



BUREAU OF CUSTOMS

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08 April 2020

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CUSTOMS MEMORANDUM ORDER (CMO)
NO. 10-2020

SUBJECT: SUMMARY ABANDONMENT PROCEEDINGS DURING ENHANCED COMMUNITY QUARANTINE

Introduction. Pursuant to Section 1, Rule X of Joint Administrative Order (JAO) No. 20-01 entitled "Adoption of Processes for the Expedited Release of Refrigerated Containers and Dry Vans During the Period of Enhanced Community Quarantine", this Order on the Summary Abandonment Proceedings is hereby implemented.

Section 1. Scope. This Order shall cover the implementation of the Summary Abandonment Proceedings in all Collection Districts.

Section 2. Objectives.

- 2.1. To effectively implement the provisions of JAO No. 20-01 on the abandonment of imported goods;
- 2.2. To facilitate the immediate withdrawal of reefer containers at the ports;
- 2.3. To prevent congestion at the ports which may unduly cause disruption in the supply chain and impede availability of basic necessities and essential goods;
- 2.4. To provide summary procedure in the speedy disposition of overstaying and abandoned goods; and
- 2.5. To ensure implementation of a management information system making full use of Information and Communications Technology (ICT) to monitor the abandonment of imported goods.

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Section 3. Definition of Terms. For purposes of this Order, the following terms are defined accordingly:

- 3.1. Chilled Cargoes** — shall refer to containers for goods which are time-sensitive, such as but not limited to pharmaceuticals/medicines, fruits, vegetables, chilled meat or other foodstuffs.¹
- 3.2. Claim** – shall refer to the act of paying corresponding arrastre charges preparatory to withdrawal of containers as evidenced by Official Receipt after the duties, taxes and other fees have been paid and clearance is made with the Bureau.
- 3.3. Discharge** — shall refer to the date of discharge of last package when the last cargo intended for discharge in the port of entry has been unloaded from the carrier.²
- 3.4. Due Notice** — shall refer to the notification to the owner, importer, consignee or interested party to lodge and file, pay, or claim, whichever is applicable, by the Collector of Customs through:
- a. Electronic notice sent to the registered electronic mail address of concerned accredited importers; or
 - b. Posting in the Bureau's official website or in bulletin boards or other conspicuous places within the Collection District concerned in case of unknown consignees.
- 3.5. Lodgement** — shall refer to registration of a Goods Declaration with the Bureau.³
- 3.6. Online Filing of Goods of Declaration** — shall refer to the temporary acceptance of electronic copy of goods declaration and its supporting documents subject to the submission of the original copies upon the lifting of the Enhanced Community Quarantine (ECQ).
- 3.7. Reefer** — shall refer generally to chilled cargoes and refrigerated containers.

¹ cf. Section 1 (b), Rule I, JAO No. 20-01

² cf. Section 3.3, Rule I, CAO No. 17-2019

³ cf. CMTA, Title I, Chapter 2, Section 102 (dd)

- 3.8. Refrigerated Containers** — shall refer to containers for shipments of goods requiring a temperature-controlled environment and in a frozen state, such as but not limited to frozen meat, poultry, fish, and other equivalent products.⁴
- 3.9. Withdrawal** – shall refer to actual bringing out of the container from the premises of the arrastre or terminal operator as evidenced by a Container Interchange Receipt or Gate Pass.

Section 4. General Provisions.

- 4.1.** Imported goods are deemed abandoned in the following circumstances:
- 4.1.1.** Cargoes at the Terminal
- a.** All refrigerated containers that remain unclaimed after three (3) days from the 7-day withdrawal period set under JAO No. 20-01;⁵
 - b.** All chilled cargoes that remain unclaimed after three (3) days from the 5-day withdrawal period set under JAO No. 20-01;⁶ or
 - c.** Cargoes beyond thirty (30) days from date of discharge which have not been withdrawn after five (5) days from issuance of JAO No. 20-01;⁷
- 4.1.2.** Goods subject to Customs Clearance under JAO No. 20-01
- a.** Failure to lodge and file goods declaration within two (2) days from the date of discharge, or for reefer or refrigerated containers, failure to lodge and file goods declaration within forty-eight (48) hours from the date of discharge, subject to Section 4.2 of this Order;⁸

⁴ cf. CMO No. 1-2004 and CMO No. 27-2005

⁵ cf. Section 2 (a), Rule III, JAO No. 20-01

⁶ *ibid.*

⁷ cf. Section 2 (b), Rule III, JAO No. 20-01

⁸ cf. Section 1 (a) and (d), Rule IV, JAO No. 20-01

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- b. Failure to make payment of duties, taxes and other charges within twenty-four (24) hours from date of issuance of Final Assessment;⁹
 - c. Goods lodged with appropriate duties and taxes duly paid but remain unclaimed after 3 days from payment;¹⁰ or
 - d. Reefer or refrigerated containers lodged with appropriate duties and taxes duly paid but remain unclaimed after 24 hours from payment.¹¹
- 4.2. Refrigerated containers where no goods declaration has been lodged and filed after seven (7) days from discharge of the last package from the vessel shall be deemed abandoned and a Decree of Abandonment shall be issued subject to institution of summary proceedings for its immediate disposition.¹²
- 4.3. Reefer containers arriving after the issuance of JAO No. 20-01 which have not been withdrawn within ten (10) days from the date of discharge shall be deemed abandoned and a Decree of Abandonment shall be issued subject to institution of summary proceedings for its immediate disposition.¹³
- 4.4. For purposes of this Order, the arrastre or terminal operator shall submit a daily report of overstaying, and unclaimed imported goods to the District Collector.
- 4.5. The Bureau may establish a special legal team to provide ancillary support to the Collection Districts for the speedy disposition of overstaying and abandoned goods.
- 4.6. Due Notice requirement is deemed complied with as follows:
- 4.6.1 For **Accredited Importers**, the required notice is sent via electronic mail registered with the Accounts Management Office (AMO).

