

**[BOC MEMORANDUM ORDER NO. 10-2000,
September 01, 2000]**

DETAILED PROCEDURES TO FURTHER IMPLEMENT CMO 3-2000

Pursuant to Section 608, Tariff and Customs Code of the Philippines (TCCP), as amended, the following rules and regulations are hereby promulgated to complement/further implement CMO 3-2000:

I. OBJECTIVES

1. To determine the import entry declaration that will be subject to the Valuation and Classification Review Committee (VCRC) established in CMO 3-2000, prescribing the more detailed procedures therefor;
2. To further enhance the application of the WTO Valuation System in the import clearance processes of shipments, facilitating the clearance of legitimate commerce while protecting government revenues.

II. SCOPE

This Order shall apply to all importation in all ports except those covered by the Super Green Lane facility.

III. ADMINISTRATIVE PROVISIONS

1. Except as herein otherwise provided, the VCRC which shall be organized in every District Port shall be composed of the following:
 - a. District Collector — Chairman
 - b. Deputy Collector for Assessment — Vice Chairman
 - c. Chief, Formal Entry Division or Equivalent Unit — Member
2. At the Port of Manila, Manila International Container Port and the NAIA Customshouse, other Customs officials may be designated to the VCRC as Chairman, Vice-Chairman or member, upon the recommendation of the concerned District Collector and approval of the Commissioner of Customs. Provided that the Chairman and Vice-Chairman shall have the rank not lower than a Collector of Customs IV/COC while the member, not lower than a COAC.
3. The concerned COO V and COO III of the Formal Entry Division or equivalent units shall act as resource persons to the VCRC.
4. The VCRC Secretariat established in Paragraph III.10.1 of CMO 3-2000 shall be renamed as the VCRC Technical Support Team (VCRC-TST) and shall be headed by the Vice-Chairman, unless the concerned District Collector assigns other qualified Customs official.

5. At the NAIA Customs, a VCRC Technical Support Team shall be established in each of the Customs Clearing Warehouse and shall be headed by the respective Special Deputy Collector, unless the District Collector assigns other qualified Customs official.

IV. PROCEDURES

Upon the selectivity processing of import entry declaration, the following procedures apply:

AT THE CONCERNED SECTION, FORMAL ENTRY DIVISION

1. COO V opens selectivity module to verify whether the clearance channel assigned to the shipment is Yellow or Red.
2. COO V clicks criteria screen to check whether the shipment is hit by the valuation screen, among others.
3. If the shipment is selected Yellow or Red, and hit by the Valuation Screen, or there is an appraiser-initiated valuation/classification issue(s), the COO V shall perform the following:
 - a. Stamp the word "VALUATION" on the free space between boxes 58 and 59 of the Entry, and on the Temporary Assessment Notice (TAN); and,
 - b. Indicate in writing whether the selection is Yellow (Y) or Red (R) and if the shipment is regulated, the reason(s) or basis. In case of multiple item declaration, the said remarks shall be indicated for each item.
4. COO V assigns entry to COO III who shall undertake any of the following:

Case A: If selected Yellow and hit by Valuation Screen.

Conducts documentary examination. If physical examination were deemed necessary for the shipment, the same may only be undertaken upon the written approval of the District Collector of Customs, or in case of air shipments, the Special Deputy Collector of the concerned Customs Clearing Warehouse, stating the reasons therefor.

Case B: If selected Red and hit by Valuation Screen.

Conducts documentary examination. A physical examination shall also be performed on the shipment as a matter of course.

Case C: Not hit by the Valuation Screen but the Appraiser contests the declared value.

Indicates in the Request for VCRC Review (VCRC Form No. 1), Annex 1 herein, that the request for VCRC review is appraiser-initiated by checking the appropriate box, including the reason(s) for such action. No physical examination shall be conducted on the shipment

Case D: Whether or not hit by the Valuation Screen but the Appraiser contests the classification. Indicates in VCRC Form No. 1 that the request for VCRC review is appraiser-initiated by checking the appropriate box, including the reason(s) for such action. No physical examination shall also be conducted on the shipment.

5. In any of the above cases, the COO III shall perform the following:
 - a. Verifies the CDSS/GVSS/Current ROs for value/classification information;
 - b. Produce a print out of all the relevant information gathered from these sources;
 - c. Prints and signs his name in every page of the print outs; and,
 - d. Attaches all the signed print outs to the Entry. If printouts consist of more than 10 pages, the printouts up to 10 pages may only be attached to the entry, in which case the COO III must indicate in writing the total number of pages the printouts to consist of.
6. COO III fills up the VCRC Form No. 1, attaches the duly filled up form to the Entry and forwards same with all the attachments/supporting documents to VCRC-TST.

AT THE VCRC TECHNICAL SUPPORT TEAM

7. Upon receipt of the concerned documents, the VCRC-TST receiving clerk assigns a docket number to the case, enters the same in the VCRC-TST logbook and forwards the case documents to the Head, VCRC-TST.
8. The Head, VCRC-TST, may decide the case and authorize the release of the concerned shipment if any of the following circumstances exists:
 - a) Single-item entries whose f.o.b. value as per appraiser's findings are not more than \$500 for seaports, and \$100 for airports.
 - b) The importer manifests in writing to pay based on the highest comparative value on record per GVSS, CDSS, RO 99 or any later ROs, or latest rulings of the BOC-SGS Appeals Committee or VCRC.
 - c) The importer manifests in writing to pay based on the latest classification rulings by the DOF, the Commissioner of Customs, BOC-SGS Appeals Committee or VCRC.
9. In any of the above cases, the Head, VCRC-TST, fills up the VCRC Disposition Form (VCRC Form No. 2), Annex 2 herein and refers it with the Entry to the concerned COO V for final assessment, which shall then be forwarded to the Collection Division for payment verification and/or collection of additional payment, if any.