

**[BOC CUSTOMS MEMORANDUM ORDER NO. 1-
2011, June 03, 2010]**

**RULES AND REGULATIONS TO IMPLEMENT THE PROVISIONS OF
THE MEMORANDUM OF AGREEMENT (MOA) DATED NOVEMBER
19, 2010 BETWEEN THE BUREAU OF CUSTOMS (BOC) AND
FEDERATION OF PHILIPPINE INDUSTRIES (FPI)**

I. Objectives:

1. To ensure the accurate and correct collection of revenues due the government by enhancing and strengthening the campaign to stop technical smuggling, and to foster an environment that magnifies a fair and level playing field for all business/industry players, one that will contribute to industry and economic growth.
2. To put into action the efficient implementation of the rules and regulations pertaining to the Bureau of Product Standards' (BPS) Philippine National Standards (PNS) conformance particularly on covered imported products under the Mandatory Products Standards Certification Scheme in order to ensure that only safe, quality imported products are processed by the Bureau of Customs.
3. To further strengthen the cooperation between the Bureau of Customs (BOC) and the Federation of Philippine Industries (FPI), as provided in the Memorandum of Agreement dated November 19, 2010, with a view to combating smuggling, monitoring injurious import transactions and fraudulent valuation, and preventing the proliferation of unsafe, non-PNS-compliant, low quality and substandard imported products.
4. To protect government revenues and the general consuming public.

II. Coverage:

This Order shall only be applied to all imported articles entered in the bureau if Customs on the importation of articles specified in the following, which may be amended as the need arises:

- 1) All imported products covered under Mandatory Product Standards Certification Scheme as listed in Annex A^{*};
- 2) All imported sensitive agricultural products such as, but not limited to, sugar, onions, etc., whose corresponding and

related tariff lines are listed in Annex B^{*};

3) All monitored/sensitive products listed in Annex C^{*} that are considered subject to continuing alert.

III. Definition of Terms:

1. "Industry Technical Expert (ITE)" is a person duly accredited by the Federation of Philippine Industries (FPI) and duly issued an Authorization from the Deputy Commissioner for Assessment and Operations Coordinating Group and the corresponding Mission Order by the Bureau of Customs; who is competent to act as an ITE and possesses the necessary expertise in a particular industry he/she represents; and is capable to assist Customs on technical matters. An ITE observes the physical examination of shipments subject of an alert, participates in the review of import documents presented and submits recommendations as to proper description and classification, price, quantity and checks conformance of imported goods to Philippine National Standards (PNS) in order to protect the general consuming public in accordance with the Consumer Act of the Philippines. If required, this also includes compliance to any government regulations prior to their release in the domestic market such as permits from DENR, BFAD, among others.

2. "Alert" is an alert issued pursuant to CMO 92-91, as amended.

3. "Industry" shall refer to industry association members and/or qualified corporate members engaged in the actual business of manufacturing.

4. "Industry Screening Committee" – The Committee chaired by the FPI tasked to update the List of Industry Technical Experts (ITEs) and List of Monitored/Sensitive Articles for submission to the Bureau of Customs, including that of the "List of Products under the Mandatory Product Standards Certification Scheme" under PNS.

5. "ITE Secretariat" – functions as Liaison on Joint FPI-BOC monitoring activities and chaired by FPI.

6. "ITE Mission Order" is an Order issued by the Bureau of Customs identifying the List of Commodities with their corresponding Tariff Headings to be monitored by an ITE. As far as practicable, all entries declared under the listed Tariff Headings including consolidated entries that contain such Tariff Headings, and articles covered under the BPS-PNS Mandatory Product Standards Certification Scheme shall be coursed through the ITE for observation, comments and recommendations before final assessment and clearance by the Bureau of Customs.

7. "Bureau of Product Standards (BPS)" is a government agency under the Department of Trade and Industry (DTI), and regarded as the Philippines' National Standards body, that develops, formulates, promotes and implements the Philippine National Standards (PNS) to