



Philippine Economic Zone Authority

Roxas Boulevard corner San Luis Street Pasay City, Metro Manila, Philippines
Telephones (632) 5513438 • 5513454 • Facsimile (632) 5513436
E-mail: info@peza.gov.ph • Website: www.peza.gov.ph

MEMORANDUM ORDER NO. 2006 003 *efg*

TO : PEZA-Registered Economic Zone
Export-Producers and I.T. Enterprises
Economic Zone Administrators/ Managers
PEZA Unit Heads in the Customs-PEZA Clearance Offices
PEZA Accredited Value Added Solution Providers

FROM : Director General LILIA B. DE LIMA *Lilia B. De Lima*

SUBJECT : Implementation of the PEZA electronic Import Permit System (e-IPS) for tax and duty-free importations of Economic Zone Export-Producers and I.T. Enterprises

DATE : 11 September 2006

The implementation of the PEZA Electronic Import Permit System (e-IPS) aims to simplify procedures and accelerate approval cycle time in the processing of applications for import shipments of PEZA-Registered Economic Zone Export Enterprises (EZ-EPs) and Information Technology Enterprises (ITEs). Specifically, the e-IPS will enable the EZ-EPs and ITEs to file electronic Import Permit application, pay the processing fees through electronic modes of payments and print system-generated electronic Import Permit. The implementation of the PEZA e-IP system is through the following Value-Added Solution Providers (VASPs) which have been accredited by PEZA to date:

- E-Konek Pilipinas Inc. (E-Konek)
- InterCommerce Network Services Inc. (INS)

The e-IPS shall be implemented in the processing of import permit applications and release of the cargo initially for air cargo import shipments cleared through the Customs-PEZA Clearance Office (CPCO) at NAIA. Implementation of the e-IPS at the other Ports of entry e.g., Port of Manila, Manila International Container Port, Port of Cebu, shall be covered by a separate PEZA Memorandum Order.

The procedure for the implementation of the e-IPS is in **Annex 1** and shall be subject to the following terms and conditions:

1. The PEZA-Registered EZ-EPs and ITEs with incentives for tax and duty-free importation shall register with the Office of the PEZA Zone Administrator/Manager by providing among others, the following information:
 - a. Company official(s) of managerial rank/position who will be responsible for e-IPS transactions with contact information;

"Trabaho at kabuhayan sa bawat tao"
President Gloria Macapagal-Arroyo

- b. Preferred VASP(s) they have contracted for access to the e-IPS;
- c. PEZA-registered broker(s)/forwarder(s) authorized to arrange e-IPS transactions, if any, provided it is understood that the economic zone enterprises shall be fully responsible for all e-IPS transactions, including those undertaken by its authorized broker(s)/forwarders; and
- d. Preferred electronic mode(s) of payment for the corresponding PEZA Import Permit fees; and
- e. Other information as may be required for participation in the implementation of the e-IPS.

The proforma application letter to PEZA is in Annex 1 while the enrollment form with the preferred VASP is available online through the VASP's website.

- 2. The EZ-EPs and ITEs enrolled for the implementation of the e-IPS shall submit to the Office of the PEZA Zone Administrator/Manager soft and hardcopies of their list of importables, in MS Excel format, consisting of the following:
 - a. For EZ-EPs: raw materials, parts and components, supplies, spare parts and other inputs required in the manufacture of their registered export-products or activities. Production machinery and equipment shall not be included in the lists of importables; or
 - b. For ITEs: computer hardwares/parts, softwares, call center workstations/accessories, network equipment, data source documents and other inputs for their I.T. registered activities with indicative quantities required for a period of six (6) months from date of first importation for the PEZA-approved project sites.

The lists of importables should include the corresponding 8-digit HS code of each item, based on the ASEAN Harmonized Tariff Nomenclature (AHTN) of the Philippine Tariff Commission 2004 and subsequent amendments thereto. The format is in **Annex 2**.

- 3. Hazardous chemicals, explosives, telecommunication equipment and other items covered by import controls/clearances implemented by government agencies (e.g., DENR-EMB, PNP, PDEA, NTC etc.); specialized equipment/vehicles and construction related equipment/materials that are subject to approval of the PEZA Board/Head Office, even as these items may be required production inputs, shall be excluded from the list of importables.
- 4. PEZA Zone Administrators/Managers shall review the list of importables vs. the EZ-EP's and ITE's registered activities; delete items falling under item 3 above and any item not related to the registered activities of the EZ-EPs and ITEs; and endorse the validated list to the PEZA-MIS Department through e-mail (c/o mis@peza.gov.ph) within five (5) days from receipt of the list from the economic zone enterprises. For ITEs, the Zone Manager shall also

determine that the quantities requested in the list of importables submitted are reasonable.

5. The PEZA MIS shall upload and maintain the approved lists of importables in the PEZA database server and inform the concerned EZ-EPs and ITEs, and their contracted VASPs that they can start using the e-IPS.
6. PEZA-accredited VASPs and Banks are authorized to collect from enrolled EZ-EPs and ITEs, e-IPS and e-payment access service-fees based on market driven rates.
7. The EZ-EPs and ITEs enrolled in the e-IPS shall be responsible for the following critical aspects: (i) accuracy of the HS Codes for the list of importables; (ii) ensuring security of their user codes; (iii) monitoring the applications filed by their authorized users of the e-IP; (iv) confirming or denying ownership for import application filed electronically for the enterprise in accordance with the procedures of the VASPs; and (v) confirming delivery of the goods at their project site and arranging for inspection by PEZA and BOC Examiners immediately upon arrival of the goods at the Zone, and subsequently submitting the duly accomplished Customs-EPZA Warehousing Entry (CEWE) to the Office of the PEZA Zone Administrator/Manager. PEZA shall be free from any liability arising from unauthorized use of the user codes or non-compliance with the above responsibilities of the EZ-EPs and ITEs.
8. The PEZA Zone Administrators/Managers shall be responsible for ensuring that: (i) only authorized PEZA staff have access to the system, (ii) electronic applications are monitored, (iii) actual deliveries to the zones are inspected and electronically tagged as "delivered" which serves as liquidation of the Import Permit, and (iv) recommending to the PEZA MIS the suspension of the use of the e-IPS by an enrolled Enterprise due to violations, such as but not limited to unjustifiable quantities imported, or in cases of ITEs when the quantity imported is in excess of the total quantities as submitted in compliance with item 2.b of this Memo Order, and failure to deliver the goods at the zone.
9. Corollary to item 8(iv) above, PEZA reserves the right to suspend the use of the e-IPS by any enrolled EZ-EPs and ITEs for non-compliance with these guidelines, for which a written notice will be issued by the PEZA Zone Administrator/Manager to the authorized officials of the Enterprise.
10. The Customs-PEZA Clearance Office (CPCO) may withhold the release of the Transshipment Permit for any approved e-IP in case of discrepancies in the e-IP and the support documents submitted and/or upon instruction of the concerned Zone Administrator/Manager or authorized/responsible official designated by the enterprise for its e-IPS transactions under these guidelines.
11. Effective 16 October 2006, Open Import Permits (OIPs) shall no longer be issued to EZ-EPs/ ITEs for their shipments cleared through the NAIA-CPCO while outstanding OIPs previously issued shall cease to be valid at NAIA-CPCO effective upon activation of the e-IPS for the enrolled EZ-EPs/ITEs.

12. The existing manual Import Permit issuance system involving the use of PEZA Form 8101 shall continue to be used by other PEZA-registered economic zone enterprises not enrolled in the e-IP system.

For clarifications and assistance, please contact the Office of the PEZA Economic Zone Administrator/Manager in your Zones or the PEZA Head Office c/o Enterprise Operations Department, Telephone No. (02) 551-34-52, and MIS Department Telephone No. (02) 551-95-91.

This Memorandum Order shall take effect immediately. For strict compliance of all concerned.

2. *YNF*
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PEZA Electronic Import Permit (e-IP) System

PROCESS FLOW

ACTIVITY	Responsible Entity
<p>STEP 1. List of Importables</p> <ul style="list-style-type: none"> 1.1 Accomplish the e-IP Registration Form 1.2 Prepare list according to format and submit to PEZA Zone Office 1.3 Review list and endorse to PEZA Head Office 1.4 Upload the validated list into the PEZA data server 	<ul style="list-style-type: none"> 1.1 Enterprise 1.2 Enterprise 1.3 ZA/ZM/OIC 1.4 Head Office- MIS
<p>STEP 2. Enrolment with Accredited VASPs^{a/}</p> <ul style="list-style-type: none"> 2.1 Comply with VASP enrolment requirements 2.2 Nominate authorized users (company representative and/or brokers) 	<ul style="list-style-type: none"> 2.1 Enterprise 2.2 Enterprise
<p>STEP 3. Enrolment for Payment of PEZA Fees</p> <ul style="list-style-type: none"> ^{3.1} E-bank mode : open Account with authorized Banks^{b/} 3.2 Advance Payment mode: make advance payment to the PEZA Zone Office, then PEZA Zone Officer encodes O.R. no. and Amount paid, system debits actual fees for every application 3.3 Cash mode: pay to Zone per I.P. application then Zone Officer encodes O. R. No. and amount paid 	<ul style="list-style-type: none"> 3.1 Enterprise, Banks, VASP 3.2 Enterprise, Zone Office 3.3 Enterprise, Zone Office
<p>STEP 4. Connectivity Test and Users Training</p> <ul style="list-style-type: none"> 4.1 Check connectivity to the system 4.2 Network, system trouble shooting 4.3 Customer Assistance 	<ul style="list-style-type: none"> 4.1 VASP 4.2 VASP 4.3 VASP
<p>STEP 5. Electronic filing of Import Permit</p> <ul style="list-style-type: none"> 5.1 Authorized representative files application using VASP solution and services 5.2 Screening and Approval process: authorized user? eIP registered enterprise? Approved importable item? IP fee Payment remitted and confirmed? Ownership confirmed? Others? 5.3 Print approved Import Permit (valid for 15 days) 	<ul style="list-style-type: none"> 5.1 Enterprise representative 5.2 VASP System (and e-Bank as applicable) 5.3 Enterprise representative

