[BOC CUSTOMS MEMORANDUM ORDER NO. 40-2009, September 04, 2009]

TRANSITORY PROCEDURES PRIOR TO FULL IMPLEMENTATION OF E2M CUSTOMS SYSTEM FOR INFORMAL ENTRIES AND TRANSSHIPMENT/TRANSIT DECLARATIONS

1. Objectives:

1.1 To define the transitory procedures concerning the informal entries and transshipment/transit declarations prior to full implementation of the e2m Customs System

1.2 To expedite release of legitimate informal & transit cargoes upon arrival in the Philippines.

1.3 To facilitate trade

2. Scope:

This covers informal entries and transshipment permits/transit declarations.

This order does not cover the following:

> 1.1 Transshipment/Transit of all Alcohol or Tobacco Products subject to all applicable taxes, duties, charges, including excise tax pursuant to Section 12 of the BIR Revenue Regulations No. 3-2006 dated January 3, 2006 and CMC 70-2006, pursuant to RA 9334
>
> 1.2 Transfers to CY-CFS/Off-Dock Terminals

3. General Provisions:

3.1 Unlike the Formal Entry System (FES) and Warehousing Entry System (WES) where the e2m Customs Systems automatically writes-off the bill of lading in the e-manifest, bills of lading corresponding with Informal Entries or Transshipment/ Transit Declarations shall be manually written-off

3.2 The automated and the manual write-off of house bill of lading shall ensure the validity of the abandonment process and shall provide the BOC with the correct and exact inventory of shipments that have arrived, and those that are entered, unentered or abandoned.

3.3 The e-Manifest shall also be accessible to the Informal Entry Division and the Office of the Deputy Collector for Operations. These two offices shall be responsible for the manual discharge of the bill of lading record corresponding with the import declaration in the e-manifest. Under this order, manual discharge of the bill of lading is defined as the process by which the pertinent data corresponding to the shipment

are encoded by the concerned BOC officer and the bill of lading entry from the e-manifest is written-off.

3.4 The Deputy Collector for Operations shall ensure that the transfer of cargo from the port to the CY-CFS/Off-Dock terminals shall not result in the manual discharge of the bills of lading record. Shipment transferred to CY-CFS/Off-Dock Terminals shall only be written-off in the e-manifest after completion of clearance process of the appropriate declaration e.g. formal (consumption and warehousing), informal and transshipment/ transit declaration.

4. Operational Provisions:

4.1 For Informal Entries

> 4.1.1 The current procedure in the manual processing of the informal entry using the BOC-Informal Import Declaration and Entry form shall continue.

> 4.1.2 After the Informal Entry Division or equivalent unit has examined and assessed the shipment covered by the informal entry, the importer/customs broker shall proceed to the In-House Bank to pay the duties and taxes due as indicated in the Order of Payment Form (OPF, Sample in Annex A[*]). The OPF shall be prepared by COO III and duly signed by the COO V of the Informal Entry Division or equivalent unit.

> 4.1.3 The In-House Bank shall accept the payment and issue a BOC Official Receipt (BCOR). The In-House bank enters the details of payment in e2m Customs System using the Cash Payment module. The In-House bank shall generate and print the e2m Customs Receipt (ECR, Annex B[*]). The e2m Customs Receipt Number (ECRN) must be indicated in the BCOR.

> 4.1.4 The importer returns to the COO III to present his BCOR with the ECR attached. The COO III shall log-in to e2m Customs System and confirm through appropriate menu in the e2m Customs Cash Payment module that the ECR is valid and correct.

> 4.1.5 After verifying that the appropriate payment has been collected, the COO III retrieves the data corresponding to the house bill of lading of the particular Informal Entry. The COO III shall select from the e-manifest menu the operation "Manual Discharge" to perform manual write-off of the said house bill of lading.

> 4.1.6 On the "Manual Discharge Screen" of the e-manifest, the assigned COO III shall encode the following data corresponding to the said shipment:

>> 4.1.6.1 Consignee Name

>> 4.1.6.2 Broker Name

>> 4.1.6.3 Registration Serial – The value is always (I), which stands for Informal Entry