.





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#### **Multiple Various Items**

Multiple various items were the second-largest seized commodities in 2024, with a total value of ₱33.443 billion. One of the most significant operations occurred on March 20, 2024, in Caloocan and Bulacan, where authorities uncovered a total of ₱7.3 billion assorted goods. These items included kitchenware, appliances, apparel, toys, computer accessories, and cosmetics.

This operation highlights the BOC's robust enforcement efforts to protect consumers and the Philippine market from the adverse effects of substandard and counterfeit products. By targeting the proliferation of such goods, the BOC reinforces its role in safeguarding the economy and ensuring the safety and well-being of the public.







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#### **Cigarettes, Tobacco, and Vape**

The BOC also strengthened its enforcement of **Republic Act (RA) 11900 or the Vaporized Nicotine and Non-Nicotine Products Regulation Act** and the CMTA, leading to the confiscation of ₱9.294 billion worth of illicit cigarettes, tobacco, and vape products. This heightened crackdown not only safeguards government revenues but also aims to safeguard public health and ensure compliance with regulatory standards.

A noteworthy interception on May 14, 2024, resulted in the seizure of ₱791 million worth of various brands of illicit cigarettes and vape products.









#### Vehicles, Accessories, and Vessels

The BOC has also prioritized addressing the unauthorized importation and use of vehicles and vessels as transport and concealment tools for smuggled and prohibited goods. These items were ranked as the fourth most frequently confiscated commodities with a total value of ₱4.243 billion.





A notable seizure took place on February 02, 2024, when the BOC issued Warrants of Seizure and Detention (WSD) against two undocumented Bugatti Chiron vehicles, one in red and the other in blue, which were spotted traversing Metro Manila. Following a hot pursuit operation initiated by the BOC, the red vehicle was surrendered on February 09, 2024, followed by the blue vehicle on February 21, 2024.



#### **Illegal Drugs**

In close coordination with the PDEA, National Bureau of Investigation (NBI), and other relevant law enforcement agencies, the BOC intercepted 160 drug-related shipments valued at ₱1.901 billion.

In one of its operations, the BOC-Port of Manila intercepted ₱337.73 million worth of illegal drugs concealed in consolidated shipments of balikbayan boxes, a serious violation of **R.A. No. 9165**, or the **Comprehensive Dangerous Drugs Act of 2002** and the CMTA.

The drugs were hidden in an effort to evade detection and were part of a larger attempt to smuggle substances into the country undetected.



#### **ILLEGAL DRUGS SEIZURES C.Y. 2024**

Type of Drugs	No. of Seizure Operations	Estimated Value
Marijuana	96	₱1,043,704,524.98
Shabu	17	₱729,117,420.00
Ecstasy	12	₱103,787,057.00
Cocaine	2	₱21,518,000.00
Unlabelled, Other	9	₱2,086,100.00
Cannabidiol	18	₱755,156.00
Ketamine	2	₱57,500.00
Opium	1	₱13,822.00
Liquid Marijuana	3	₱11,700.00
TOTAL	160	₽1,901,051,279.98











#### **OTHER SEIZED GOODS**

#### **Agricultural Products**

The BOC has stepped up its enforcement of import regulations on agricultural products. From January 2024, the agency has seized agricultural goods worth ₱1.186 billion, preventing the entry of potentially harmful or unauthorized products that could undermine local production and disrupt market stability.

On October 30, 2024, a joint operation between the BOC and the Department of Agriculture (DA) led to the confiscation of frozen mackerel valued at ₱178.5 million. The seized items, which lacked the necessary import clearance, were found to be non-compliant with phytosanitary standards, putting both consumer safety and the livelihoods of local farmers at risk.

By tightening regulations and ensuring compliance with safety standards, the BOC plays a vital role in safeguarding local agricultural industries from unfair competition, protecting the environment, and contributing to the overall stability of the market.



#### SEIZED AGRICULTURAL PRODUCTS C.Y. 2024

Type of Agricultural Product	No. of Seizure Operations	Estimated Value
Rice	24	₱661,175,000.00
Seafood	5	₱178,568,200.00
Assorted Agri-products	266	₱146,062,094.00
Others	168	₱100,152,555.03
Onion	15	₱35,609,424.00
Beef	25	₱22,146,870.00
Poultry or Chicken	57	₱20,099,446.00
Fruits	338	₱13,659,949.00
Carrots	2	₱8,083,328.00
Pork	88	₱608,644.00
Sugar	1	₱425,000.00
Chilled Vegetables	13	₱51,083.00
Other Fresh Vegetable	26	₱12,630.00
Lamb or Buffalo	1	₱5,000.00
TOTAL	1,029	₱1,186,659,223.03



#### Currency

To curb the illicit movement of undeclared currency, the BOC successfully apprehended individuals attempting to bring substantial sums into the country. By leveraging the eTravel System and advanced scanning machines, the BOC confiscated ₱150.987 million in undeclared funds, reinforcing its commitment to ensuring financial security. This operation was conducted in collaboration with the Bangko Sentral ng Pilipinas (BSP) and the Anti-Money Laundering Council (AMLC).







