

[**CUSTOMS MEMORANDUM ORDER NO. 06-2018,
May 10, 2018**]

SUBMISSION OF ADVANCE CARGO MANIFEST AND OTHER DOCUMENTS TO THE BUREAU'S ADVANCED MANIFEST SYSTEM

*Adopted: 07 May 2018
Date Filed: 10 May 2018*

Introduction. This Order prescribes the operational guidelines on submission of advance manifest and other required documents from the foreign carriers, shipper, consignee, accredited cargo surveying company (ACSC), and their authorized agent to the Bureau's Advanced Manifest System.

Section 1. Scope. This CMO shall cover sea freight and air freight in all Philippine ports of entry.

Section 2. Objectives.

2.1 To require foreign carriers (sea vessels and aircrafts) or their authorized agent to electronically transmit cargo information to the Bureau's Advanced Manifest System for risk management, anti-terrorism, law enforcement and other related purposes;

2.2 To allow qualified importer or his authorized representative to process in advance the goods declaration prior to the arrival of shipment and determine the pre-assessed customs duties, taxes and other charges as well as the necessary documentary requirements;

2.3 To prescribe the detailed procedures on the submission of online cargo manifest hardcopy and other documents required by BOC; and

2.4 To expedite the release of legitimate cargo upon arrival in the Philippines.

Section 3. Definition of Terms. For purposes of this Order, the following terms are defined accordingly:

3.1 Air Way Bill (AWB) - shall refer to a transport document for airfreight used by airlines and international freight forwarders which specifies the holder or consignee of the bill who has the right to claim delivery of the goods when they arrive at the port of destination. It is a contract of carriage that includes carrier conditions, such as limits of liability and claims procedures. In addition, it contains transport instructions to airlines and carriers, a description of the goods, and applicable transportation charges.^[1]

3.2 **Authorized Agent** - shall refer to a person who represents a shipping line or an airline and who by written authority duly registered in the Bureau has been designated to act for and in place of a shipping line or airline in all formalities connected with the entry and departure of its vessel or aircraft, crew, passengers, cargo, baggage, mail or stores.^[2]

3.3 **Bill of Lading (B/L)** - shall refer to a transport document issued by shipping lines, carriers and international freight forwarders or non-vessel operating common carrier for water-borne freight. It is a contract of carriage between the carrier and the shipper which defines the liabilities of each party. The holder or consignee of the bill has the right to claim delivery of the goods at the port of destination.^[3] It may refer to a Master Bill of Lading or a House Bill of Lading.

3.4 **Break-bulk Cargo** - shall refer to non-containerized general cargo stored in boxes, bales, pallets or other individual units to be loaded onto or discharged from vessels or aircrafts, not shipped in containers or in bulk.^[4]

3.5 **Bulk Cargo** - shall refer to cargoes in a mass of one commodity not packaged, bundled, bottled or otherwise packed.^[5]

3.6 **Cargo Manifest** - shall refer to the detailed list of cargo (freight) on board a vessel or aircraft giving the commercial particulars of the goods, such as transport document numbers, consignors, consignees, marks and numbers, number and kind of packages, weight, descriptions, quantities of the goods and destination. This also refers to both Inward and Outward Foreign Manifests.^[6]

3.7 **Cargo Targeting System (CTS)** - shall refer to a cargo manifest risk assessment solution developed by the WCO to enable its Members to carry out international best practice cargo risk assessment to manage risk and facilitate trade and thus implement key parts of the WCO's SAFE Framework of Standards and Kyoto Convention.

3.8 **Carrier** - shall refer to the juridical entities responsible for the transport of goods such as airlines, shipping lines, international freight forwarders, cargo consolidators, non-vessel operating common carriers and other international transport operators.^[7]

3.9 **Co-Loader** - shall refer to a consolidator who cannot fully fill up a container and utilizes the services of another consolidator (master loader) to assume the responsibility of transporting cargoes from named port/point of origin to named port/point of destination. Co-loader acts as the shipper in its relationship to the master loader. It could also refer to a shipping line using the services of another shipping line for the transport of the former's cargo from the port of origin to the port of destination.

3.10 **Commercial Invoice** - shall refer as a legal document between the supplier and the customer that clearly describes' the sold goods, and the amount due on the customer. The commercial invoice is

one of the main documents used by customs in determining customs duties.

3.11 **Consignee** - shall refer to the party appearing in the transport document to whom delivery of the shipment may be lawfully made in accordance with the contract of carriage.^[8]

3.12 **Consolidated Cargo Manifest (CCM)** - shall refer to a true and accurate manifest, of all the individual shipments in the consolidation destined and intended to be unloaded at a port entry in the Philippines, submitted as rider to the inward foreign manifest of the carrying vessel or aircraft.^[9]

3.13 **Consolidator** - shall refer to a juridical entity which procures transport of goods by sea or air and issues house bill of lading or house airway bill to consignors of shipments under its solicitation, to whom it directly assumes the abilities and responsibilities of a carrier for the transportation of such goods from the point of receipt to the point of destination of such goods, and ships the shipments together in its name consigned to its Deconsolidation Agent in the Philippines.^[10]

3.14 **Deconsolidation Agent** - shall refer to the agent of the cargo consolidator in the Philippines that provides services to deconsolidate shipments, orders, goods, etc. to facilitate distribution.^[11]

3.15 **Feeder Vessel** - shall refer to a vessel which is normally small in size compared to a mother vessel, serving between smaller ports and major ports; in other words, a feeder vessel either brings export cargoes from a smaller port to the major, or receives import cargoes from the mother vessel at a major port for transport to a smaller port.^[12]

3.16 **Foreign Port** - shall refer to a port or place outside the jurisdiction of the Philippines.

