



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
Manila 1018

10 October 2009

To: District Collectors, Port of Manila and Manila International
Container Port
Deputy Collectors for Assessment
Chiefs, Formal Entry Division
Chiefs, Warehousing Assessment Division
All COO III's and COO V's of FED, WAD or Equivalent Units
All Others Concerned

Subject **Supplemental Guidelines in the Implementation of CMO 27-
2009 re: Examination of Shipments Selected for Red Lane or X-
Ray Inspection**

1 Scope

This covers shipments selected for "RED" lane and "X-Ray" inspection.

3. General Provisions:

- 3.1 Examination of RED shipments shall be conducted as part of the release process.
- 3.2 RED shipments shall undergo document verification. Thereafter, the SAD shall be immediately assessed and paid under PASS5.
- 3.3 Findings as a result of the examination shall be updated in the SAD using Post-Entry Modification / Post Entry Cancellation.
- 3.4 Additional duties and taxes, if any, shall be paid at the in-house Banks at the Ports, following procedures for Post Entry Modification/Post Entry Cancellation.

4 Operational Provisions

- 4.1 When the Import Declaration is selected RED, the Customs Operations Officer V (COO V) shall assign such declaration to a Customs Operations Officer III (COO III) who shall conduct the document verification.
- 4.2 After document verification, the COO III shall update the SAD and endorse the SAD to the COO V for assessment. The assessed duties and taxes are sent to the importer's bank for debit from the bank account through PASS5.
- 4.3 The shipment shall still be subject to physical examination by the COOIII and/or to non-intrusive container inspection by the X-Ray Inspection Project (XIP) personnel.
- 4.4 MISTG shall provide electronically the necessary details of the declarations selected for Red lane or X-Ray inspection to the Arrastre / Terminal / CY-CFS Operator.

- 4.5 The concerned Port Operator shall then transport the container/shipment subject for examination in the designated examination area (DEA) where examination shall be conducted
- 4.6 In case of *physical examination*, the COO III shall encode the examination findings in the Inspection Act of the SAD and reflect the same at the Examiner's Return located at the back of the IEIRD.
- 4.7 In case of *x-ray container inspection*, the XIP personnel shall indicate on the X-ray printout image of the shipment whether SUSPECT or NO SUSPECT. If SUSPECT, physical examination shall be conducted by the COO III who shall perform the steps in item 4.6 above.
- 4.8 COOV shall review the findings made by the COO III. If the COO V concurs with the findings of the COO III, the COO V shall initiate a Post Entry Modification of the SAD, in accordance with CMO 27-2009.

This order is effective immediately at the Port of Manila and Manila International Container Port on the date of implementation (DOI) of the Import Assessment System (IAS) per CMO 27-2009.

NAPOLEON L. MORALES
Commissioner