

**[ BOC CUSTOMS MEMORANDUM ORDER NO. 45-  
2010, October 15, 2010 ]**

**PROCEDURES FOR THE IMPLEMENTATION OF THE ELECTRONIC  
TO MOBILE (E2M) CUSTOMS SYSTEM FOR DELIVERED DUTY  
PAID (DDP) OR BILL-TO-SHIPPER (BTS) SHIPMENTS AT THE  
NINYO AQUINO INTERNATIONAL AIRPORT (NAIA) AND OTHER  
AIRPORTS NATIONWIDE PURSUANT TO CMO 27-2009**

**1. OBJECTIVES**

1.1 To implement the E2M Customs System for DDP and BTS shipments.

1.2 To provide detailed instructions to air express operators, declarants, brokers, importers, forwarders, authorized agent banks (AABs), accredited Value-Added Service Providers (VASPs) and personnel of the Bureau of Customs (BOC) on the customs clearance processes to be observed for DDP/BTS shipments under Phase 3 Import Assessment System E2M Customs System.

1.3 To align E2M Customs to the worldwide accepted practice on DDP or BTS commercial arrangement between shipper and consignee.

**2. SCOPE**

This Order is applicable to DDP/BTS air express shipments of the four (4) members of the Philippine Chamber of Air Express Operators (PCAEO) namely DHL Express Philippines Corp. (DHL), Federal Express Philippines (FEDEX), UPS Delbros International Express Ltd., Inc. (UPS) and TNT Express Worldwide (Philippines) Inc. (TNT) and their authorized representatives in the Philippines, referred to as "EO" as well as other operators handling DDP/BTS air express shipments to be accredited by the Bureau following Section 3.5 below to use the special procedures of e2m Customs described in this Order.

**3. GENERAL PROVISIONS**

3.1 Definition of Terms

3.1.1 Delivered Duty Paid – a commercial arrangement where the seller pay for all transportation costs, bears all risks until the goods have been delivered, and pays the duty (the term duty refers to customs duty, taxes, and other charges)

3.1.2 Financial Party – the company who shall be

responsible for the payment of duties and taxes in behalf of the supplier under the DDP/BTS commercial arrangement.

3.2 The EO shall be recognized as the Financial Party in the DDP/BTS shipments

3.3 The special arrangement for DDP/BTS is extended to named consignees/importers by the EO or its authorized representative. The special arrangement shall be tagged in the CPRS profile of the consignee/importer as "DDP-enabled".

3.3.1 Expiration, cancellation or suspension of the importer's CPRS profile shall automatically invalidate the importer's DDP tag. However, successful renewal of the CPRS client profile shall re-instate the CPRS DDP tag of the importer.

3.3.2 Renewal of the CPRS registration, however, shall automatically enable the special procedure without the need of re-assignment.

3.3.3 The CPRS DDP-enabled tag may be invalidated at any time at the instance of the EO or its authorized representative when shipper has changed or stopped the terms of DDP shipment, or at the instance of the Customs Authorities based on adverse findings from audits and investigations that maybe conducted.

3.3.4 Once tagged as "DDP-enabled", the special arrangement shall be applicable to any EO, not just to the endorsing party.

3.4 The special procedure for DDP/BTS shipments shall cover both Formal and Informal Entries (Phase 3) in NAIA and other airports nationwide. Subsequent CMOs written for Informal Entry implementation shall not diminish any of the rights and privileges accorded to DDP/BTS shipments through this Order.

3.5 EOs other than PCAEO members desiring to use the special procedure for their BTS/DDP shipments provided for in this Order must apply for accreditation with the Deputy Commissioner for Assessment and Operations and demonstrate the following capabilities and actual practice:

- i. capability to send inward foreign manifest to BOC at least 12 hours and 2 hours prior to vessel and aircraft arrival, respectively.
- ii. profile their Customers as to financial credibility and track record of compliance so that only shipments with shippers and consignees that are low risk should be declared following this procedure:

#### **4. OPERATIONAL PROVISIONS**