Exemplifying its strong adherence to enforcing regulations governing the cross-border transfer of currency, the BOC-NAIA, BSP, and AMLC launched a joint inspection at NAIA Terminal 1 on June 27, 2024. This operation resulted in the confiscation of 47 million Japanese Yen, equivalent to ₱17.2 million. This is one of the BOC's targeted operations which is part of a broader initiative to enhance border security and curb the illegal flow of funds into the country.

#### Wildlife and Natural Resources

In 2024, various exotic specimens valued at ₱4.226 million were seized as part of the BOC's ongoing efforts to combat wildlife exploitation and protect natural resources. These operations were carried out in coordination with the Department of Environment and Natural Resources (DENR), in compliance with the Wildlife Resources Conservation and Protection Act.





One notable seizure occurred on April 16, 2024, when 84 live spiderlings were intercepted at the Central Mail Exchange Center (CMEC) in Pasay City.

Additionally, to strengthen regional strategies for hazardous waste management, the BOC hosted a study visit on October 28-30, 2024, for officials from the United Nations Office on Drugs and Crime (UNODC) and Southeast Asian customs authorities. The visit included a comprehensive tour, allowing for firsthand observations of seized hazardous waste containers, a review of the BOC's trade security protocols, and a collaborative exchange of best practices in hazardous waste management.





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#### **DISPOSAL OF SEIZED SMUGGLED GOODS**

The BOC ensures that seized goods are properly disposed of to protect public safety and repurpose useful items for government welfare initiatives. Throughout 2024, the BOC disposed of a total of 358 forfeited containers, which included 146 that were auctioned, 186 that were condemned, and 26 that were donated to different government entities.

Among the condemned goods were 14,100 boxes of disposable vape products, confiscated for violating regulations under the Comprehensive Dangerous Drugs Act and the CMTA. These products lacked the necessary importation clearances and were discarded to prevent their illegal distribution.

Furthermore, the BOC facilitated the donation of frozen mackerel worth ₱178.5 million on December 14, 2024, after confirming their safety for consumption with the DA. These goods had been previously confiscated in October 2024 during a joint operation by the BOC and DA. The donation benefited 150,000 families, particularly those in marginalized communities and care facilities. This initiative, led by President Ferdinand R. Marcos Jr., is aligned with the nation's food security goals and broader economic welfare objectives.





#### **REINFORCING TRADE COMPLIANCE AND ACCOUNTABILITY**

Ramping up its efforts to uphold accountability and ensure legitimate trade practices in customs processes, the BOC filed 45 criminal complaints before the Department of Justice (DOJ) against individuals, importers, and customs brokers for violations of the CMTA and other applicable laws and regulations. Additionally, the BOC handled 38 criminal cases initiated by various ports, bringing the total to 83 complaints for the year. These concerted efforts led to 18 criminal convictions during the year, targeting individuals engaged in the unlawful importation of various goods.

To further safeguard trade integrity, the BOC revoked the accreditations of 56 importers and brokers who violated customs laws, rules, and regulations. The revocation of accreditations serves as a critical deterrent, preventing unscrupulous traders from exploiting the customs system. It also reinforces the BOC's commitment in maintaining a level playing field for legitimate businesses and protecting government revenues. By ensuring that only compliant importers and brokers are accredited, the BOC strengthens its capacity to monitor and regulate trade activities effectively.





#### **VIGILANT MONITORING OF BONDED WAREHOUSES**

The BOC intensifies its border protection efforts by rigorously monitoring bonded warehousing operations to prevent revenue loss and ensure compliance with customs laws. From January to December 2024, the BOC inspected several Customs Bonded Warehouses (CBWs) and Common Bonded Customs Warehouses (CCBWs), resulting in the closure of 16 CBWs for non-compliance. These measures are integral in preventing the misuse of warehousing privileges, such as the diversion of goods into the local market without the payment of proper duties and taxes.





#### UTILIZING ADVANCED TECHNOLOGY TO OPTIMIZE SCANNING CAPABILITY

In a move to bolster airport security and safeguard the country's borders against illicit goods, the BOC deployed seven (7) state-ofthe-art scanning machines at key international airports in 2024. The new installation includes two (2) units of Rapiscan 920CT Hand-Carried Baggage Scanners, two (2) units of RT T110 CT Checked-in Baggage Scanners, and three (3) units of Tek84 Intercept Body Scanners. These advanced machines enhance the detection of illicit items, contributing to a safer and more secure airport environment.





As of December 31, 2024, the BOC has 112 fully operational scanning machines nationwide. Of these, 75 scanners are deployed at international airports, enhancing detection capabilities for more efficient and accurate inspections, while 37 scanners are stationed at seaports to further strengthen customs inspections and improve overall operational efficiency. By continuously upgrading its tools and infrastructure, the BOC strengthens its ability to prevent the entry of illicit goods, ensuring national security and combating the smuggling of illicit goods.



### FORTIFYING REVENUE STREAMS AND COMPLIANCE THROUGH FUEL MARKING PROGRAM

The BOC remained resolute in implementing the Fuel Marking Program (FMP) in its bid to combat fuel smuggling and ensure adherence to trade regulations. In 2024, the BOC marked 19.947 billion liters of fuel, collecting ₱242.36 billion in duties and taxes. Since 2019, the program has played a crucial role in improving compliance, deterring illicit fuel trade, and safeguarding government revenue.

Moreover, the BOC has taken stringent action against oil companies found violating the FMP, particularly those involved in distributing unmarked fuel. A notable seizure occurred on October 22, 2024, when BOC authorities intercepted five lorries carrying approximately 238,000 liters of unmarked diesel at a checkpoint in Tarragona, Davao Oriental.







#### **AMPLIFIED MARITIME SURVEILLANCE**

Enhancing maritime surveillance efforts is one of the key border protection measures of the BOC. In 2024, the BOC conducted 318 maritime patrols and 179 vessel search and inspection operations. These efforts are crucial in safeguarding national borders, preventing the illegal entry of goods, and ensuring that maritime trade complies with Customs regulations.

One of the most significant operations took place in April when the BOC, in collaboration with the Philippine National Police (PNP) and the PDEA, intercepted a private yacht used to smuggle 1.4 tons of shabu in Nasugbu, Batangas. Through such efforts, the BOC affirms its role in national security and public safety.









# ADVANCING THE ANTI-SMUGGLING DRIVE THROUGH INNOVATION AND COLLABORATION



Apart from enforcement and intelligence operations, the BOC strengthened its anti-smuggling campaign through key initiatives intended to enhance security, promote collaboration, and improve trade regulations.

The BOC successfully hosted three (3) groundbreaking intelligence summits across the country. These summits served as platforms for advancing inter-agency collaboration and intensifying national efforts to address security threats and combat illegal activities.







The BOC also expanded its Electronic Tracking of Containerized Cargo (E-TRACC) System to include barges and domestic vessels. This system, which tracks cargo using electronic seals, has been in operation since 2020 and now provides enhanced security and oversight during transit. Mandated by CMO No. 09-2024, the extension of E-TRACC to barges and domestic vessels improves compliance and helps safeguard against tampering during transit.

In July 2024, the BOC, in collaboration with the DA, initiated discussions on the establishment of Centralized Examination and Field Assessment (CEFA) facilities. This project will enhance the inspection and regulation of agricultural imports, strengthen food safety and combat smuggling. The meeting centered on creating CEFA facilities across Luzon, Visayas, and Mindanao to streamline processes and ensure efficient importation for both consumers and importers.







In a continued effort to protect Filipinos from emerging threats, the BOC, launched the "Customs Community Caravan" in August 2024 to raise awareness on the increasing threat of parcel scams. Following successful events in Pasig and San Juan, the BOC is set to expand this initiative across the country to better protect citizens from cybercrimes.





# UPLIFT EMPLOYEE WELFARE AND DEVELOPMENT



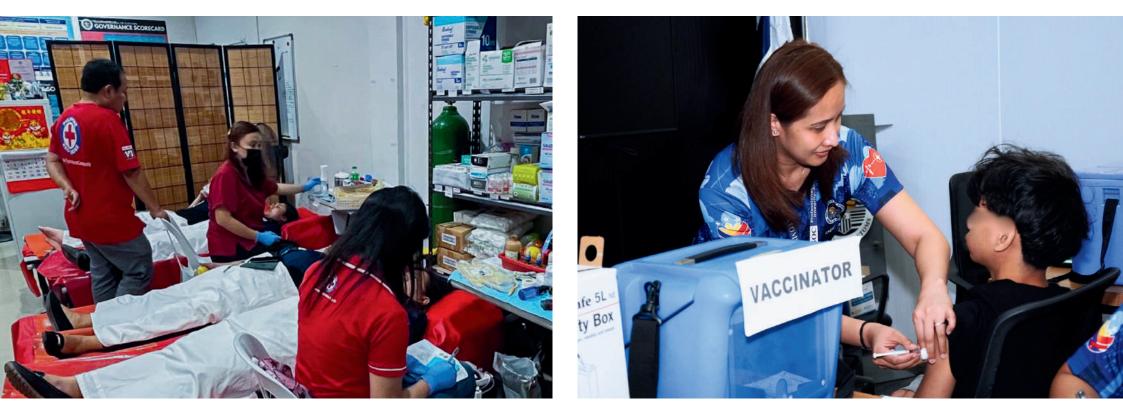
The BOC consistently championed employee welfare and development in 2024, rolling out programs developed to meet the needs and growth of its personnel. The goal of these initiatives is to develop a more flexible and proficient workforce, assuring BOC employees are equipped to respond effectively to the shifting needs of the public and its stakeholders.



