

**[BOC CUSTOMS MEMORANDUM ORDER NO. 52-
2010, December 08, 2010]**

**SUPPLEMENTAL GUIDELINES IN THE IMPLEMENTATION OF CMO
27-2009 REGARDING SHORT SHIPMENT**

1.0 Objectives

1.1 To provide procedure for import cargoes declared and/or found to be, after actual examination, less than the total quantity or volume indicated in the Inward Foreign Manifest (IFM)/Bill of Lading (BL).

1.2 To expedite release of legitimate cargoes upon arrival in the Philippines.

1.3 To facilitate trade.

2.0 Scope

This covers the E2M Customs procedure for clearing import declarations subject of short shipment.

3.0 General Provisions

3.1 BL of Short Shipped Cargoes should be marked "Short Shipped" when established as such.

3.2 Request for amendment of the IFM/BL shall be conditionally approved for short shipment known before lodgement subject to the results of actual 100% physical examination.

3.3 No claim for short shipment shall be allowed if the goods had been released without undergoing physical examination.

3.4 Importation subject of the short shipment shall be treated as one complete importation. The subsequent importation shall likewise be treated as one complete importation.

3.5 Upon assessment of the customs declaration, the licenses, clearances or permits (LCP) including tax exempt certificates (TEC) issued for the shipment shall be electronically tagged as USED. The importer shall re-apply with the OGA for re-issuance of the said LCP and TEC to cover the remaining balance of the subsequent importation, if any and allowed by existing laws and regulations.

3.6 All other settlement modes such as the non-cash payments and the Import Entry Declaration (IED) for advance duty payments shall be applied on the shipment that actually arrived.

3.7 In case there is an excess in the payment of duties and taxes, after applying the advance payment of duties and the amount endorsed and paid at the bank, the importer may apply for a refund thereof.

3.8 All import declarations subject of short shipment shall be channeled to Red Lane.

4.0 Operational Provisions

4.1 Procedure for Short shipment known before electronic lodgement of entry

4.1.1 The Importer/Customs broker shall file a request for amendment of the IFM/BL with the Deputy Collector for Operations (see Annex A hereof).

4.1.2 The Deputy Collector for Operations shall conditionally approve the request for amendment subject to 100% physical examination.

4.1.3 The Office of the Deputy Collector for Operations shall encode the necessary details to cause the amendment of the electronic manifest corresponding to the subject B/L.

4.1.4 The Importer/Customs Broker, through the Value Added Service Provider (VASP), shall electronically lodge an entry based on the conditionally amended IFM/BL.

4.1.5 The Assessment Office shall conduct physical examination of the shipment and follow the corresponding procedure, depending on the results of the physical examination conducted:

4.1.5.1 No discrepancy in volume and/or quantity.
The COO V shall forward the working entry of the Import Entry and Internal Revenue Declaration (IEIRD) to the District Collector for final approval of the request for amendment.

4.1.5.2 Discrepancy in Volume and/or Quantity is less than the amended IFM/BL

4.1.5.2.1 The COO III shall indicate the actual findings in the IEIRD and shall, upon approval by the District Collector, also make the necessary amendments in the SAD as follows: