



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA 1099

December 01, 2010

CUSTOMS MEMORANDUM ORDER
NO. 54-2010

Subject: Electronic Lodgement of Export Declaration through Accredited Value-Added Service Providers (VASP)

1. Objectives

1. To adopt an Internet-Based system for the lodgment of Export Declaration;
2. To electronically process Export Declaration via a VASP;
3. To monitor the status of export shipment throughout the clearance and loading process; and,
4. To protect government revenues through prevention of spurious claims for tax refund/duty drawback /ghost exportations and other forms of Customs frauds.

2. Scope

This Order shall cover all Export Declarations filed in all collection District, including sub-port and other BOC offices.

A separate CMO shall be issued to govern the processing of Export Declarations filed at the OSEDC and those export shipments emanating from the different Economic and Freeport Zones.

The processing of the electronically lodged Export Declaration shall be in accordance with the general and operating provisions as specified in this CMO.

3. Definition of terms:

- AEDS - Automated Export Declaration System
ED-SAD - Export Declaration-Single Administrative Document
CPRS - Client Profile Registry System

RECEIVED BY: [Signature]
CRMO PRINTING UNIT
DATE: 12/23/2010
TIME: 1:01 pm.

- DSF - Documentary Stamp Fee
- TCE - Trade Control Examiner
- PASS5 - Payment Abstract Secure System version 5.0
- CCCD - Customs Container Control Division

4. General Provisions

- 4.1 Only Customs Brokers and Exporters registered with CPRS pursuant to CMO 39-2008 shall be allowed to submit Export Declarations in the e2m Customs System.
- 4.2 The Export Declaration SAD shall be lodged electronically through the BOC Accredited VASPs.
- 4.3 Payment of the Documentary Stamp Fee (DSF) shall comply with the rules and regulations on administrative fees. All Exporters are hereby directed to open and maintain debit accounts at any of the Authorized Agent Bank pursuant to the provisions of CAO 10-2008 and CMO 6-2009 on PASS5 of the e2m Customs System.

As provided under Section 2, Rule VIII of the Implementing Rules and Regulations of PD 930, Enterprises registered with either the Board of Investment (BOI) or Philippine Economic Zone Authority (PEZA) are exempted from the payment of the required DSF.

- 4.4 Exporters shall secure Export Clearance, License and/or Permit for regulated products from government agencies using the facility of the Philippine National Single Window (PNSW) prior to the filing of the Export Declaration.

5. Operational Provisions

5.1 Lodgement and Submission of Declaration

- 5.1.1 The Exporters or his authorized representative shall lodge their Export Declaration thru the VASPs. The Customs Reference Identifier for Export Declaration is "E" while the Mode of Declaration type for Clearance (Export) is "EX" followed by the procedure code (Annex "A"). The ED-SAD shall be sent to the BOC, thru the BOC-VASP Gateway.
- 5.1.2 The VASPs shall be responsible for the installation of the necessary computer-aided system on the internet at the exporter's offices that will enable it to encode and transmit SAD-ED to and receive the corresponding responses from the BOC e2m Customs System via the BOC-VASP Gateway.

- 5.1.3 The VASP shall validate captured entry declaration data from the Exporters in accordance with the validation rules provided by BOC and converts the data to XML format that is compatible with the requirements of the BOC-VASP Gateway.
- 5.1.4 The e2m Customs System sends status messages through the same Gateway to the VASP which in turn notifies the exporter of the messages received from the BOC-VASP Gateway.
- 5.1.5 The e2m Customs System validates and officially records the entry in the Customs database;
- 5.1.6 If the declaration satisfies all system rules, the declaration shall be registered and assigned a Customs Reference Number which shall serve as the ED number.

5.2 Processing of Documents

Yellow or Red Lane Shipments

- 5.2.1 For Yellow or Red Lane shipments, the exporter or his authorized representative submits the printed ED-SAD together with the other required documents to the Export Division or unit concerned. The submitted printed ED-SAD should show the computer-generated Customs Reference Number on the "Entry No." field found on the upper right side portion of Box No. 4 of the Export Declaration.
- 5.2.2 The assigned Trade Control Examiner shall stamp "Received" on the submitted printed ED-SAD, indicating the date and time of receipt, and then sign the same as evidence of receipt.
- 5.2.3 He then retrieves the Export SAD and verifies the declarations against the printed Export Declaration and the supporting documents submitted by the exporter or his authorized representative.
- 5.2.4 The Trade Control Examiner shall review and verify the following:
- Valuation Note which contains the information about the total value of the declaration;
 - Item Valuation Note which is the information about the value per item;
 - Assessment Notice which contains the information about the total amount of fees;
 - Product Tariff Classification; and

- Supporting documents e.g. Export Clearance, License/s and Permit/s used in the entry declaration, packing list, proforma invoice.
- 5.2.5. Inspection and stuffing of cargo shall follow the existing procedures in place for examination of export cargo.
- 5.2.6 After examination of cargo, in case where examination is required, the TCE seals the container to ensure that the examined goods shall not be substituted or switched. He then updates the ED-SAD which may include the modification of the commodity code or the adding of additional items to the Export SAD. In case of exports CBWs, examination shall be conducted by an Examiner from the Warehousing Assessment Division or equivalent unit.
- 5.2.7 The Trade Control Examiner then fills out the Inspection Act by entering his examination findings in the Information Text box. **The filling out of the Inspection Act is mandatory** and should not be skipped, whether there are examination findings or not.
- 5.2.8 The Chief, Export Division or equivalent unit shall finally clear the ED-SAD to signal the loading of cargo/es. The Export Division Chief may choose to defer Assessment of a re-routed Green entry declaration if he/she still needs to further validate or check the veracity of the entry declaration.
- 5.2.9 Clearing of the export cargo for loading will trigger the payment instructions to the Authorized Agent Banks to collect the payment for the required DSF

Green Lane Shipments

- 5.2.10 For Green Lane shipments, payment instructions for the bank to debit payment are automatically triggered. It shall be the responsibility of the exporter to make arrangements with his bank for the automatic debiting of his account.
 - 5.2.11 The Exporter or his authorized representative prints the SAD-ED and submits the same to the Customs Container Control Division or equivalent unit of the Port for the loading of his export cargo/es. The CCCD inspector then follows the procedures outlined in 5.3.2 below.
- 5.3 Loading of Containers
- 5.3.1 The CCCD or equivalent unit shall have access to the e2m Customs System to view the SAD-ED. For cargoes selected "YELLOW or RED", no loading thereof shall be allowed

unless the SAD-ED has been cleared by the Export Division or by the BOC contingent at OSEDC for the said Selected SAD-EDs.

- 5.3.2 The Customs Stuffing Inspector of the Customs Container Control Division (CCCD)/equivalent unit retrieves the SAD-ED and matches the export declaration to the cargo. If the export declaration and the SAD-ED declaration match, the CCCD Inspector then clears the cargo for its loading by tagging the entry for Export Release.
- 5.3.3 The verification by the CCCD should also include payment verification of the required Customs Documentary Stamp.
- 5.3.4 All other procedures performed by the CCCD and the Piers Inspection Division not yet covered by the e2m Customs System shall follow the existing procedures, i.e. receipt of sequence of loading, etc.
- 5.3.5 Processing of Special Permits to Load and issuance of the Certificates for export cargoes shall follow existing procedures.
- 5.3.6 Receipt of the export cargoes into the Customs zone shall be acknowledged by the Customs Wharfinger assigned who shall ensure that the container number is clearly indicated in the Boatnote. The wharfinger shall indicate the date and time of receipt of the export cargoes and shall print his name and affix his signature over the same.

