

[EXECUTIVE ORDER NO. 160, January 06, 2003]

CREATING THE POST ENTRY AUDIT GROUP IN THE BUREAU OF CUSTOMS

WHEREAS, Republic Act No. 9135, entitled "An Act Amending Certain Provisions of Presidential Decree No. 1464, Otherwise known as the Tariff and Customs Code of the Philippines, As Amended, and for other Purposes," specifically Sections 3515 and other related sections mandated the Bureau of Customs to conduct audit examination, inspection, verification and/or investigation of transaction records of importers and brokers;

WHEREAS, with the imminent introduction of a paperless environment under a fully automated processing of import transactions and the implementation of the WTO Valuation System which requires the minimum of controls at the point of importation, the Bureau of Customs must be able to shift emphasis from documentary checks at the border to information analysis with the use of information technology on a post importation basis;

WHEREAS, the system of post entry audit is an accepted international best practice aimed at increasing trade facilitation, encouraging voluntary disclosures, reducing incidence of fraud and protecting government revenues;

WHEREAS, Section 2 par. 2(f) of Presidential Decree No. 1772, amending PD 1416, expressly grants the President the continuing authority to reorganize the National Government, including the power to group and consolidate bureaus and agencies, abolish offices, transfer functions, create and classify functions, services and activities and standardize salaries and materials.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. *Creation.* - A new office in the Bureau of Customs is hereby created and shall be known as the Post Entry Audit Group (hereinafter referred to as PEAG for brevity) which shall be under the direct supervision and control of the Commissioner of Customs.

SEC 2. *Composition.* - The PEAG shall be headed by an Assistant Commissioner of Customs (Director IV), SG-28, to be appointed by the President of the Philippines upon the recommendation of the Commissioner of Customs through the Secretary of Finance. The Assistant Commissioner (Director IV) shall exercise overall supervision in the management of the different operating units of the PEAG."

The PEAG shall have the following