

InterCommerce' Briefing on the BOC E2M Automated Export Declaration System (AEDS)



- Discuss the mandatory implementation by the Bureau of Customs' (BOC) Electronic-To-Mobile (E2M) Automated Export Documentation System (AEDS)
- Online Preparation of the ED-SAD: A Walk Through INS WebCWS Export Declaration
- Q & A

Agenda

1. Pilot Automated Export Documentation System - **AEDS** for PEZA/SEIPI in 2002
2. SBMA Automated Export Documentation System - **AEDS** for air export shipment of Subic Freeport locators in May 2010
3. PEZA Expanded Automated Export Documentation System – **e-AEDS** for all direct export shipments of PEZA Ecozone Registered Exporters/Locators on 15 March 2012
4. BOC E2M Automated Export Declaration System – **AEDS**

“A E D S”



□ CMO 54-2010

- Electronic Lodgement of ED through Accredited VASPs

□ CMO 7-2012

- Supplemental Guidelines in the Implementation of the AEDS under E2M Customs

CMOs to Implement BOC E2M AEDS

BOC CMO 54:

- Covers all EDs in all collection Districts, including sub-port and other BOC Offices, except OSEDC and Eco- and Freeport-Zones
- General Provisions:
 - Only Brokers/Exporters registered with CPRS shall be allowed to submit EDs in the E2M Customs System
 - ED-SAD shall be lodged electronically through VASP
 - Payment of P115 Doc Stamp Fee (DSF)
 - Exporters are to open and maintain debit accounts at any of the AAB pursuant to provisions on PASS5 of the E2M Customs System
 - PEZA- and BOI-registered are exempted from DSF
 - Exporters shall secure Export Clearance, License and/or Permit for regulated products using NSW prior to filing of ED
 - Has Annexes:
 - A: Export Model of Declarations and Respective Procedure Codes
 - B: Prohibited and Regulated Products for Export

CMO 54-2010

BOC CMO 54

- Operational Provisions:
 - Customs Reference Identifier for ED is “E” while Mode of Declaration type for Clearance is “EX” followed by procedure code

Exports Model of Declarations and respective Procedure Codes

EX1 1- Export with no raw material tax break

Procedure codes

- 1000- Permanent Export of domestic origin
- 1021- Permanent export after (Temporary Entry) TE for customs outward processing procedure
- 1022- Permanent export after TE for return in unaltered state

EX1 2- Temporary Export with no raw material tax break

Procedure codes

- 2100- Temporary export under customs outward processing procedure
- 2200- Temporary Export for return of goods in unaltered state

EX1 3- Re- export with no raw material tax break

Procedure codes

- 3052- Re-export after customs inward processing procedure
- 3071- Re-export after customs warehousing procedure

EX2 1- Export with raw material tax break

Procedure codes

- 1000- Permanent Export of domestic origin
- 1021- Permanent export after TE for customs outward processing procedure
- 1022- Permanent export after TE for return in unaltered state

EX2 2- Temporary Export with raw material tax break

Procedure codes

- 2100- Temporary export under customs outward processing procedure
- 2200- Temporary Export for return of goods in unaltered state

EX2 3- Re- export with raw material tax break

Procedure codes

- 3052- Re-export after customs inward processing procedure
- 3071- Re-export after customs warehousing procedure

1W 1- Permanent export with subsequent duty and tax reckon

Procedure codes

- 1000- Permanent Export of domestic origin
- 1021- Permanent export after TE for customs outward processing procedure
- 1022- Permanent export after TE for return in unaltered state

CMO 54-2010

BOC CMO 54

- Operational Provisions:
 - Selectivity: Yellow (documents) and Red (product) Lane Shipments
 - TCE shall review and verify the following:
 - Valuation Note (info about total value of the declaration)
 - Item Valuation Note (info about the value per item)
 - Assessment Notice (info about the total amount of fees)
 - Product Tariff Classification
 - Supporting Documents
 - Clearing of the Export cargo for loading will trigger the payment instructions to the AAB to collect payment for DSF
 - Manual Processing shall be allowed in the following instances: computer systems breakdown, power failure which renders the computer system non-operational, AAB is offline, or upon authorization by the BOC DepComm of MISTG
 - No amendment of ED lodged; Cancellation has to be done in writing and within 15 days