6. Post-Entry Modification (PEM) of the ED-SAD

- 6.1 The PEM shall be used to update the details in the ED-SAD pertaining to the final shipping details of the exported cargo.
- 6.2 Within 24 hours from departure of the carrying vessel/aircraft, the exporter or his authorized representative shall submit to the Chief, Export Division a letter request for the modification of the ED-SAD, attaching thereto a duly certified copy of the Bill of Lading/Airway Bill and a Certification from the airline/shipping line that the export cargo has been actually loaded in the carrying vessel/aircraft.
- 6.3 The Chief, Export Division shall access the e2m Customs System and make the necessary amendments to the ED-SAD. He shall then print the modified SAD, affix his signature thereto and attach it to the original export documents.

- 6.4 Modification of the ED-SAD of data other than the shipping details shall be subject to the provisions of Section 8 of this Order on amendments.
- 6.5 The Export Division shall be given access to the Statistical Management System (SMS) to view or generate reports with regards to export list or ED-SADs with incomplete shipping details.

7. Manual Processing

- 7.1 The manual processing of Export Declarations shall be allowed in the following instances:
 - 7.1.1 Computer systems breakdown;
 - 7.1.2 Power failure which renders the computer system non-operational;
 - 7.1.3 the AAB is off-line; or
 - 7.1.4 upon authorization by the BOC Deputy Commissioner for MISTG.

Export Declarations manually processed shall still be electronically lodged as soon as practicable.

- 7.2 In cases where the above-mentioned circumstances occur and in order not to delay the loading of export cargoes, the Chief of the Export Division may allow manual processing for loading of the export cargo subject to the condition that the exporter shall make a deposit equivalent to the amount of the DSF due with the BOC personnel authorized to receive such, subject further to the condition that the exporter concerned shall, on the next business day, immediately instruct his bank to debit the amount of the DSF due from his account to complete the electronic processing of the ED.
- 7.3 Failure of the exporter to comply with his obligation to complete the electronic processing of his ED shall be a cause for the suspension of his CPRS registration with the Bureau.
- 7.4 The Chief of the Export Division shall submit a report of all manually processed EDs to the Deputy Commissioner, MISTG.

8. Amendment

No amendment shall be allowed of any ED lodged and submitted into the e2m Customs System. In case an amendment is unavoidable, the exporter or his duly authorized representative must go through the same process of lodgement and submission of the new ED through the VASP.

- 8.1 Exporter must submit a letter-request addressed to District Collector requesting for the (1) cancellation of the SAD-ED; and (2) lodgement of the new ED, stating the reasons therefore.
- 8.2 Cancellation by the Chief, Export Division of the previous SAD-ED is a condition precedent before the exporter or his authorized representative can re-lodge the ED through the VASP.
- 8.3 If upon generation of the report from the system a particular SAD-ED is reflected as an "open account", the subject exporter or his authorized representative must be given a reasonable time to cancel the SAD-ED. Failure to do so by the exporter shall be a ground for the suspension of his registration with the CPRS.

9. Separability Clause

If any part or provisions of this Order is later on declared invalid or illegal, the remaining portion shall remain valid and unaffected.

10. Repealing Clause

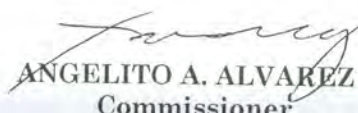
All Orders, Memoranda, Circulars or parts thereof, which are inconsistent with this Memorandum, are hereby deemed repealed and/or modified accordingly.

10. Transitory Provision

- 9.1 The date of implementation of the e2m Customs AEDS in each Port shall be announced through a Memorandum Order issued prior to its implementation.
- 9.2 In the event the Selectivity Module for Exports is not yet in place when the AEDS is implemented, all export shipments listed in Annex "B" hereof shall automatically be selected either "YELLOW" or "RED" as may be determined by the Chief, Export Division.

11. Effectivity

This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

 12/29/10
ANGELITO A. ALVAREZ
Commissioner

ANNEX "B"

PROHIBITED AND REGULATED PRODUCTS FOR EXPORT
Per Revised IRR PD 930 Effective 17 May 1999

PROHIBITED	REGULATED	OFFICE
	1. Garments and textiles, carpets polyester staple fiber, filament yarns, fabrics, upholstered furniture and other natural and synthetic fibers and all products made up in whole or in part of these fibers for export to all countries with or without quota.	Garment and Textile Export Board (GTEB)
	2. Copper Concentrates	Board of Investment (BOI)
	3. All plants, planting materials and plant products capable of harboring pests, insects specimens, live and dead	Bureau of Plant Industry (BPI)
	4. Animals, animal products and animal effects.	Bureau of Animal Industry (BAI)
	5. Sugar and molasses	Sugar Regulatory Administration (SRA)
	6. Coffee	International Coffee Organization Certifying Agency (ICO-CA)- DTI
1. Abaca and Ramie Seeds, Seedlings Suckers and Root Stocks, Buri Seeds and Seedlings	7. Natural Fibers, abaca, ramie, salago, maguey, sisal, kenaf, coir, buntal, cabo negro, cotton kapok, sabahon, pina, banana fibe, silk, loofah, pacol, musa specie, RSA (secondary abaca fiber), canton, raffiea, tikog and cocoon.	Fiber Industry Development Authority (FIDA)
	8. Antiques, cultural artifacts and historical relics	National Museum (NM)
2. Bakawan (mangrove)	9. Logs, poles and piles including log core and fitches/railroad ties	Forest Management Bureau (FMB), DENR
	10. Lumber	- do -
3. Bangus Fry		Bureau of Fisheries and Aquatic Resources (BFAR)
4. Mother Bangus (Sabalo)		- do -
5. Prawn-Spawner and Fry		- do -
6. Shells: Trumpet shells (Triton); Hemet Shells (Cassis); Live specimens, raw shells, meat and by-products of giant clams under the family Tridacnidae, (Tridacnidae gigas, T. derass, T. squamusa, T. maxima, T. crocea, Hippopus hippopus porceilanus)		Bureau of Fisheries and Aquatic Resources (BFAR)
	11. Shells: Undersized raw shells of Trocas, Gold lip, Black lip, Turbo manoratus and kapis	Bureau of Fisheries and Aquatic Resources (BFAR)

7. Wildlife species: a. Wild marine species, e.g.: precious, semi-precious & all ordinary corals raw & by-product		- do -
	12. Wildlife species ; a. Wild marine species, e.g. water snakes (Cerberus rynchops) sea snakes: live, skin or products from the skin or meat Frogs: live skin or products from the skin or meat.	- do -
b. Wild terrestrial species whether live, stuffed or by- products, e.g.	b. Wild Terrestrial: species to include live, stuffed, reserved by- products & derivative, e.g.	- do -
b.1 Mammals (i.e., tamaraw, tarsier, deers (calami deer), sea cow, fruit bats)	b.1 Mammals (i.e. Phils. Monkeys, cloud-rats, ant eater, Phils. Tarsier and skunk)	
b.2 Aves (i.e., eagles, red vent cockatoo, Palawan peacock pheasant, Palawan mynah, horn bills, nicobar pigeon, Mindoro imperial pigeon, Peregrine Falcon, spotted green shank, Kotch's Pitta, giant scops owl and Eastern sarus crane)	b.2 Aves (i.e., bleeding heart pigeons, java sparrows, tree sparrow, parrot, finches, Phil. White- eye, Phils. Starlings, hanging parakeets, brush cuckoo, plaintive cuckoo, amethyst fruit dove, blue detailed bee-eater, crested mynah, pink necked green pigeon, painted quail, button quails, bended rail, plain swamp hen, green winged dove, slenderbured cuckoo. White eared brown dove, kingfishers, black- naped oriole, black napped monarch, redmadavat, guiabero	
b.3 Reptile (i.e. crocodiles, marine turtles, pythons)	b.3 Reptiles (i.e. gecko. Monitor and sad finned lizards, land turtles)	
b.4 Flora (i.e. lady slipper orchid, vandal sanderiana, pitcher plant, dendrobium cruentum)	b.4 Flora (i.e.	
b.5 Exotic Wildlife species found under appendix 1 of the CITES such as buffoon macaw, scarlet macaw	b.5 All species of Butterflies	
	b.6 Exotic wildlife species found under Appendix II of the CITES such as parrots, macaw	
	13. Firearms, ammunitions and explosive	Firearms & Explosives Office, PNP-FEO
	14. Gold from small scale mining or panned gold	Bangko Central ng Pilipinas (BSP)
	15. Legal tender Phil. Notes and coins, checks, money orders and other bills of	- do -

