

[BOC MEMORANDUM ORDER NO. 15-98, June 11, 1998]

**REMOTE LODGEMENT OF WAREHOUSING ENTRIES USING THE
EDI GATEWAY FACILITY**

1.0. Objectives

1.1. To provide a service facility that will allow a greater number of BOC clients to remotely and electronically create/transmit import declarations/entries on a 24 hours, year round basis;

1.2. To supplement the Direct Trader Input (DTI) facility in the provision of a remote entry lodgement facility for import clearance processing;

1.3. To promote "paperless" procedure and the use of internationally agreed standards in import clearance processing.

1.4. To further instill best Customs practices towards trade facilitation.

2.0. Scope

2.1. This Order shall be initially applicable to common bonded, garments and miscellaneous warehousing entries filed and processed at the Port of Manila;

2.2. The schedule of implementation for other ports and/or types of entries shall be given in memoranda subsequent to this Order.

3.0. General Provisions

3.1. Definition of Terms

3.1.a *Electronic Data Interchange or EDI* is defined as the system-to-system exchange of business information in structured or standard message format between parties. Specifically in this case, EDI shall be a complete electronic transaction cycle for a Customs import declaration with the following components, details of which are provided in paragraph 4.0 — Operational Provisions of this Order:

- 3.1.a.1. creation of entry declaration
- 3.1.a.2. submission via transmission
- 3.1.a.3. verification via validation
- 3.1.a.4. acceptance via reception
- 3.1.a.5. acknowledgment/processing result via response

3.1.b *UN/EDIFACT* or United Nations Electronic Data Interchange for Administration, Commerce and Transport — internationally agreed message standards

3.1.c. *EDI Message Formats*

CUSDEC — CUSStoms DEClaration message, a subset of UN/EDIFACT standards

CUSRES — CUSStoms RESponse message, a subset of UN/EDIFACT standards

3.1.d. *EDI Gateway* is a facility which allows users to transact with the Bureau using a remote computer and internationally accepted standard messages (e.g. UN/EDIFACT).

3.1.e. EDI clients, hereinafter refers to warehouse operators /importers/ declarants, engage a third party called Value Added Network (VAN) service provider which will provide the interface services to facilitate connectivity to the Gateway.

3.1.f. *EDI Lodged Declaration*. An EDI entry declaration is considered lodged/filed when the declaration is successfully accepted, validated and registered by ACOS. Lodgement is consummated at the date/time a Registration Number is assigned to the declaration. The date/time stamp, once given, becomes a permanent record of the entry and not subject to any form of adjustment/amendment.

In case of arbitration arising from any disagreement based on any legal undertaking recognized by the Bureau, the ACOS Administrator (who shall be the duly recognized custodian of the system's information), shall, at the Bureau's sole discretion, release a duly certified print out of any requisite information relative to the entry declaration pertinent to the subject arbitration.

3.2. The EDI Network Inter-connection Infrastructure

The EDI import declaration lodgement cycle shall go through a network interconnection infrastructure which in this case has the following components:

3.2.1 *The EDI Client's Application System*. — Any application system used by the EDI client must be able to create/print an import declaration in SAD format, transmit the declaration message to a VAN, receive an ACOS response message and print a declaration Assessment Notice.

EDI entry declaration shall use any of the following codes for Box No. 1 of the SAD as the model of declaration:

"7E7" for creating a regular warehousing entry declaration

"7TE7" for creating a warehousing entry declaration of a shipment previously covered by a transshipment permit

"7WE7" for creating a "bonded to bonded" warehousing entry declaration

3.2.2. *Value Added Network (VAN)*. — Any accredited VAN must be able to establish a two-way connection between the EDI client's application system and the Gateway and perform the following:

- a. receive and validate import declaration message transmitted in 3.2.1
- b. convert the declaration to a CUSDEC message (if applicable)
- c. forward CUSDEC message to the Gateway
- d. receive, translate (if applicable) and forward the CUSRES message sent by ACOS via the Gateway to the EDI client's application system

3.2.3 *Gateway Facility.* — The EDI Gateway shall perform the following:

- a. receive/validate/convert CUSDEC message sent by the VAN
- b. forward the converted message to ACOS
- c. receive Customs response from ACOS via the Gateway, converts this to a CUSRES message and forwards the same to the EDI client's application system via a VAN.

3.2.4. *Automated Customs Operation System (ACOS).* ACOS shall —

- a. accept/validate/process EDI declaration
- b. lodge the processed declaration
- c. generate the corresponding responses (e.g. Assessment Notice)

3.3. Interconnection Agreement and Service Levels

The Gateway and the VANs shall enter into an interconnection agreement which will describe the delivery of the following support services:

3.3.1. *Client Assistance.* — The EDI Gateway and the respective VANs shall each make available a help desk support system commensurate to their individual service agreements.

3.3.2. *Service Availability.* — In order that EDI clients may take full advantage of EDI lodgement which allows them to create/transmit declaration at any hour of the day or night, including periods when ACOS is officially shut down, the requisite services of the VAN and Gateway as described herein shall be available on a 24 hour, year round basis.

3.3.3. *Training.* — It shall be the responsibility of the VANs to conduct training for their respective EDI clients. The scope of the training shall include, but not limited to, the following subjects:

- a. BOC EDI procedure
- b. EDI technology and its use
- c. Familiarization on the use of VAN facility and application system

3.4. Accreditation of EDI Users