#### ENHANCING EMPLOYEE HEALTH AND WELL-BEING

With a strong emphasis on employee wellness, the BOC conducted 8,193 consultations, providing essential healthcare services to its personnel. In addition to consultations, the BOC organized blood donation drives, free checkups, flu vaccinations, and other health-promoting activities.

These initiatives not only support the physical health of employees but also foster a workplace culture that values wellness and a balanced lifestyle, ensuring a more productive and motivated workforce.





#### **BUILDING A BROADER AND STRONGER BOC WORKFORCE**





The BOC continued to prioritize workforce development, acknowledging that the strength of the agency lies in the competence and dedication of its personnel. Central to this goal was to enhance the operational capacity of the BOC through strategic workforce development initiatives. This included the hiring of 315 new personnel and the promotion of 222 organic employees, all carefully selected to meet the growing demands of a dynamic and evolving workplace.

In total, 121 Customs Personnel Orders were issued reassigning and designating 1,005 Customs officials and employees, as part of the Bureau's efforts to further strengthen its workforce capability and to assist in achieving organizational outcomes.



### DEVELOPING EMPLOYEE POTENTIAL THROUGH COMPREHENSIVE TRAINING PROGRAMS

To boost the performance of its employees, the BOC's Learning and Development Management Office conducted 429 training programs in 2024. This includes 82 international seminars, 207 programs in collaboration with other government agencies, and 140 internal sessions.

With 10,215 participants, these programs play an active role in the professional development of employees, aligning their growth with best practices at both the local and global scale.







#### **BOC RECEIVES NOTEWORTHY ACCOLADES FOR EXEMPLARY PUBLIC SERVICE**





The BOC earned several prestigious awards, highlighting its commitment to excellence in public service, efficiency, and leadership. These recognitions underscore the agency's role in fostering national development, improving the trade environment, as well as its significant contributions to public welfare and security.

In April 2024, the BOC was awarded by the IPOPHL for its commitment in protecting intellectual property rights and preventing the entry of counterfeit goods, thereby supporting the country's compliance with international standards.

The BOC also received special recognition from the International Federation of Red Cross (IFRC) and the Philippine Red Cross (PRC) for its critical role in ensuring the efficient distribution of essential supplies during the COVID-19 pandemic, supporting national relief efforts.

Further, the BOC-Accounts Management Office was commended for reforms that improved operational efficiency and customer service within the customs management system. This recognition came from industry groups, including the Federation of Indian Chambers of Commerce Philippines (FICCP).

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The BOC's North Luzon Aero Industrial Park–Special Economic Zone (NAIP-SEZ) was also commended for its round-the-clock operations, enhancing trade facilitation and optimizing business operations that contribute to the country's economic growth.

At the Gawad Pilipino Awards 2024, Commissioner Rubio received the Outstanding Public Servant Award, while the BOC was honored with the Tapat sa Paglilingkod Award, celebrating the agency's leadership and innovative approaches to public service.

Finally, Commissioner Rubio was named the Man of the Year in Public Service at the ASIA Leaders Awards, recognized for his exceptional leadership in advancing public service, transparency, and customs reforms. During the event, the Commissioner emphasized that the recognition was not his alone, but belonged to the men and women of the BOC whose collective commitment to public service brings honor to the agency.

These accolades highlight the BOC's efforts to elevate its role in public service, trade facilitation, and national development.



#### **MITIGATING CORRUPTION RISK**

Combating corruption remains a top priority for the BOC. In partnership with the WCO, the BOC conducted a five-day mission from September 23-27, 2024, to identify and map corruption risks within the agency. This initiative, under the Accelerate Trade Facilitation Programme, helped refine the BOC's strategies for enhancing governance, transparency, and accountability. By strengthening internal controls and improving risk detection, the BOC aims to ensure that corruption is effectively prevented, and its operations remain free from unethical practices.





Following that, Customs Integrity Perception Survey was conducted from October 07 to 18, 2024, which revealed notable progress in integrity, performance management, and appraisal systems among customs officers. Private stakeholders also acknowledged improvements in feedback mechanisms, transparency, BOC-private sector relations, and compliance with the code of conduct. The WCO commended the BOC for its integrity advancements.



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