

[BOC CUSTOMS MEMORANDUM ORDER NO. 24-2014, November 04, 2014]

PROCEDURES FOR THE ISSUANCE AND LIFTING OF ALERT ORDERS FOR SHIPMENTS WHICH ARRIVE BY AIR AND ARE DECLARED THROUGH THE FORMAL ENTRY PROCESS

*Adopted: 04 November 2014
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A. Background

1. CMO 21-2014, which requires that Alert Orders be issued and lifted in e2m, shall not apply to shipments which arrive in the Philippines by air and which are declared through the formal entry process. Procedures for issuing and lifting Alert Orders for these will be governed by this CMO.

B. General Principles

1. No shipment which arrives by air may be held by any Customs official for any reason, except if that shipment is the subject of an Alert Order issued in accordance with CMO 21-2014 or this CMO.
2. Except for shipments tagged "red" by the Risk Management Office, and shipments subject to spotcheck upon orders of a District Collector, no shipments may be physically examined except if that shipment is the subject of an Alert Order issued in accordance with this CMO 21-2014 or this CMO.
3. If an Alerting Officer as defined in Section C.1 of this CMO becomes aware that any shipment falls under any of the following categories as listed in the Tariff and Customs Code of the Philippines, Section 1401, that Alerting Officer shall issue an Alert Order on that shipment prior to conducting examination on it.
 - a. The government surveyor's seal on the container has been tampered with or broken or the container shows signs of having been opened or having its identity changed;
 - b. The container is leaking or damaged;
 - c. The number, weight, and nature of packages indicated in the customs entry declaration and supporting documents differ from that in the manifest;
 - d. The importer disagrees with the findings as contained in the government surveyor's report
 - e. The articles are imported through air freight where the Commissioner or Collector has knowledge that there is a variance between the declared and true quantity, measurement, weight and tariff classification.

4. Once an Alert Order is issued on a shipment, that shipment may not be released except in accordance with the procedures outlined in this CMO.
5. The owner of a shipment has the right:
 - a. to know whether an Alert Order has been issued on his shipment
 - b. to a speedy disposition of any Alert Order issued on his shipment
6. The public has the right to know about any Alert Order for which a shipment, or part of a shipment, was seized or charged additional duties, taxes, and/or penalties.
7. For purposes of this CMO:
 - a. An Alert Order is an order issued by an Alerting Officer authorized to do so under this CMO, to not release any part of a shipment until:
 - i. The shipment is physically examined, and
 - ii. The Alerting Officer authorizes its release, which may be subject to the fulfillment of certain conditions.
 - b. A shipment is defined as the goods covered by a single Master or House Bill of Lading or Airway Bill.
 - c. An entry is the import or export entry for the shipment which is the subject of an Alert Order.
 - d. An item or items are the portions of a shipment for which declarations are made individually. The number of items in a shipment are shown in box 5 of the Single Administrative Document in e2m, or the Import Entry and Internal Revenue Declaration (IEIRD), for the entry. Each item in a shipment, and the item number for that shipment, are as identified in boxes 31 and 32 of the Single Administrative Document or Import Entry and Internal Revenue Declaration (IEIRD) for the entry.

C. Who can issue and lift an Alert Order

1. Alert Orders may be issued only by the following Alerting Officers:
 - a. The Commissioner
 - b. Deputy Commissioner, Intelligence Group
 - c. Deputy Commissioner, Enforcement Group
 - d. All District Collectors, for shipments arriving within their District, including sub-ports within their District
2. Decisions on the final disposition of the Alert Orders-including whether specific items shall be released without payment of additional duties, taxes, and/or penalties, released with payment of additional duties, taxes, and/or penalties, or seized, shall be made by the Alerting Officer which issued an Alert Order on a shipment.
3. Neither the issuance nor the lifting of an Alert Order shall require prior authorization of the Commissioner. However, Alerting Officers must strictly follow the procedures, notifications, and reporting requirements in this CMO.