



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA 1099

CUSTOMS ADMINISTRATIVE ORDER (CAO)
NO. _____

**SUBJECT: RULES AND REGULATIONS ON THE ADMISSION, MOVEMENT
AND WITHDRAWAL OF CONTAINER VANS, DERIVING
REVENUE THEREFROM**

Introduction. This Order institutionalizes a system of accounting and monitoring of movement of all incoming and outgoing containers utilizing information and communications technology under Section 109, Chapter 2, Title I and other relevant Sections of Republic Act 10863 otherwise known as the Customs Modernization and Tariff Act (CMTA).

Section 1. Scope. This Order covers the guidelines and procedure for the monitoring and control of all types, categories or classification of container vans movement.

Section 2. Objectives.

- 2.1.** To provide monitoring system for all incoming and outgoing containers whether loaded or empty;
- 2.2.** To effectively institute safeguard measures over all incoming and outgoing container vans;
- 2.3.** To ensure proper collection of duties and taxes on overstaying containers as a source of non-traditional revenue;
- 2.4.** To provide a system for the validation of all incoming and outgoing container vans by requiring port operators to submit timely and accurate data such as CODECO and CoArri files; and
- 2.5.** To establish a database of all incoming and outgoing containers that will be shared to all ports, divisions, offices, units, stakeholders as to transfers, transits and status of the container vans whether overstaying or not.

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

- 3.1.** Container Van Categories and Accountable Parties shall be as follows:

- 3.1.1. Carrier-Owned Container (COC)** – shall refer to the container owned by the carrier or shipping line. Accountable Party is the carrier or shipping line.
- 3.1.2. Container Delivery Confirmation (CODECO)** – shall refer to the message that is used by the terminal operators and depositary managers to report to the shipping company and his ship's agent which have reached or left the container terminal.
- 3.1.3. Container Arrival (CoArri)**. – shall refer to the message that is used by the terminal operators to report to the shipping company and his ship's agent which container have been loaded or discharged.
- 3.1.4. Shipper-Owned Container (SOC)**. – shall refer to the container owned by the shipper thus accountability is transferred to the consignee of the shipment/cargo.
- 3.1.5. Leased Container (LC)**. – shall refer to container owned by the carrier or shipping line, leased to a third party lessee with an agreement or contract with the shipper who owns the contents of the container, thus accountable party is the lessee.

Section 4. General Provisions.

4.1. Vessel Standard Operating Procedures shall be as follows:

- 4.1.1. Discharging.** All Shipping Lines, immediately after arrival of the carrying vessel, shall furnish the Customs Container Control Division (CCCD), Port Operations Division (POD) or equivalent unit a copy of Discharging Sequence (loaded containers) indicating therein the following information:
- a.** Name, voyage no., registry of the carrying vessel;
 - b.** Estimated date of arrival or departure;
 - c.** Container no., size, category (COC, SOC or LC), accountable party; and
 - d.** Name of ultimate shipper or exporter.

Copy of Discharging Sequence for empty containers shall be submitted separately indicating the same information mentioned for loaded containers with the exception of the fourth (d). No discharging of containers shall be allowed unless the prescribed Discharging Sequence be provided by the shipping line agent.

- 4.1.2. Loading.** Prior to loading and departure of the carrying vessel, the concerned shipping line shall furnish the following:

- a.** Loading Sequence of both loaded and empty containers and approved Special Permit to Load (SPL) to be submitted to the CCCD, POD or equivalent unit. Empty Containers covered by SPL shall be listed in separate Loading Sequence. Shipments under Foreign Transshipment and Co-Loading Scheme shall be included in the Loading Sequence for loaded containers; and
- b.** Copies (one set) of the Loading Sequence and SPL to the Inspector on Board (Bay Service) and the other set to the Loading Inspector (CCCD) for validation with his/her COARRI-CODECO file to be provided by the Port Operator. No loading of containers shall be allowed unless the Loading Sequence/ SPL be provided by the shipping line agent.

Aside from their hardcopies, all documentary requirements (e.g. SPL, Discharging and Loading Sequence and List of Empty Containers for Withdrawal) to be furnished by the shipping lines shall also be electronically sent to CCCD, POD or equivalent unit.

Application for Special Permit to Load (SPL) shall be filed by the Shipping Lines within seventy-two (72) hours before the start of actual loading of empty containers on the carrying vessel. The assigned CCCD, POD or assigned personnel shall ensure that the containers specified therein are indeed empty and shall recommend the same for the issuance of Authority to Load duly approved by the Chief, CCCD, POD or equivalent unit.

Shipments under Foreign Transshipment after having been duly processed and issued with permit by the Deputy Collector for Operations, shall be coursed through the CCCD, POD or equivalent unit for posting, recording and encoding and shall be included in the discharging list of the vessel as well as in the loading sequence of their carrying vessel. The CCCD, POD or assigned personnel shall verify the correctness of the container numbers indicated in the permit prior to loading.

4.2. Allowable Stay of Containers shall be as follows:

- 4.2.1.** Containers arriving whether loaded or empty shall be re-shipped or re-exported within 120 days from the date of last discharge as evidenced by the Discharging Sequence duly acknowledged by the CCCD, POD or equivalent unit. This may be extended by the Port Collector for a period of 30 days under the following circumstances:

- a. Repair of seriously damaged containers is being made;
- b. Containers are being held in custody by the Bureau Customs for suspected violation of Customs Laws, rules and regulations; and
- c. Containers are still loaded with import cargoes which have not been cleared by the Bureau of Customs.

The shipping line agent or representative concerned shall clearly indicate the name and location of the ECD on the Withdrawal of Empty Containers Form to be filed with the CCCD, POD or equivalent unit prior to release of empty containers from the port of discharge¹.

4.3. Overstaying Containers Deemed As Import.

4.3.1. Containers which have not been re-exported by the deadline stated in the **Section 4.2.** shall be treated as import. The owner or possessor of said van/s has the obligation to file goods declaration and pay necessary duties and taxes and penalty, if any.

4.3.2. In case payment of taxes and penalty have not been made within the allowable period shall be liable to the issuance of Warrant of Seizure and Detention (WSD)².

Section 5. Procedure for Posting, Recording and Encoding.

5.1. The port operator shall transmit electronically the CODECO and CoArri files upon discharge, loading, gate-in and gate-out to CCCD, POD or equivalent unit.

5.2. All container transfers whether to CY-CFS and transit cargoes shall be forwarded to CCCD, POD and other equivalent unit for posting, recording and encoding.

Section 6. Penal Provision. Violation of this Order or any provision stated herein shall be meted with penalty accordingly as follows on a one-year basis:

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|-------------------|---|-----------------------|
| a. First Offense | – | Ten Thousand Pesos |
| b. Second Offense | – | Twenty Thousand Pesos |
| c. Third Offense | – | Thirty Thousand Pesos |

Section 7. Repealing Clause. This CAO specifically repeals previously issued Orders which are inconsistent with the provisions here stated.

Section 8. Effectivity. This CAO shall take effect within fifteen (15) days from publication at the Official Gazette or a newspaper of national circulation.

¹ cf. Customs Administrative Order (CAO) No. 12 – 1980

² cf. CAO No. 01 – 2015

The Office of the National Administrative Register (ONAR) of the UP Law Center shall be provided three (3) certified copies of this CAO.

NICANOR E. FAELDON
Commissioner

Approved:

CARLOS G. DOMINGUEZ III
Secretary