	exchange drawn in pesos against banks operating in the Phil. greater than P10,000	
	16. Grains and grain products	National Food Authority (NFA)
8. Matured coconuts and coconut seedlings		Phil. Coconut Authority (PCA)
9. Raw Materials for cottage industries: - bamboo - monkey pod (acacia) - rattan (including poles) - buri fibers - raffia fibers - semi-finished or semi-processed capiz shell		Department of Environment & Natural Resources (DENR) - do - - do - Fiber Industry Development Authority (FIDA) - do - Bureau of Fisheries & Aquatic Resources (BFAR)
10. Stalactites and Stalagmites		Department of Environment & Natural Resources (DENR)
-	17. Motion pictures/television films and related publicity materials	Movie and Television Review & Classification Board (MTRCB)
	18. Radioactive materials	Phil. National Research Institute (PNRI)
	19. All exports to the following socialist and centrally-planned economy countries: Albania, Laos People's Democratic Republic, Ethiopia, Mozambique, Angola, Mongolia, People's Republic Democratic Republic of Korea (North Korea) Nicaragua, Libya, Myanmar	Phil. International Trading Corporation (PITC)
OPTIONAL		SPECIFIC OFFICE/DIVISION
All handicrafts for export (Exporters cannot avail Special Tariff Treatment in countries where the Philippines have trade agreements if the same do not secure handicraft certification from the Department of Trade and Industry)		Department of Trade and Industry - Regional Office
Live fish (aquarium)		Bureau of Fisheries and Aquatic Resources (BFAR)
Fishery by-products (shark liver oil, shark teeth, pearl essence, fish and other fish/fishery/aquatic by-products)		
Sea Urchin Seaweeds and by-products Sponges Pearl Other fish and fishery Aquatic products		
Fishes (live, fresh, chilled or frozen)		BFAR, Bureau of Food and Drugs (BFAD), National Quarantine Office (NQO) as required buyer

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Crustaceans (shrimps, crabs, lobsters, prawns), live fresh, chilled and/or frozen)	- do -
Coconut Products and by-products	Philippine Coconut Authority (PCA)
All processed foods, drug, cosmetics, medical devices and household hazardous substance	Bureau of Food and Drugs (BFAD)
Steel bars, Ballast, Fire extinguisher, Plywood, Starters, Lamp holder (florescent lamp/Edison base) Enclosed Switch/knife switch/fuse holder, Fuse, Wire and cables, Circuit breakers, Switches (snap), Plugs, Fluorescent lighting fixtures, Electrical tapes, Medical oxygen, Cement, synthetic detergent (Per E O259), Pneumatic tires and inner tubes, Galvanized iron (G.I) sheets, Safety matches, Disposable lighters, Enameled copper wires (Magnet Wires), Sawn Timber, Wire nails, other products	Bureau of Products Standards (BPS)
Tobacco Products	National Tobacco Administration (NTA)
Fertilizers, pesticides and other agricultural chemicals	Fertilizers and Pesticides Authority (FPA)
Vessels, marine engines, space parts and other marine related items.	Maritime Industry Authority (MARINA)
Animals products and by-products: curio items, feathers, food and feed ingredients, and veterinary drugs and product fees premix and water soluble	Bureau of Animal and Industry
Live animals, game fowl, wild birds and exotic animals, monkeys, other livestock and poultry, dogs and cats	
Feather, buffalo horns and animal skin	Protect Areas and Wildlife Bureau(PAWB)

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