CUSTOMS MEMORANDUM ORDER NO. __ /2 - 2014

SUBJECT: OPERATIONAL GUIDELINES FOR THE SUB-PORT OF NORTH HARBOR

WHEREAS, the Sub-Port of North Harbor is a sub-port of the Manila International Container Port under Executive Order No. 127 (E.O. 127) series of 1987, Reorganizing the Ministry of Finance, and Customs Administrative Order (CAO) No. 04-79 dated 24 May 1979 (Activation of the MICP and the Realignment of the North Harbor Branch into a Sub-Port of Entry, Customs District II)

WHEREAS, Section 3519 of the TCCP provides that a port of entry, which includes a principal port of entry and a sub-port of entry, is open to both foreign and coastwise trade.

WHEREAS, Sections 4 and 5 of Republic Act No. 10668, otherwise known as "An Act Allowing Foreign Vessels to Transport and Co-Load Foreign Cargoes for Domestic Transshipment and for Other Purposes", grants the Commissioner of Customs the power to authorize among others, any foreign vessel to take or convey import or export cargoes at any Philippine port authorized by a government contract to handle domestic, import or export cargo.

WHEREAS, the Manila North Harbour Port, Inc. (MNHPI), the cargo handling operator of the Sub-Port of North Harbor, is a grantee of a Certificate of Authority to Operate as an Authorized Customs Facility (ACF) issued on 1 December 2015;

NOW THEREFORE, pursuant to R.A. 10668 and in relation to Section 608 of the Tariff and Customs Code of the Philippines (**TCCP**), the following are hereby promulgated in order to prepare and allow MNHPI to accept, handle and store import, export and transshipment cargo, and to equip it with the necessary facility to operate as an international port.

1. OBJECTIVES

1.1 For the effective enforcement of customs and tariff laws, R.A. 10668 and other relevant laws, rules and regulations at the Sub-Port of North Harbor.



1.2 To operationalize the establishment of MNHPI as an Authorized Customs Facility pursuant to its Certificate of Authority to Operate dated 1 December 2015 in accordance with CMO No. 30-2015.

2. OPERATIONAL PROVISIONS

- 2.1 The entrance and clearance of vessels engaged in foreign trade and their boarding or departing passengers, as well as all import, export and transshipment cargoes and mail matters passing through the Sub-Port of North Harbor, shall be subject to the usual customs formalities and procedures under existing laws, rules and regulations.
- 2.2 Port Facility MNHPI shall ensure strict compliance with the requirements of CMO No. 30-2015 such as the web-based inventory management system, adequate office space for customs personnel, security procedures for service providers and vendors, container security integrity and breach detection measures, personnel and physical facility security, among others.
 - 2.2.1 Import cargoes, either in bulk or containerized, shall be segregated from local cargoes by a designated area for security and convenience and pursuant to customs laws, rules and regulations
 - 2.2.2 MNHPI shall provide ample and contiguous spaces, at no expense to the Bureau, for the following:
 - a. Designated Examination Area (DEA)/Customs Clearance Area
 - b. Installation of X-Ray Machines
 - The X-Ray Inspection Project is hereby directed to deploy two (2) x-ray machines at the Sub-Port of North Harbor.
 - c. Abandoned/forfeited/seized cargoes.
 - d. Office for customs personnel.
 - 2.2.3 MNHPI shall provide a gateway computer and the directly-related communication lines & communication software, including the maintenance and enhancement thereof that will enable BOC to transmit the release instructions to MNHPI. BOC and MNHPI shall maintain its own electronic copy of the release instructions and the confirmation/revision notices.
 - 2.2.4Customs personnel shall, in the performance of their official functions, have full access to the port, its facilities, sheds and warehouses.

2.3 Personnel Complement – The organizational structure, statement of functions and staffing pattern for the Sub-Port of North Harbor as set forth in E.O. 127, s. 1987 shall be observed. In the event that the plantilla positions for the Sub-Port of North Harbor are unfilled, the Commissioner of Customs or the District Collector of Manila International Container Port, is hereby directed to assign customs personnel who will process and/or clear import, export and transshipment entries, as well as perform other functions necessary, within fifteen (15) days from the issuance of this order, for the effective operation of the port.

2.4 Client Profile Registration System (**CPRS**) / Port Code – The MISTG is hereby directed to register MNHPI with the CPRS, and to assign a port code for the Sub-Port of North Harbor, in order to allow MNHPI to send and receive OLRS messages through a selected VASP Application System.

3. TRANSITORY PROVISIONS

In the interim, all processing, subject to the usual customs formalities and procedures under existing laws, rules and regulations shall be done at the principal port of MICP, until such time that the personnel complement at the Subport-of North Harbor is filled up.

4. REPEALING CLAUSE

All Orders, Memoranda, Circulars or parts thereof, which are inconsistent with this Memorandum, are hereby deemed repealed and/or modified accordingly.

5. SEPARABILITY CLAUSE

If any part or provisions of this Order is later on declared invalid or illegal, the remaining portion shall remain valid and unaffected.

6. EFFECTIVITY

This Order shall take effect immediately.

ALBERTO D. LU

Commission

Commissioner 16-03357

JUN 02 2016