3.17 **Freight Forwarder** - shall refer to an agent who acts on behalf of importers, exporters or other companies to organize the safe, efficient and cost-effective transportation of goods; specializes in arranging storage and shipping of goods; generally provides full range of services including: tracking inland transportation, preparation of shipping and export documents, warehousing, booking cargo space, negotiating freight charges, freight consolidation, cargo insurance, filing of insurance claims, document delivery, deconsolidation and freight collection services and usually also operates as NVOCC.

3.18 **House Bill of Lading (HBL)** - shall refer to a bill of lading covering a single, individual shipment or consignment issued by the international freight forwarder, NVOCC or a consolidator to the respective shippers containing the names and addresses, respectively, of both the consignor or sender and the consignee or receiver and the detailed, specific description of the goods shipped through sea.^[13]

3.19 **International Freight Forwarder** - shall refer to a juridical entity that acts as a cargo intermediary and facilitates transport of goods on behalf of its client and may issue its House Bill of Lading or House Airway Bill, which can also perform other forwarding services such as but not limited to negotiating freight rates, preparing documents, advancing freight payments providing packing or crating, trucking and warehousing, engaging as an agent or representative or of a foreign non-vessel operating as a common master bill of lading or air waybill/de-consolidator named in the master airway bill as consignee of a consolidated shipment, and other related undertakings.^[14]

3.20 **Load Port Survey (LPS) Report** - shall refer to the report issued by an Accredited Cargo Surveying Company (ACSC) for bulk or break-bulk cargo to be imported into the Philippines. The report shall be submitted to the Bureau directly from the ACSC in a secured electronic format.^[15]

3.21 **Master Airway Bill (MAWB)** - shall refer to an airway bill issued by an air carrier to an international air freight forwarder or consolidator.^[16]

3.22 **Master Ocean Bill of Lading (MBL)** - shall refer to an ocean bill of lading issued by ocean carrier to an international freight forwarder, NVOCC or a consolidator.^[17]

3.23 **Non-Vessel Operating Common Carrier (NVOCC)** – shall refer to an entity, which does not own or operate a vessel that provides a point-to- point service which may include several modes of transport of full container load and less container load (LCL) shipments and issues corresponding transport document.^[18]

3.24 **Packing List** - shall refer to the itemized list of articles usually included in each shipping package, giving the quantity, description, and weight of the contents.

3.25 **Port of Entry** -shall refer to the first Philippine port of call of a foreign carrier. These shall be the ports designated as such by applicable laws or by the President in the exercise of his authority to open or close any port.^[19]

3.26 **Port of Loading** - shall refer to a place where shipments are loaded and secured aboard a vessel. It may or may not be the same as port of origin.^[20]

3.27 **Port of Discharge** - also called Port of Unloading, shall refer to a place where a vessel, ship, aircraft or train unloads its shipments, from where they will be dispatched to their respective consignees.

3.28 **Port of Origin**- shall-refer to a place from where a shipment originated (began its journey towards its destination).

3.29 **Ship Agent** - shall refer to the servant of the master and owners of the vessel or the "principal", which acts as the local representative of the principal, providing local knowledge and expertise and ensuring that the principal's requirements are performed with utmost efficiency & dispatch; and accordingly, which possesses the capacity to be fully conversant with all the appropriate regulations and requirements relating to the port, area or sector in which it operates, to have a wide range of relevant contacts and be well-established to provide the level of service and support the principal needs.^[21]

3.30 **Shipper** - shall refer to the owner or person for whose account the ocean transportation of cargo is provided.^[22]

3.31 **Shipping Line** - shall refer to a juridical entity that transports cargoes aboard ships or vessels across oceans or seas.^[23]

3.32 **Stowage Plan** - shall refer to the assignment of containers to slots in a vessel. Stowage plans are generated by stowage coordinators before a vessel reaches its destination port.

3.33 **Value Added Service Provider or Accredited Information Processor (AIP)** - shall refer to those entities accredited by the Bureau to facilitate electronic transactions with the Customs ICT System.

Section 4. Operational Provisions.

4.1 **Advance Submission of Cargo Manifest and Consolidated Cargo Manifest (CCM).** A true and complete copy of the cargo manifest and CCM shall be electronically sent in advance by the shipping company, NVOCC, freight forwarder, cargo consolidator, or their authorized agents²⁴ within the following cut-off period prior to the arrival of the carrying vessel at the port of entry:

4.1.1 If the transit time from port of origin to port of entry is at least seventy-two^[25] (72) hours, the Cargo Manifest and CCM must be electronically submitted to the Bureau twenty-four (24) hours prior to the arrival of the carrying vessel at the port of entry; and

4.1.2 If the transit time from port of origin to port of entry is less than seventy-two (72) hours, the Cargo Manifest, and CCM must be electronically submitted to the Bureau twelve (12) hours prior to the arrival of the carrying vessel at the port of entry.

4.2 **Advance Submission of Cargo Declaration and Consolidated Cargo Manifest (CCM) for Aircraft.** A true and complete copy of the cargo manifest and CCM shall be electronically sent in advance by the airline, air express operator, air freight forwarder and de-consolidator within the following cut-off period before the arrival of the aircraft at the port of entry: