

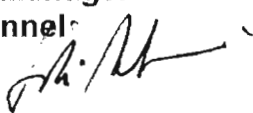


# Philippine Economic Zone Authority

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## MEMORANDUM CIRCULAR NO. 2007 - 017

**TO :** Economic Zone Export-Producers and IT Enterprises  
Economic Zone Administrators and Managers  
CPCO and PCDO Officers and Personnel

**FROM :** Director General LILIA B. DE LIMA 

**SUBJECT :** Clarification, Amendments and Additional Instructions on the  
Implementation of the PEZA Electronic Import Permit System

**DATE :** 31 August 2007

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This Memorandum Order is intended to clarify, amend and supplement provisions of Memorandum Order No. 2006-003, on PEZA's implementation of the Electronic Import Permit System (eIPS).

### **Descriptions and HS Codes of Foreign Goods Included in the Lists of Importables of Economic Zone Enterprises**

The e-IPS approves Import Permit applications only where the descriptions and HS codes of goods to be imported accurately correspond with those included in the Lists of Importables of economic zone enterprises. In view of this, economic zone enterprises shall ensure that their Lists of Importables up-loaded into the eIPS Database comply with the following guidelines:

1. Foreign raw materials, parts and components, spare parts, supplies and other inputs required by an economic zone enterprise for the manufacture of its registered export products or for the performance of its registered activity should be disaggregated to the extent possible which will allow them to be specifically and distinctly named or described such that they can be easily identified and classified for customs administration;
2. No generic terms (e.g., parts/spare parts, accessories, components, ingredients, tools, kits, modules, fixtures, materials, gears, etc.) shall be used to describe goods/articles included in the Lists of Importable, unless in conjunction with other descriptive words/nouns that will render the foreign goods/items distinguishable, in the context of the coverage of the tariff headings corresponding to the 8-digit HS headings assigned to them;
3. Accurate HS codes are assigned to the foreign goods/articles



Economic zone enterprises should review descriptions and assigned HS codes of foreign goods/articles included their Lists of Importables and, where necessary in compliance with this Memorandum Order, re-submit amended descriptions to the PEZA Managers in their economic zones for up-loading into the eIPS Database.

Economic zone enterprises should include in their Import Permit applications only goods contained in their approved Lists of Importables which have already been up-loaded into the eIPS Database.

Economic zone enterprises should formally request PEZA to amend their Lists of Importables to include foreign goods/articles which they failed to include in their initial submission to PEZA before importing the foreign goods. Economic zone enterprises that subsume or declare goods/articles not specifically contained in their Lists of Importables under descriptions/names and HS codes of goods/articles in their Lists of Importables risk seizure of the goods/articles by the BOC or payment of penalties to PEZA and/or BOC when the "misdeclaration" is discovered, even where the importing economic zone enterprises are subsequently able to prove that the goods are really required in the manufacture of their PEZA-registered export products.

CPCO / PCDU personnel shall undertake random examination of approved Import Permits and, effective 15 September 2007, automatically cancel or reject the following:

1. Import Permits which contain generic or wrong descriptions of goods/articles to be imported;
2. Import Permits where the descriptions and/or HS coded of goods/articles to be imported do not match the description of goods/articles in the attached Invoices
3. Import Permits which contain words and phrases further describing or pertaining to goods/ articles to be imported;

(Note: Description of goods to be imported strictly correspond to those included in the Lists of Importables. The "Remarks" field is provided for instructions of importing economic zone enterprises to suppliers and other parties involved in the import shipment and should not be used to further describe goods to be imported)

For strict compliance of all concerned.

