

**[ BOC CUSTOMS ADMINISTRATIVE ORDER NO. 10-2003, July 28, 2003 ]**

**GUIDELINES FOR THE TREATMENT OF SAMPLES FOR COUNTER-SAMPLING AND RAW MATERIALS FOR MAKING SAMPLE PRODUCTS**

**I. OBJECTIVES**

1. To expedite clearance of samples to be counter-sampled and of raw materials for making sample products.
2. To institute the necessary controls and monitoring of such shipments so as to prevent the abuse of their duty/tax-free privilege.
3. To make Philippine manufacturers/exporters and our non-traditional export products more competitive in the world market.

**II. SCOPE**

This Order shall apply to the following importations:

1. Samples or models that need to be counter-sampled in order to come up with an estimate of sample product's cost, for purposes of negotiating/clinching orders/supply contract.
2. Raw materials to be made into finished products for sampling purposes and quality evaluation, as a requisite for negotiating/getting orders/supply contract.

**III. GENERAL PROVISIONS**

**1. Treatment**

Importations allowed under Section II of this Order shall be treated as falling within the purview of Sec. 105 of the Tariff and Customs Code of 1978 (TCCP) and may be released from Customs Custody without payment of duties and taxes under the following conditions:

- a. The importer is registered under Philippine laws as a manufacturer of the product for which a sample is to be made or a trading company engaged in the trading of the same;
- b. There is definite need for a counter-sample or for the production of samples to obtain an order or clinch a sale;
- c. A foreign buyer has formally signified interest to buy the product for which a sample or a counter-sample will be produced; and
- d. There is no indication that the importer has abused the duty/tax free privilege on the importation of samples.