CMO 54-2010

BOC CMO 7-2012

- General Provisions:
 - Registration in the CPRS is thru any VASP
 - Accrediting Agencies for
 - Investment Promotion Oriented Exporters are: PEZA, BOI, CDC, SBMA, AFAB, CEZA and ZEZA
 - Export Promotion-Oriented Exporters and Coffee Exports under EDA and ICOCA : BETP
 - All other Exporters not falling with any of the aforementioned: Philexport
- Accrediting agency shall cause the registration of its duly accredited exporters in the BOC CPRS by submitting the following info:
 - Company or individual name and TIN as registered with the BIR
 - Unique Reference Number (URN) – assigned by accrediting agency to the exporter
 - Contact Person, Tel No and other Material Data
- Validity of CPRS registration accredited by
 - govt agencies shall be determined by the govt agency
 - Philexport shall be for 1 yr

CMO 7-2012

BOC CMO 7-2012

- General Provisions:
 - Bank Reference No (BRN) – given by AAB upon submission of COR in the CPRS
 - CPRS Registration of EAR
 - EAR is a CPRS-registered Broker who is not a PRC-licensed broker, authorized to sign & process ED
 - VASP shall send the EAR's profile to CPRS for processing by BOC ICARE
 - One-time Exporter
 - One exportation within 365 days from date of approval
 - Payment of DSF
 - Thru auto-debit scheme of PASS5
 - Thru Cash via BOC In-house Bank
 - Thru Designated BOC Cashier, for payments made beyond office hours, which shall be remitted within the day or the next banking day
 - Cancellation of ED-SAD has to be done in writing and within 15 days; otherwise, CPRS registration shall be suspended

CMO 7-2012

BOC CMO 7-2012

- Transitory Provisions:
 - ED Lodgment
 - Is electronic (Manual is no longer allowed)
 - Shall be allowed to be done only by Exporters and EAR registered with CPRS
 - Procedures for registration of exporters under CBWS shall be covered by another CMO. In the meantime, they shall be allowed to continue using their previously issued URNs

CMO 7-2012

- **From Manual Export Declaration to BOC E2M AEDS**
 - Requisites
 - CPRS Registration to get the URN thru VASP
 - BRN thru AAB
 - Online preparation and submission of the ED-SAD thru VASP
 - Business Name, TIN and HS Code
 - System generated ED-SAD, in lieu of DTI Manual ED
 - Selectivity – Yellow and Red
 - Payment of DSF: Auto-debit via AAB thru PASS5 or Cash Payment
 - No amendments; new ED/SAD to be lodged
 - Effectively, only 15-days validity of ED; ED-SAD un-used after 15 days have to be cancelled

Key Changes in ED Procedures

- **From Manual Export Declaration to BOC E2M AEDS**
 - **Some Mandatory Data Elements**
 - Exporter Name and 12-digit TIN (Registered with BOC E2M CPRS)
 - Declarant (“Exporter as Declarant” with TIN 111-111-111-111)
 - Mode of Declaration (eg EX1-1, EX2-2)
 - Valid 11-digit AHTN (HS Code)
 - Bank Reference Number (issued by BOC AAB)
 - Shipping data: Port of Loading, Vessel Name, AWB/BL Number, Container Numbers

Key Changes in ED Data



**Exporter
Accreditation**

**Registration/
Subscription
to VASP**

**Registration
of Exporter
Profile in
CPRS**

**Exporter
Bank Ref
Number**

Exporter Accreditation with Government Agencies:

- BOI
- PEZA
- CDC
- SBMA
- AFAB
- BETP

Accreditation with PhilExport

- All other exporters not accredited by government agencies

Exporter Unique Reference Number (URN) issued by Agencies, PhilExport

- BOI and PEZA URN are available with InterCommerce

Requisites for E2M AEDS



**Exporter
Accreditation**

**Registration/
Subscription
to VASP**

**Registration
of Exporter
Profile in
CPRS**

**Exporter
Bank Ref
Number**

1. **Exporter Registration with VASP, eg. InterCommerce**
2. **Online encoding of Exporter Profile in VASP system**
3. **Electronic Submission of CPRS to BOC E2M**
4. **Online Approval by Accrediting Agency, PhilExport; Activation to be done by BOC MISTG**
5. **Export Receipt of CPRS Status via eMail**

Requisites for E2M AEDS



**Exporter
Accreditation**

**Registration/
Subscription
to VASP**

**Registration
of Exporter
Profile in
CPRS**

**Exporter
Bank Ref
Number**

1. **Exporter to print BOC E2M Certificate of Registration, as Exporter**
2. **Exporter to go to its bank to get its Bank Reference Number**
3. **Bank issues unique BRN to Exporter**
4. **Bank sends BRS to BOC E2M via PASS5**

Requisites for E2M AEDS

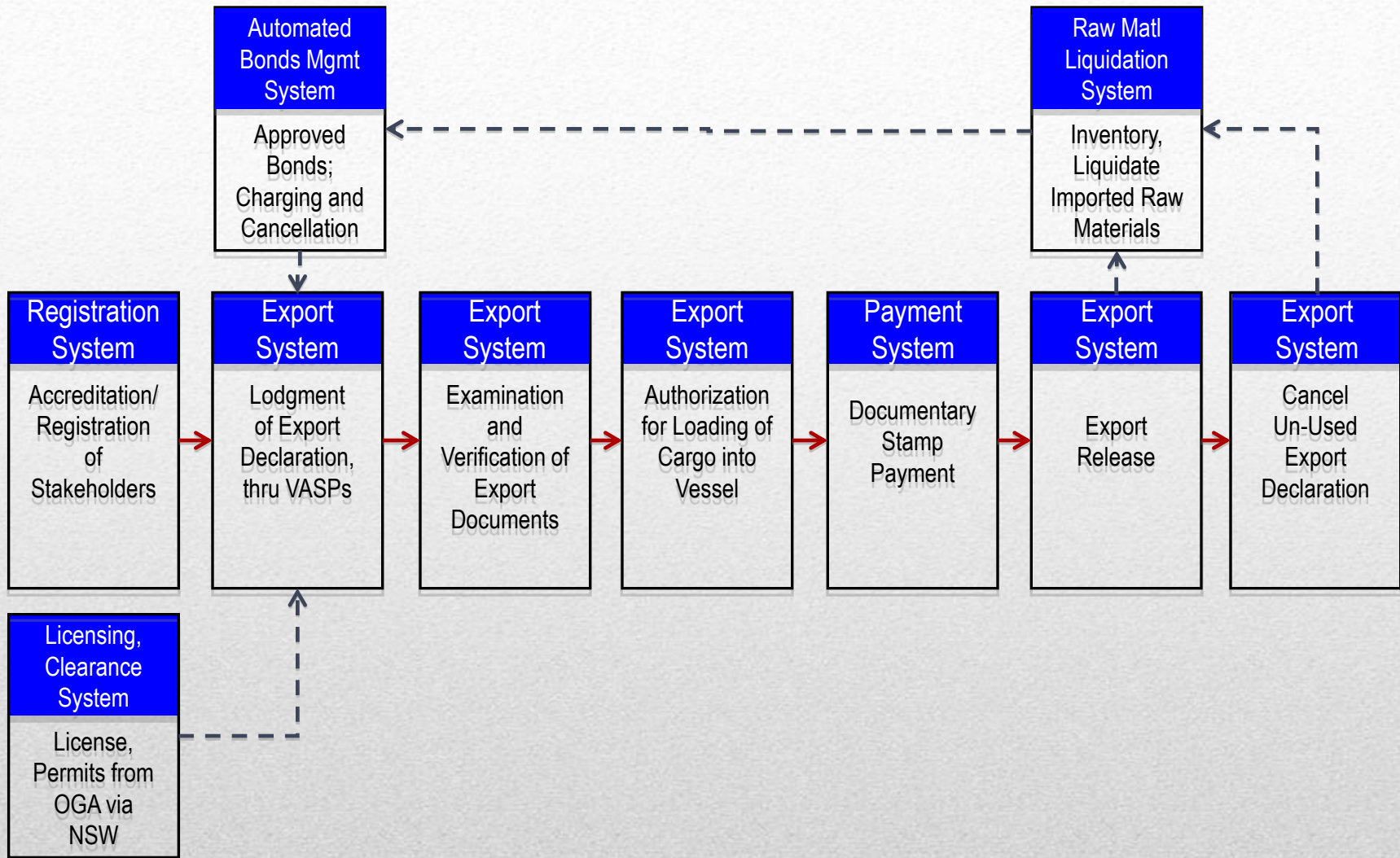
- **Pre-requisites**

1. Accreditation with other government agencies
2. Subscription to a VASP, eg InterCommerce
3. Registration with BOC E2M CPRS
4. Bank Reference Numbers
5. Export Licenses and Clearances from other government agencies

- **BOC E2M Export Procedures**

1. Online preparation, electronic submission of ED-SAD
2. Automated BOC E2M Validation
3. BOC Export Division processing of export documents
4. Payment for Documentary Stamp
5. Inspection and issuance of Authority to Load
6. Export Release
7. Cancellation of Un-used ED-SAD

Exporter Compliance to E2M AEDS



BOC E2M AEDS Process Flow

- Declarant Name:
“**Exporter as Declarant**”
- Declarant TIN:
“**111-111-111-111**”
- Address:
“**For Export Use Only**”
- Customs Client No (CCN):
BR00007221111

ED-SAD Declarant

BOC
Form no.



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

CERTIFICATE OF REGISTRATION

By issuance of this certificate, the application signifies agreement to the following conditions:

1. Compliance to CMO ____ (CMO) subsequent issuance governing Client Registration Application Processing
2. Non-repudiation of any declaration filed through the VASP
3. Recognition of TMM system information duly certified by its Administrator as valid and/or correct.

CCN BR00007221111

Registration Date: 2012-05-11

Expiry Date: 2013-05-11

TIN No. : 11111111111

Business Name : EXPORTER AS DECLARANT

Business Address : FOR EXPORT USE ONLY
PARANAQUE CITY 99999
PHILIPPINES

Nature of Business : Customs Brokerage (Ship and Aircraft)

Type of Business Entity : Individual

This is to certify that the information provided herein is true and correct. Further, agreement to the conditions from the approval of this Application as noted above is hereby affirmed.

BOC Designated Registration Office



**Preparation,
Submission of the
ED-SAD, thru VASP**

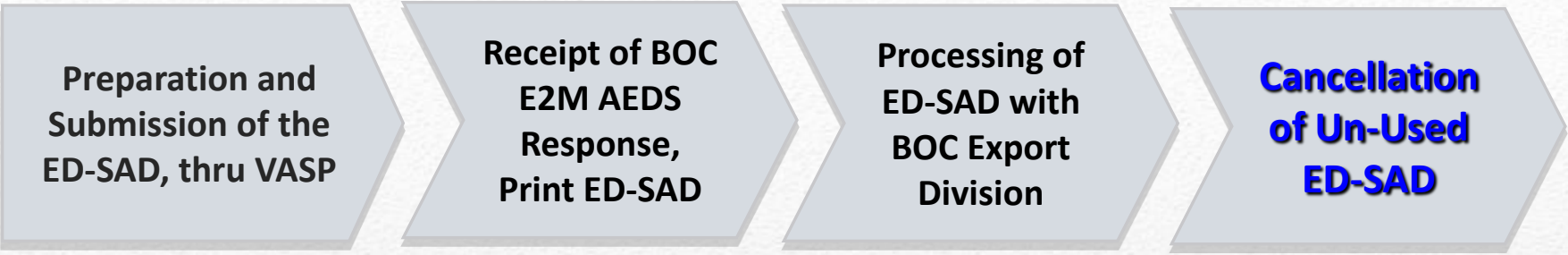
**Receipt of BOC
E2M AEDS
Response,
Print ED-SAD**

**Processing of
ED-SAD with
BOC Export
Division**

**Cancellation of
Un-Used
ED-SAD**

- 1. Exporter to log in InterCommerce Website with valid user ID and Password**
 - www.intercommerce.com.ph
- 2. Select Option from Menu**
 - Create new ED-SAD or Create from Existing ED-SAD
- 3. Encode ED-SAD Mandatory and Optional Data**
- 4. Print Draft ED-SAD for Review before submission**
- 5. Send ED-SAD to BOC E2M AEDS**

BOC E2M AEDS Procedures



Preparation and
Submission of the
ED-SAD, thru VASP

**Receipt of
E2M AEDS
Response,
Print ED-SAD**

Processing of
ED-SAD with
BOC Export
Division

Cancellation of
Un-Used
ED-SAD

1. Exporter to log in InterCommerce Website with valid user ID and Password
2. Open WebCWS ED Application
3. View ED-SAD Record, Select ED-SAD with Approved Status
4. View details and Print approved ED-SAD
5. Collate support documents, together with ED-SAD, for submission to BOC Export Division for processing

BOC E2M AEDS Procedures

Preparation and
Submission of the
ED-SAD, thru VASP

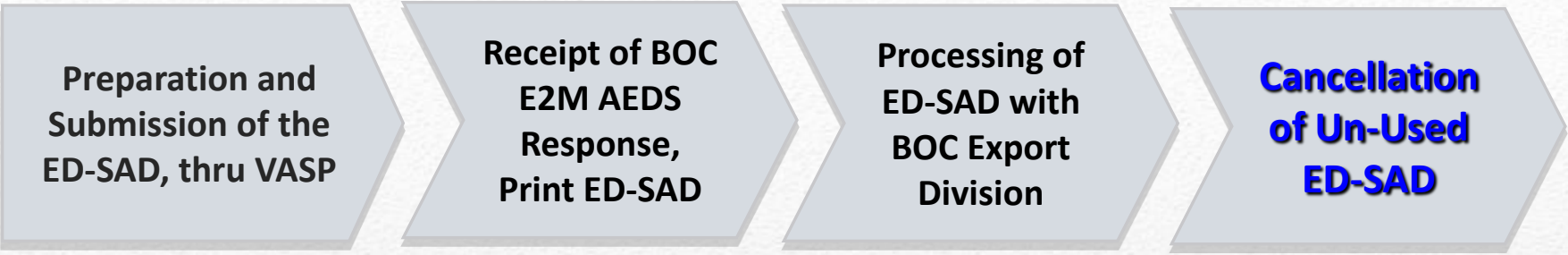
Receipt of BOC
E2M AEDS
Response,
Print ED-SAD

**Processing of
ED-SAD with
BOC Export
Division**

Cancellation of
Un-Used
ED-SAD

1. **Submit approved ED-SAD with support documents, to BOC Export Division at Port of Loading**
2. **Examination and Verification of Export Documents**
3. **Authorization for Loading**
4. **Payment of DSF**
 - Payment thru PASS5, or
 - Payment thru In-house Bank of BOC Cashier, after lifting of payment lock by TCE
5. **Export Release**

BOC E2M AEDS Procedures



Preparation and
Submission of the
ED-SAD, thru VASP

Receipt of BOC
E2M AEDS
Response,
Print ED-SAD

Processing of
ED-SAD with
BOC Export
Division

**Cancellation
of Un-Used
ED-SAD**

- 1. All un-used ED-SAD must be cancelled within 15 days of electronic submission to BOC E2M AEDS**
- 2. Cancellation of ED-SAD thru the BOC Export Division at Port of Loading**
 - Submit Letter Request for Cancellation address to the District Collector or Port Collector, attention: Chief Export Division
 - Letter Request for Cancellation to indicate the ED-SAD Number and reason for cancellation (e.g., cancellation of order by buyer, amendment of ED-SAD data, etc.)
 - Submit copy of un-used ED-SAD for Cancellation
- 3. Confirmation of Cancellation of un-used ED-SAD**

BOC E2M AEDS Procedures

Export Division

Trade Control Examiner

1. Retrieves the ED-SAD
2. Verifies the documents
3. Inspects the cargo
4. Updates the ED SAD
5. Fills out the Inspection Act

Division Chief

1. Retrieves the ED-SAD
2. Reviews the ED-SAD
3. Re-routes the ED-SAD
4. Assess the ED-SAD
5. Prints the ED-SAD and forwards to Inspector
6. Cancel the ED-SAD , if required

Customs Inspector

1. Matches ED-SAD (print-out) and cargo
 - Allows loading of cargo if Declaration matches cargo (+/- 10%)
2. Retrieves ED-SAD
3. Tag the ED-SAD as 'Export Release'

