

CUSTOMS GAZETTE

The Official Newsletter of the Bureau of Customs



President Marcos Leads Public Condemnation of Over \$\bigsep\$3.26 Billion of Smuggled Vape Products \$\insert{Page 2}\$

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Joining the President was BOC Commissioner Bienvenido Y. Rubio, who emphasized the Bureau's intensified operations against the illegal importation of vaporized nicotine and non-nicotine products.

"These products not only violate customs laws, but pose serious risks to consumer health. Today's condemnation is a clear message to smugglers that the government is relentless in its pursuit of lawful trade," said Commissioner Rubio.

The condemnation was also witnessed by key officials including Department of Finance (DOF) Secretary, Honorable Ralph G. Recto, Department of Trade and Industry (DTI) Secretary, Honorable Ma. Cristina Aldeguer-Roque, and Atty. M. Marcus N. Valdez II, Supervising Head of the Office for the Special Mandate on Vaporized Nicotine and Non-Nicotine Products (OSMV).





The seized goods were the result of ten operations conducted throughout 2024 across various areas in Metro Manila. These were led by the Manila International Container Port (MICP), Port of Manila (POM), and the BOC Intelligence Group, who played a crucial role in identifying and intercepting the illegal shipments.

In total, these ten operations yielded PhP3.26 billion worth of smuggled vape products. They contribute to the BOC's larger anti-smuggling campaign, which recorded 48 successful operations in 2024, resulting in the seizure of PhP6.658 billion worth of illicit goods. In the first quarter of 2025 alone, the Bureau has already intercepted an additional PhP483.117 million worth of illegal vape products.



The BOC's success is anchored on a multipronged strategy that includes local and international collaboration, advanced intelligence gathering through its Risk Management and Cargo Targeting Systems, the legal enforcement of Letters of Authority under the Customs Modernization and Tariff Act (CMTA), and stricter port control measures.

This initiative is also aligned with Republic Act No. 11900, or the Vaporized Nicotine and Non-Nicotine Products Regulation Act, which mandates the regulation and taxation of such products.

Under the President's guidance, the BOC and other government agencies continue to prioritize actions that directly benefit Filipino citizens, including their health, safety, and the integrity of the economy.



BOC, SBMA Ink Memorandum of Agreement to Boost Trade and Optimize Customs Operations



In furtherance of their shared goal to boost trade facilitation and economic growth, the Bureau of Customs (BOC) and the Subic Bay Metropolitan Authority (SBMA) signed a Memorandum of Agreement (MOA) on April 10, 2025, focused on optimizing customs operations, encouraging investment inflows, and reinforcing strategic oversight of the Subic Bay Freeport Zone.

The MOA was signed by BOC Commissioner Bienvenido Y. Rubio and SBMA Chairman and Administrator Engr. Eduardo Jose L. Aliño and was witnessed by Atty. Marlon Fritz B. Broto, District Collector of the Port of Subic.

The agreement reflects the long-standing cooperation between the two agencies, acknowledging the strategic value of BOC's continued presence in the Freeport. The BOC, which has been in the zone for more than 18 years, serves a critical function in revenue collection, trade facilitation, and border protection in the Subic Special Economic and Freeport Zone (SSEZ), as established under Republic Act No. 7227 or the Bases Conversion and Development Act of 1992.

"The Signing of the Memorandum of Agreement between the Subic Bay Metropolitan Authority and Bureau of Customs not only represents a 25-year, rent-free tenure within the Subic Bay Freeport Zone but most importantly it is a powerful, resounding affirmation of the enduring, symbiotic partnership that binds our two institutions," said Commissioner Rubio.

"We are confident that this partnership will lead to a surge in trade volumes, the attraction of new investments, and a substantial boost in revenue collection that will fund our government's projects and uplift the lives of every Filipino," he added. The BOC and the SBMA expressed shared commitment to strengthen customs operations within the Freeport Zone. Under the agreement, the BOC ensures the proper maintenance of its facilities, compliance with environmental standards, and secure management of confiscated goods, while SBMA provides access to properties vital to customs functions. This partnership enhances operational efficiency, reinforces border security, and supports trade facilitation in the area.

