

**[BOC CUSTOMS MEMORANDUM ORDER NO. 2-
2010, January 08, 2010]**

**RULES AND REGULATIONS STRENGTHENING THE FUNCTIONS OF
THE EXPORT COORDINATION DIVISION (ECD) UNDER THE
OFFICE OF THE ASSESSMENT OPERATIONS COORDINATING
GROUP (AOCG)**

I. OBJECTIVES

- a. To strengthen the coordination, monitoring and oversight functions of **Export Coordination Division (ECD)**, pursuant to **Executive Order No. 127** considering the dynamic international trade environment brought about by the Philippines and the ASEAN being signatories to the different bilateral and regional Free Trade Agreements as well as the Philippine export products being the beneficiary of unilateral preferential grants.
- b. To promote Philippine exports and revenue collection through the proper application of the different Rules of Origin (ROO) under existing Free Trade Agreements (FTAs) to which the Philippine or the **ASEAN is a signatory such as the ASEAN Free Trade Agreement (AFTA), ASEAN-CHINA Free Trade Agreement (ACFTA), ASEAN-KOREA Free Trade Agreement (AKFTA), the Japan-Philippine Economic Partnership Agreement (JPEPA)**, unilateral preferential tariff grants under the **Generalized System of Preference (GSP)** as well as the soon to be implemented **ASEAN TRADE in GOODS AGREEMENT (ATIGA), ASEAN-AUSTRALIA NEW ZEALAND FREE TRADE AGREEMENT (AANZFTA) and the ASEAN-JAPAN COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT (AJCEPA)**;
- c. To have a central office at the Bureau of Customs (BOC) implementing an effective internal control system through oversight function and setting up a system of Bureau wide retro-verification in order to protect the integrity of the ROO protocols, to monitor compliance on the Operational Certification Procedure (OCP) on ROO, and deter possible violations of rules and regulations on the issuance and utilization of the different Certificates of Origin (COs);
- d. To have a real time data on COs issued and utilized for reportorial purposes to the Commissioner of Customs and as may be necessary and required to other government agencies for policy determination, trade negotiation, and for other purposes; and
- e. To have a pool of ROO Trainers specifically responsible for the training of customs officials and employees as well as members of the trading community.

II. SCOPE

This Order covers all matters relating to the coordination and monitoring of all activities in relation to **RULES OF ORIGIN (ROO)**, including but not limited to pre-evaluation of exporters and their products, issuance, of COs, post evaluation of utilized COs covering imported products, internal control mechanisms, records keeping, and retro-verification.

III. ADMINISTRATIVE PROVISIONS

1. The Export Coordination Division (ECD) shall exercise oversight function on all activities related to the issuance and utilization of Certificates of Origin (COs) whether unilateral, bilateral, regional or multilateral.

2. Accordingly, ECD shall have the responsibility of pre-evaluating all exporters and their export products for CO issuance purposes regardless of where the Export Declarations are processed and regardless of ports of loading. However, authorized issuance of COs can be delegated by the Chief, ECD to Export Divisions or equivalent units of all the Collection Districts where Export Declarations are processed, provided, products exported has a pre-approved evaluation from the Chief, ECD.

3. Likewise, ECD, in coordination with Formal Entry Divisions and/or its equivalent units in all Collection Districts shall design a post evaluation system of COs that cover imported products, to ensure that proper and appropriate duties and taxes are collected.

4. ECD is hereby directed to establish and maintain a comprehensive database of information related to the issuance of all types of COs as well as pre-evaluated exporters and their products including their production or manufacturing processes and product costing. **(Refer to Annexes A, B, C)*** .

The retention period for customs copies of COs issued, supporting documents and the 201 file of pre-evaluated exporters shall follow the Operational Certification Procedure of ROO.

5. ECD is also directed to establish and maintain a comprehensive database of information related to the utilization of all kinds of COs for post evaluation purposes, and statistical record to comply with international agreement on ROO.

6. In this regard a monthly report shall be generated by the ECD on all COs issued and utilized indicating therein among others export/import product descriptions, volume, HS code of the importing country, originating rule used, FOB value, country of destination/ origin and similar information which are needed for policy consideration purposes.

7. ECD shall have the responsibility of coordinating with the MISTG for the possible CO automated applications, issuance, transmission, retrieval and records keeping of exporters' 201-file.

8. Responses to all retro-verifications shall be centralized to ECD and accordingly all Chiefs/Heads of Export Divisions or equivalent units of all Collection Districts are required to direct all queries to the ECD. The formal answers by the BOC to all retro-verifications shall be signed by the Deputy Commissioner, AOCG upon