Accredited importers must acknowledge receipt of notices and communications duly sent to their respective registered electronic mail addresses. Notwithstanding

⁹ cf. Section 1 (b) and (d), Rule IV, JAO No. 20-01

¹⁰ cf. Section 1 (b), Rule IV, JAO No.20-01

¹¹ cf. Section 1 (d), Rule IV JAO No.20-01

¹² cf. Section 2, Rule IV, JAO No. 20-01

¹³ cf. Section 3 (a), Rule III, JAO No. 20-01

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their failure to acknowledge duly sent notices and communications, the same shall be deemed received upon successful transmittal thereof.

In case the registered electronic mail address of the importer or consignee is incorrect or non-existent, all notices and communications sent to the said incorrect or non-existent electronic mail address, shall be deemed received by the importer or consignee.

- 4.6.2 For **Non-Accredited Importers or Unknown Consignees**, the due notice requirement shall be deemed complied with upon posting of the required notice in the Bureau's official website or in bulletin boards or other conspicuous places within the Collection District concerned in case of unknown consignees.
- 4.7. When the period to comply as set forth in this Order falls on a Saturday, Sunday or legal holiday, compliance on the next working day is deemed on time.

Section 5. Operational Provisions.

- 5.1. Upon arrival of the vessel, the Collection Districts shall post in the Bureau's official website the list of cargoes that have arrived which shall serve as notice to the importers/consignees to lodge and file the goods declaration and/or withdraw the goods within the period prescribed under JAO No. 20-01.
- 5.2. Upon expiration of the period under Section 4.1, the goods shall be tagged as abandoned in the E2M Customs System and the District Collector concerned shall issue a Notice of Abandonment to the importer/consignee via electronic mail to the registered e-mail address of the importer/consignee or if not possible, through publication in the official website of the Bureau of Customs and posting in a conspicuous place at the Collection District concerned that the goods are deemed abandoned.
- 5.3. Within twenty-four (24) hours from the issuance of the Notice of Abandonment, the importer/consignee of items under Sections 4.1, may request for the untagging of abandonment, which shall be resolved by the District Collector concerned within twenty-four (24) hours from receipt of the request. Provided, that, for reefer

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containers, the period of ten days from discharge to withdraw the goods shall be strictly complied with.¹⁴

- 5.4.** When no request for the untagging of abandonment is received and approved by the District Collector despite due notice, a Decree of Abandonment¹⁵ shall forthwith be issued, subject to the period provided under Sections 4.2 and 4.3.
The importer/consignee may appeal within 72 hours from issuance of the Decree of Abandonment, or within the 10-day withdrawal period, whichever comes first, otherwise, the Decree shall become final.
- 5.5.** Within twenty-four (24) hours from finality of the Decree of Abandonment, the Bureau shall make a proper determination as to disposition of the refrigerated containers that are intended for human or animal consumption in coordination with the regulatory agency concerned.
- 5.6.** If upon determination, donation is deemed to be the best mode of disposition, the Bureau shall immediately recommend the donation of the goods to the appropriate agency, through the Office of Civil Defense, subject to the necessary approval and certification from the regulatory agencies concerned as to its fitness for use or consumption, upon approval of the Secretary of Finance.¹⁶
- 5.7.** If the disposition of the goods is through donation, as approved by the Secretary of Finance, the Bureau shall submit to the Department of Finance a summary report with the description of goods, its commercial value, the original consignee, and the recipient of the donation, including copies of importation documents, the Decree of Abandonment and the Deed of Acceptance.

Section 6. Transitory Provisions. The Management Information System and Technology Group (MISTG) shall establish an ICT-enabled system for reporting, monitoring of abandoned shipments and to allow implementation of the provisions of this Order, as far as practicable and as existing processes may reasonably allow.

Section 7. Repealing Clause. All other rules and regulations issued by the Bureau which are inconsistent with this Order are deemed repealed or modified accordingly.

¹⁴ cf. Section 3 (a), Rule III, JAO No.20-01

¹⁵ Annex B – Standard Form – Decree of Abandonment

¹⁶ cf. Section 4, Rule VI, JAO No. 20-01

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Section 8. Separability Clause. If any part of this Order is declared unconstitutional or contrary to existing laws, the other parts not so declared shall remain in full force and effect.

Section 9. Effectivity. This Order shall take effect immediately and shall remain in effect until the state of public health emergency is lifted.



REY LEONARDO B. GUERRERO

Commissioner

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