SBMA Chairman Eduardo Aliño, in his remarks, underscored the importance of the MOA, stressing the mutual goal of the BOC and the SBMA to develop a new, modern Port of Subic (POS) building, and stated, "The impact or benefit of a new POS building extends far beyond the infrastructure itself. We are confident that, upon completion, this facility will enhance services and provide greater convenience for both Bureau of Customs clients and pre-port stakeholders."

Meanwhile, District Collector Broto asserted, "For SBMA, this deepened and revitalized partnership with BOC is not merely advantageous. It is a foundation for our continued success and future aspirations. Conversely, for BOC, this agreement provides a stable, predictable, and empowering framework for strategic long-term planning and development of future approved infrastructure and confident implementation of transformative solutions."

This pact highlights a common vision between the BOC and SBMA to make Subic more competitive, spur foreign direct investment, and improve national revenue collection — all in line with President Ferdinand R. Marcos Jr.'s socioeconomic program to increase bureaucratic effectiveness, deepen institutional cooperation, and sustain trade development.



Philippines Implements the ASEAN Authorized Economic (AEO) Mutual Recognition Arrangement (MRA)



The Philippines, through the Bureau of Customs (BOC), has officially commenced the full implementation of the ASEAN Authorized Economic Operator Mutual Recognition Arrangement (AAMRA). This marks a significant milestone in the country's efforts to enhance trade facilitation, bolster regional cooperation, and align with international standards in the global supply chain.

The AAMRA, which came into effect on August 1, 2024, initially involved three ASEAN Member States (AMS) – Brunei Darussalam, Malaysia, and Singapore. It was later extended to Thailand on August 19, 2024, and Indonesia on October 1, 2024.

Under this arrangement, Philippine companies certified under Level 2 of the AEO Program will now benefit from expedited clearance procedures for their exports to these countries.

Similarly, businesses accredited under the AEO Programs of Brunei Darussalam, Indonesia, Malaysia, Singapore, and Thailand will enjoy the same benefits for their goods exported to the Philippines. Economic Operators participating in the program are provided with unique AEO codes, which must be declared

in the export or import declaration submitted to the respective countries' Customs administration. Notably, the business partners in these countries do not need to be AEO accredited to avail of these benefits.

While the AAMRA is already fully operational in the aforementioned countries, the remaining four ASEAN member states – Cambodia, Lao PDR, Myanmar, and Viet Nam – are expected to implement the arrangement at a later date.

As a proponent of regional and global cooperation himself, President Ferdinand R. Marcos Jr. is dedicated to supporting this endeavor, striving to establish a customs framework that is in line with the world's leading standards.

The Philippines' commitment to facilitating smooth trade relations is a key aspect of the BOC's 2025 Five-Point Priority Program, which aims to streamline customs procedures and enhance secure trade through the implementation of the AEO Program. To maximize the benefits of the AMMRA, the BOC regularly holds consultations and awareness programs aimed at increasing company participation in the AEO Program.

The full implementation of the AAMRA underscores the Philippines' dedication to strengthening regional trade relationships and improving the ease of doing business in the country.

With this, Commissioner Bienvenido Y. Rubio vowed that, "The BOC will continue to focus on modernizing and improving the efficiency of the country's customs operations, ensuring the Philippines remains competitive in the global marketplace."

BOC, Commissioner Rubio Receive Gawad Bayanihan sa Pamumuhunan Award for Driving Investment Growth through Efficient Customs Processes

The Bureau of Customs (BOC) and Commissioner Bienvenido Y. Rubio have been recognized with the Gawad Bayanihan sa Pamumuhunan award for their exceptional contributions to investment facilitation. The award highlights the BOC's success in streamlining customs processes and expediting permits and licenses for strategic investments, in line with Executive Order No. 18 (EO 18) on Green Lanes.

The award was conferred during the Gawad Bayanihan sa Pamumuhunan Awarding Ceremony, hosted by the Department of Trade and Industry – Board of Investments (DTI-BOI) on March 13, 2025, at the Ceremonial Hall, Malacañang Palace. With the theme "Making it Happen with a Whole-of-Nation

Strategy," the event recognized government agencies and local government units for fostering a business-friendly environment. President Ferdinand R. Marcos, Jr., who served as the keynote speaker, commended awardees for their efforts in advancing the Green Lanes for Strategic Investments.