District Collector

1. Retrieves the ED-SAD
2. Tags the ED-SAD as 'Seized'

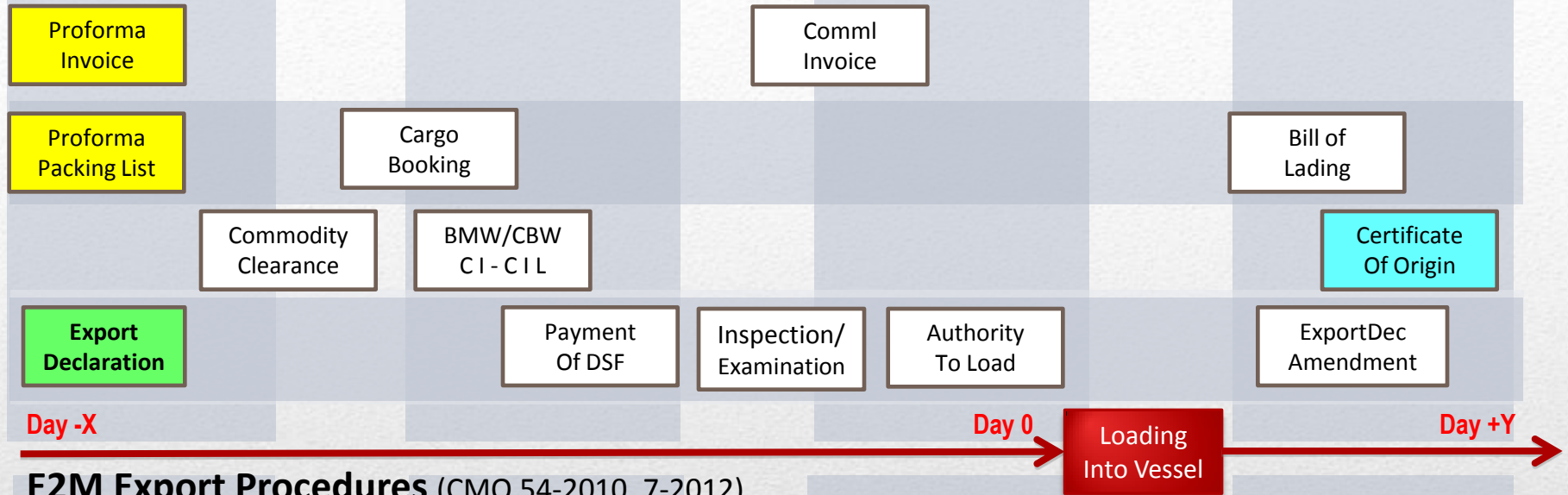
Roles of Customs Officers in AEDS

ED-SAD

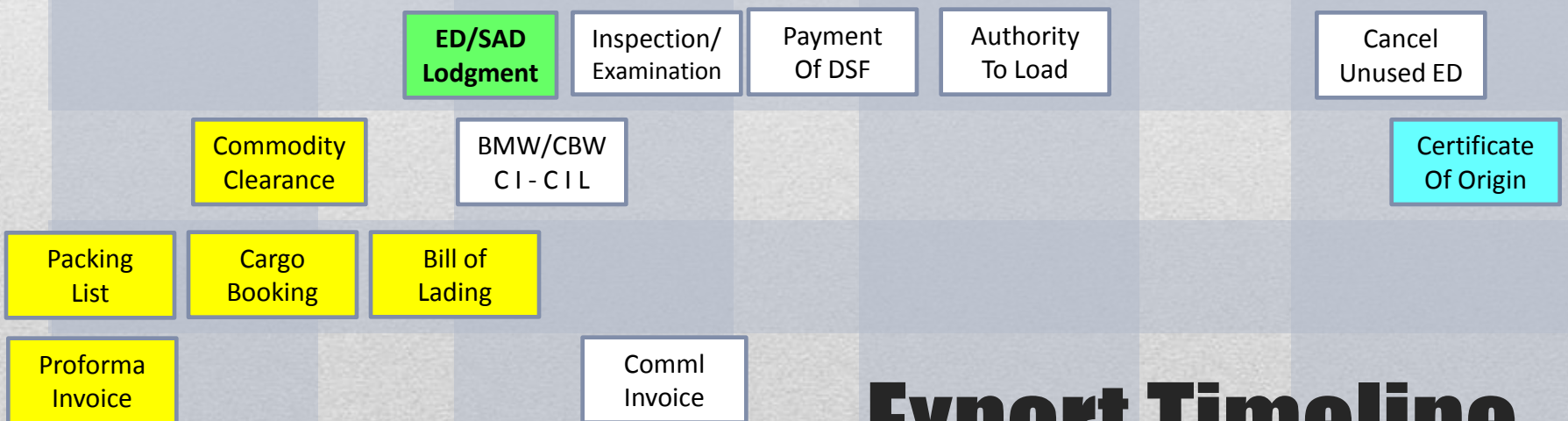


1		2 Exporter / Supplier Address		TIN		1 DECLARATION		Office of DISPATCH/EXPORT	
C U S T O M S	1	3 Page				4		Office Code	
		5 Items				6 Tot. Pkgs.		7. Declarant Reference Number	
		8 Importer / Consignee, Address				9 Registry Office			
		10				11		12 Tot. FWD	
		14 Declarant Address				TIN		15 Country of Export	
		16 Country of Origin				17		13 T. Rel.	
		18 Vessel / Aircraft				Registry No.		19 CI	
		20 Terms of Delivery				21 Local Carrier (if any)		22 F. Cur.	
		23 Port of Loading				24		25 Financial and Banking Data -	
		26 Port of Departure				27 Province of Origin		28 Bank Name	
31 Packages and Description of Goods	32 Item No.				33 HS Code		34 C.O. Code		
	35 Item Gross Weight				36 Prof.		37 Procedure		
	38 Item Net Weight				39 Val Code		40a AWB / BL		
	40b Previous Doc No.				41 Suppl. Units		42 Item Customs Value (F. Cur.)		
	43 Val Method				44 Adjustment		45 Statistical (PHP) Value		
	46 Export Clearance No.				47		48 Preparation No.		
	Corresponding import document No.				FOB value of imported raw materials		49 Identification of Warehouse		
	Tax Type				Tax Base		Rate		
	Amount				MP		47b ACCOUNTING DETAILS		
	Date/Time Printed				Date/Time Printed Allowed to Exit		Method of Payment		
Total Fees				Total Assessment		Assessment Number			
30 Declarant				Printed Name and Signature of Declarant		Date			
31 AUTHORIZATION				Name of Agency		Place and Date			
Print Name				Position		32 Bureau of Customs (BOC) Control			
Date				Valid Until		Printed Name and Signature of Declarant			
						Position			
						Date			

Manual Export Procedures



E2M Export Procedures (CMO 54-2010, 7-2012)



Export Timeline

- Domain knowledge
 - ICT: B2B E-Commerce Solutions
 - Supply Chain Management: PO, ASN to Invoice, Settlement
 - Cross Border Trade Information Exchange
 - Export Procedures: Permits, Declaration to Certificate of Origin
 - Customs Systems: BOC E2M AEDS, NSW
- System Availability and Reliability
- Quality Helpdesk, Customer Support Services
- Data Integrity – No Possible Conflict of Interest

Criteria in Choosing VASP

About **InterCommerce**

Network Services

- IT, Value Added Network Services company established in 1987 with 25 years experience in B2B transactions, and more than 14 years in eCustoms Services – accredited as EDI VAN in 1998 and as Value Added Service Provider (VASP) by Customs, PEZA, Clark, Subic and Bataan Freeports, the Board of Investment and the Department of Agriculture: BAI, BPI, BFAR and MAV
- A distributor since 1987 of **GXS** (formerly GE Information Services), the largest global B2B eCommerce services provider, and in 2010, **CONEX** SA (France), an EU Customs Service Provider
- Member, Pan Asian eCommerce Alliance (**PAA**) since 2008
- Independent IT Company - No Affiliation with any logistics company (brokerage, forwarder, warehouse operator), nor with importer, exporter or trader. No potential conflict of interest with client logistics providers, ensuring data confidentiality and integrity.
- InterCommerce . . . **Local Focus – Global Reach !**



InterCommerce is Accredited by more Government Agencies

1. Bureau of Customs
2. Philippine Economic Zone Authority
3. Clark Development Corporation
4. Subic Bay Metropolitan Authority
5. Area of the Freeport of Bataan
6. Board of Investments
7. Bureau of Animal Industry
8. Bureau of Fisheries and Aquatic Resources
9. Bureau of Plant Industry
10. Department of Agriculture - MAV



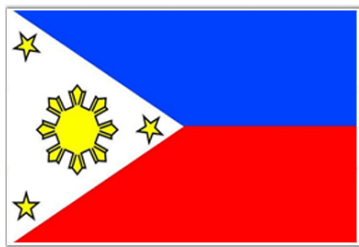
Local Focus

InterCommerce
Network Services

1987



Americas
United States



2008



Asia
Japan, Korea, China,
Hongkong, Macau,
Taipei, Thailand,
Malaysia,
Singapore,
Indonesia

2010



European Union
27 Member States

Global Reach

- Ensures 100% compliance to PEZA, Customs requirements
 - PEZA ED/ATL SAD compliant to BOC E2M AEDS
- Online Visibility Service to importers and exporters
 - Monitoring lodgment of brokers and forwarders
 - Uploading and monitoring importables, exportables
- High Availability, Accessible and Secure Network Infrastructure
- Regular conduct of Orientation and Training to stakeholders
- Continuing training for Helpdesk Support, hiring mostly graduates of Customs Administration graduates
- Expanded VASP services to more government agencies
- Adoption of global best practices in providing VASP services

InterCommerce Value Added Services

- **Online Visibility of Export Transaction**
- **Archive of Export Data**
- **Electronic Certificate of Origin**
- **PAA Electronic Self Certification**

Other Initiatives on Automating Export Procedures

- **Schedule of BOC E2M AEDS of Implementation***

- Acc to Ms Nomie, E2M AEDS will be implemented nationwide by June 1, 2012
- Lodgment of ED-SAD to BOC E2M excludes exports from
 - PEZA, CDC, SBMA and AFAB registered enterprises (pursuant to CMO 54-2010, providing for the issuance of a separate CMO; a draft JMO has been submitted last Mar 12, 2012 to BOC)
 - E2M AEDS implementation also excludes export shipments containing personal effects

** Subject to Memo to be issued by BOC Deputy Commissioner for MISTG*

Q & A

- **Lodgment and Processing of ED-SAD**

- All ED-SAD to be lodged with BOC Accredited VASPs, eg. InterCommerce
 - Online preparation
 - Electronic submission and receipt of response from BOC E2M AEDS
 - Online printing of ED-SAD with BOC ED Reference Number
- Processing of ED-SAD with the OSEDC
- Processing of ED-SAD with the BOC Export Division at Port of Loading

Q & A

Payment of Documentary Stamp Fee: P115.00

- Exporter should get Bank Reference Number (BRN) from Authorized Bank (Commercial Banks), even if exporter will opt to not to pay thru PASS5
- Options for payment
 - Auto-debit thru PASS5. P115 to be debited by bank from the account nominated by the exporter, during banking hours; if thru PASS5, the E2M cannot proceed to the 'export release' without confirmation from the bank
 - Over the counter payment thru in-house bank, eg. Landbank, at the Port of Loading during regular banking hours
 - Over the counter payment thru BOC Cashier, before and after regular banking hours, including Saturdays and Sundays

Note: Exporter shall present approved ED-SAD when paying the DSF

Q & A

Amendment of the Export Declaration (ED-SAD)

- An ED-SAD successfully lodged with the BOC E2M AEDS cannot be amended
- There may be a +/- 10% variance in the quantity or value of the actual export shipment vis-à-vis the quantity or value in the ED-SAD
 - However, the raw material liquidation and the issuance of the Certificate of Origin shall be based on the quantity and value as reflected in the ED-SAD; the Exporter shall re-lodge an ED-SAD to reflect correct quantity, value and other ED-SAD data
- INS Export Module provides a facility to create a new ED-SAD based using a previously lodged ED-SAD data; the Exporter will simply amend the erroneous data for re-submission to the BOC E2M AEDS

Q & A

Cancellation of the Un-Used Export Declaration (ED-SAD)

- Exporter shall cancel un-used ED-SAD within 15 days
- Exporter shall submit a letter request addressed to the District/Port Collector, Attention: Chief of the Export Division
- If ED-SAD is not cancelled, the BOC Export Division shall recommend the suspension of the CPRS of the said Exporter
- Exporter may re-lodge an ED-SAD even prior to the cancellation of the un-used ED-SAD

Q & A

Refund of Fees

- InterCommerce shall charge exporters only for successfully lodged ED-SAD in the E2M AEDS
- There are NO InterCommerce charges in the
 - Preparation of ED-SAD, including 'incomplete' or 'saved' ED-SAD
 - Printing of the ED-SAD
 - Helpdesk Support
- Banks shall not refund bank-charges for the electronic payment of the P115.00 DSF, paid for cancelled ED-SAD
- The government procedure for the refund of the P115.00 DSF may result to expenses greater than the P115.00

Q & A

Mandatory Shipping Data

- The E2M ED-SAD requires the following mandatory data fields:
 - Vessel ID (Name and Registry Number)
 - Bill of Lading (BL) Number
 - Container Number/s for both FCL and LCL export shipments

Q & A

Exporter Registration with VASP

- An Exporter may register with one or more VASPs
- The Exporter should submit its CPRS thru one VASP, and may use the other VASP for its Export Declaration

Q & A

Export Declaration thru the OSEDC

- The OSEDC Services catering to the manual processing of the Export Declaration (DTI ED):
 - One-stop processing of ED
 - OSEDC Export Facilitation Fee
- Automatic Yellow and Green Selectivity Screens require verification of documents and possibly, inspection of cargo, by the Trade Control Examiners
- Exporters may benefit from the online services of the VASPs
 - Eliminate data encoding errors
 - Cost savings: man-hours, transportation and other fees

Q & A



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