

[CUSTOMS MEMORANDUM ORDER 29-2005, July 06, 2005]

PROCEDURE/RULES & REGULATION ON THE TRANSFER OF IMPORT SHIPMENTS FROM SEAPORTS OF DISCHARGE TO PEZA-REGISTERED ECONOMIC ZONE LOCATOR ENTERPRISES UNDER BOC-PEZA JOINT MEMORANDUM ORDER 02-2005

1. Objectives

- 1.1 To establish ownership of all import shipments attributed to PEZA-registered economic zone locator enterprises discharged at seaports and to be released without payment of taxes and duties;
- 1.2 To facilitate and simplify procedures and requirements in the filing, processing and releasing of import shipments of PEZA-registered enterprises;
- 1.3 To confirm delivery of import shipments of PEZA-registered enterprises released at the seaports to their respective economic zone locations;

2. Scope

This Order shall apply to tax and duty free import shipments of PEZA-registered economic zone locator enterprises arriving at and discharged from seaports for delivery to economic zone locations.

3. General and Administrative Provisions

3.1. A Customs-PEZA Clearance Office (CPCO) shall be established in each of the seaports where this Order shall be implemented.

3.1.1 The CPCO shall be responsible for processing Transit-Import Entries and Internal Revenue Declarations (Transit-IEIRDs). It shall approve the release and transfer of import shipments to the economic zone locations of the importing PEZA-registered enterprises, as prescribed in JMO No. 1-2001.

3.1.2 The CPCO shall be manned by BOC and PEZA officials and personnel.

3.1.3 The CPCO shall be under the direct supervision and control of the BOC Deputy Collector for Operations, who shall be responsible for the efficient and effective monitoring and accounting of all import shipments processed, released and transferred from the port of discharge to the economic zone locations of PEZA-registered enterprises.

3.1.4 The CPCO shall be equipped with ACOS workstations, electronic broadcasting facility and an automated system that will confirm actual

delivery of import shipments received at the economic zone locations of the importing PEZA-registered enterprises.

3.1.5 The locator/importer shall utilize an Auto-Debit, mobile and/or similar cashless payment system for the payment of customs fees, as enumerated in Item 3.1.6 below.

3.1.6 For every import shipment processed and released from the port of discharge, the BOC shall collect a total of P1,015.00 as follows:

P 710.00	Cargo Transfer Fee (CTF)
40.00	Cost of Transit-IEIRD Form
265.00	Cost of Documentary Stamps

P1,015.00Total

3.1.6.1 For transit-IEIRD encoded at the EEC, the fee collected shall be P710 per transaction, the cost of the IEIRD (P40) Form and the Documentary Stamps (P265) having been previously collected by the BOC Cashier issuing the forms.

3.1.6.2 DTI-lodged transshipments shall be assessed P1,015, which amount already includes the cost of the IEIRD and the documentary stamps.

4. Operational Provisions

4.1 Transfer of import shipments from the port of discharge to the economic zone locations of PEZA-registered enterprises shall be covered by the Transit-IEIRDs instead of the Transshipment Permit. Transit-IEIRDs shall conform with the requirements for a full declaration and coded as Transit for PEZA procedure which shall render the following documents unnecessary.

- 4.1.1 Customs EPZA Warehousing Entry (CEWE);
- 4.1.2 Transshipment Permit;
- 4.1.3 Transit Cargo Manifest;
- 4.1.4 Boatnote;
- 4.1.5 Mission Order; and
- 4.1.6 Telegram.

4.2. PEZA-registered enterprises shall lodge their Transit-IEIRDs at the Entry Encoding Center (EEC) or through a Direct Trader Input (DTI) remote lodgement facility.

4.2.1 The IEIRD-Transit shall be accomplished pursuant to CMO 20-2004 dated June 30, 2004.

4.2.2 PEZA-registered economic zone enterprises shall furnish the particular Import Permit reference number in Box #44 of the IEIRD or SAD form.

4.2.2.1 The Model of Declaration to be used are "8 DT8" for those filing through remote lodgement facility and "8 8" for those filing through the EEC.

4.2.3 In the case of a (DTI) lodgement, no separate printed Transit-IEIRD shall be required. Instead, the Single Administrative Document (SAD) generated, signed by the duly designated official of the PEZA-registered enterprise or its representative, shall serve as the Transit-IEIRD.

4.3 Import shipments of PEZA-registered economic zone enterprises shall be covered by Import Permit (IPs) issued by PEZA through its Electronics Import Permit System (EIPS).

4.3.1 Customs shall verify on-line the contents of the PEZA-Import Permit vis-à-vis the Transit IEIRD. Customs shall scan the bar-coded Import Permit to authenticate the document and verify on-line the contents of the Import Permit in one action.

4.3.2 The Electronic Import Permit shall be compatible with the Transit-IEIRD regarding its information content.

4.3.3 Import shipments of PEZA-registered economic zone enterprises without a verifiable Electronic Import Permit shall be subject for physical inspection by a Customs officer.

4.3.3.1 Verification of the presented Import Permit shall utilize all other means to establish the authenticity of the Import Permit, to include phone verification, manual text messaging, fax, document verification and others.

4.4 BOC shall develop and implement an Electronic to Mobile Broadcasting (e2m-Broadcasting) facility to verify ownership of import shipments attributed to PEZA-registered enterprises. Basically, using the facility, BOC will inform registered enterprises of all import shipments attributed to them, as well as the status of each including the moment the shipment is cleared for release.

4.4.1 The filing of the Transit-IEIRD at the CPCO will trigger the sending of e-mail and/or SMS message to enrolled e-mail addresses and/or cellular phone numbers to the PEZA-registered enterprise to which ownership of the import shipment is attributed.

4.4.2 Upon receipt of e-mail and/or SMS message from the BOC, PEZA-registered enterprises shall acknowledge or confirm ownership of the import shipments attributed to them by using pre-formatted text e-mails/SMS messages.

4.4.3 Denial of ownership of the import shipment by the PEZA-registered enterprise shall cause such shipments to be the subject to an immediate Hold and Alert Order.

4.4.4 Failure of PEZA-registered enterprises to acknowledge/confirm ownership of import shipments attributed to them shall cause such shipments to be held and released only after ownership of the import shipments shall have been established.

4.4.5 Failure of PEZA-registered enterprises to acknowledge/confirm ownership of import shipments attributed to them within 12 hours shall cause the import shipment to be subject to an appropriate Hold and Alert Order.