"The Gawad Bayanihan sa Pamumuhunan award is a call to stay the course and ensure that the progress we have begun continues to build momentum in the years ahead. I encourage everyone to align your organizational goals with our national priorities so that we can push for even greater economic transformation," said President Marcos, Jr.



The DTI-BOI recognized the BOC's support of EO 18 through initiatives that streamline internal processes, reduce turnaround times, and enhance trade efficiency. In 2024, the agency has institutionalized stakeholder engagement through the Customs Industry Consultative and Advisory Council (CICAC), expanded the Authorized Economic Operator (AEO) Program to accredit trusted traders, implemented the ATA Carnet system for duty-free temporary imports, and issued preferential tariff guidelines under the Philippines-Korea Free Trade Agreement (PH-KR FTA) to optimize trade benefits. These measures have strengthened trade efficiency, security, and

investment opportunities, positioning the Philippines as a more attractive destination for foreign and local investments.

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Commissioner Bienvenido Y. Rubio expressed his gratitude for the recognition, stating, "This award is proof of the BOC's ongoing efforts to modernize and enhance trade facilitation, ensuring that strategic investments thrive in the country."

He committed to advancing the country's economic growth by ensuring a more seamless and efficient customs process that fosters a competitive investment environment.



BOC Recognized for Excellence in Customs Clearance

The Bureau of Customs (BOC) has been recognized by ZTE Philippines Inc. for its outstanding service in expediting customs clearance, reaffirming its commitment to trade facilitation, efficiency, and professionalism.

In a letter to Finance Secretary Ralph G. Recto and Commissioner Bienvenido Y. Rubio, ZTE Philippines Inc. commended the BOC's streamlined processes and dedicated service, highlighting their role in supporting the company's logistics operations by ensuring the timely release of shipments, minimizing delays, and enhancing overall cargo processing efficiency.

The company has recognized several ports and key officials on facilitating seamless customs transactions, particularly Port of Manila, under the leadership of District Collector Alexander Gerard E. Alviar and its Formal Entry Division's Assessment Team; Manila International Container Port under District Collector Rizalino Jose C. Torralba, his Assessment Team, and Ms. Maria Teresa R. Aggabao, Chief of Formal Entry Division; and the Ninoy Aquino International Airport under District Collector Atty. Ma. Yasmin O. Mapa and Pair Cargo Assessment Composite Division Special Deputy Collector Dr. Siegfred L. Manaois.

This recognition is in line with President Ferdinand R. Marcos Jr.'s initiatives to enhance economic growth and streamline government processes, the BOC continues to align its strategies with national development goals.

Commissioner Rubio commended the Ports, stating, "The dedication and professionalism exhibited by District Collectors and their team are exemplary. Their commitment to efficiency not only supports individual businesses like ZTE Philippines Inc., but also significantly contributes to our nation's economic growth by ensuring a seamless flow of goods across our borders."

Under his leadership, the BOC remains committed to streamlining processes, reducing bottlenecks, and fostering a more efficient, business-friendly trade environment through innovation and collaboration.





BOC Strengthens Anti-Corruption Efforts with Integrity Action Plan

The Bureau of Customs (BOC), under the leadership of Commissioner Bienvenido Y. Rubio, has updated and begun cascading the Integrity Action Plan (IAP) across all offices and collection districts. This strategic framework is designed to combat corruption, uphold ethical standards, and drive institutional reforms while ensuring compliance with international best practices.

Supported by the World Customs Organization (WCO) Accelerate Trade Facilitation Programme, the continuous monitoring and updating of the IAP reinforces the BOC's commitment to integrity and good governance. Serving as a roadmap for integrity initiatives, the IAP aligns with key principles of the WCO's Revised Arusha Declaration. It includes specific deliverables and an action plan updated by the BOC's Integrity Working Group (IWG), based on the previous diagnostic assessment and action planning and the results of the Internal Analysis of Corruption Risks and Corruption Risk Mapping.



The IAP establishes a regulatory framework to ensure consistent enforcement and policy implementation, introducing stricter compliance measures to prevent illicit trade and customs fraud. These measures will also strengthen the BOC's legal foundations for accountability and governance.

In promoting transparency, the IAP prioritizes open access to customs procedures, the publication of regulatory updates, and proactive information disclosure to stakeholders. The BOC is intensifying its efforts to reduce discretion in customs transactions, ensuring clear and consistent decision-making processes.

With a focus on digitalization and automation, the BOC aims to minimize human intervention in transactions, thereby reducing opportunities for fraud. The introduction of electronic payment systems, paperless processing, and data analytics will not only enhance efficiency, but also prevent the manipulation of customs records.

The IAP aligns with global customs standards to improve operational efficiency. The BOC is streamlining import-export processes, enhancing risk management



techniques, and integrating technology-driven solutions to support trade facilitation and revenue collection.

Strengthening audit and investigation procedures is a central component of the IAP, ensuring that cases of corruption and misconduct are swiftly identified and addressed. Enhanced audit capabilities, risk-based compliance assessments, and stricter penalties for violations reinforce the BOC's zero-tolerance policy for corruption.

To further improve resource management and organizational morale, the BOC is enhancing employee incentives, strengthening recruitment standards, and investing in leadership development programs. Ethical training and performance-based evaluations are being implemented to foster integrity and professionalism across all ranks.

The IAP also strengthens the BOC's collaboration with the private sector, including trade associations, logistics companies, and industry stakeholders, to improve regulatory compliance. Regular consultations and feedback mechanisms ensure that reforms address industry needs while maintaining strict anti-corruption safeguards.



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A key feature of the IAP is the Code of Improvement of Internal Control Measures, which fortifies risk management policies, strengthens compliance monitoring, and reinforces accountability mechanisms. The BOC is enhancing internal audit protocols, implementing stricter control procedures, and leveraging technology to detect irregularities in customs transactions.

"The Bureau of Customs recognizes that integrity

is the foundation of efficient and trustworthy customs administration. Through the Integrity Action Plan, we are fostering a culture of accountability and transparency that will not only strengthen our internal processes but also enhance public trust in our institution," said Commissioner Rubio.

The ongoing cascading of the IAP across various ports and offices ensures that all personnel are well-equipped to uphold ethical standards.

Commissioner Rubio Spearheads Inspection of Seized **\$\bar{28.7M}\$** Worth of Misdeclared Refined Sugar at Port of Subic



On April 10, 2025, Bureau of Customs (BOC) Commissioner Bienvenido Y. Rubio led an inspection at the Port of Subic, where fourteen (14) 20-foot container vans of misdeclared sugar products from Vietnam—valued at approximately PhP28,728,000.00—were seized for violations of customs regulations and other pertinent legal provisions.

The shipment, declared as "Sweet Mixed Powder," originated from Dong Nai Province, Vietnam. It was flagged by the Customs Intelligence and Investigation Service (CIIS) – Port of Subic for possible misdeclaration and regulatory non-compliance.

Laboratory analysis conducted after a physical inspection, in collaboration with the Sugar Regulatory Administration (SRA), determined that the sucrose content of the samples exceeded 65%, thereby reclassifying the shipment as refined sugar contrary to their declared description.

These findings constitute violations of SRA Sugar Order No. 7, S. 2003–2004; SRA and BOC Joint Memorandum Order No. 04-2002; and Sections 1400 and 1113 (f)(k) 1, 4, and 5 of Republic Act No. 10863, or the Customs Modernization and Tariff Act (CMTA), and Sec. 7 (a) and (e) of the Anti-Agricultural Sabotage Act.

In response, District Collector Marlon Fritz Broto, MNSA, issued a Warrant of Seizure and Detention (WSD) on March 28, 2025, against the subject goods. The subject shipments are presently undergoing forfeiture proceedings.

Commissioner Rubio emphasized that the operation supports President Ferdinand R. Marcos Jr.'s directive to ensure food security, uphold trade integrity, and combat agricultural smuggling. "This seizure demonstrates our firm resolve to prevent the entry of misdeclared and unregulated goods. We remain aligned with the President's call to protect consumers, support legitimate businesses, and safeguard the nation's agricultural interests through strengthened inter-agency cooperation," he stated.



District Collector Broto added, "Through stringent inspections and decisive enforcement actions, the Port of Subic continues to fulfill its duty to secure our borders and maintain the integrity of lawful trade. We thank the SRA for its steadfast support in this operation."

The BOC continues to heighten its enforcement efforts in line with Commissioner Rubio's 5-Point Priority Program and the broader national campaign against smuggling led by President Ferdinand R. Marcos Jr.









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