<p>STEP 6. Release of Goods at Port of Entry</p> <p>6.1 File system generated eIP print out (Import Permit) together with support documents (the same as in the manual process)</p> <p>6.2 Validation of the printed eIP (IP number, Enterprise items: description, quantity and value, IP fee paid, validity); support documents; required clearances complied e.g. PNP, PDEA ; check any alert to hold process</p> <p>6.3 Issue endorsement to BOC for transshipment permit</p> <p>6.4 Process transshipment permit, CEWE</p> <p>6.5 Issue Authority to Withdraw, endorse release at the gate and tag the IP as "Used" in the PEZA System</p>	<p>6.1 Enterprise representative</p> <p>6.2 CPCO</p> <p>6.3 CPCO</p> <p>6.4 BOC</p> <p>6.5 CPCO, PEZA Police</p>
<p>STEP 7. Delivery of the Goods to the Zone</p> <p>7.1 Confirmation of actual arrival at Zone Gate – scanning of the Import Permit</p> <p>7.2 Confirmation after inspection by PEZA and BOC Examiners - sign CEWE and tag the IP as "delivered" in the PEZA System</p>	<p>7.1 PEZA Zone Office</p> <p>7.2 PEZA Zone Office</p>

NOTES:

1. For subsequent filing of Import Permits – go through Steps 5, 6 and 7
2. For amendments on the approved list of importables – go through Step 1.2 until 1.4
3. For system/network trouble or failure to connect – call the VASP, inform PEZA Zone Office
4. For continued system failures within 30 minutes or beyond the committed time by the VASP to resume service - Enterprise should proceed with the Manual System

^{a/} The PEZA Accredited Value Added Solution Providers (VASPs) are as follows:

1. E-konek Pilipinas Inc. (E-Konek)

<http://www.ekonek.com> or Telephone 879-43-69
 Ms. Thelma Sotto, tsotto@ekonek.com
 Mr. Jowie Pilac, jpilac@ekonek.com
 Ms. Sandy Saguin, ssaguin@ekonek.com

2. InterCommerce Network Services Inc. (INS)

<http://www.intercommerce.com.ph> or Telephone 843-80-50
 Mr. Francis Lopez, flopez@intercommerce.com.ph
 Mr. Alex de Guzman, adeguzman@intercommerce.com.ph
 MS. Kristine Feranil, kferanil@intercommerce.com.ph

^{b/} The following are e-Payment Banks :

1. Land Bank of the Philippines (accredited by PEZA)
2. Rizal Commercial Banking Corp (accredited by PEZA)
3. Union Bank of the Phil. (accreditation in process)

PROFORMA APPLICATION LETTER

Date

PEZA Zone Administrator/ Manager
Zone Location
Address

Dear _____ :

This is to submit our application for registration in the PEZA electronic Import Permit System (e-IPS). The list of importable items, in soft and hard copies, duly certified by our Company's Manager for _____, Mr/Ms. _____ is enclosed and hereby endorsed for your review. The other details are as follows:

- A. Responsible Officer/s
(Name, position and contact numbers: email, telephone landline and cellphone)
- B. Preferred Value Added Solution Provider : _____
- C. Preferred Date of e-IPS Activation : _____
- D. A copy of our enrolment form with the VASP is enclosed
- E. Authorized Brokers/Forwarders
(Locator may authorize more than one Broker; indicate the validity date of Broker's accreditation with PEZA; for each authorized Broker staff-indicate name, position, contact numbers through email, telephone landline and cellphone)
- F. Modes of payment for PEZA Import Permit Fees (give details if cash per transaction or advance payment or name of Bank for e-pay, please don't give Bank Account number)

We confirm that we have read the guidelines for the e-IP system as per PEZA Memo Order No. ____ dated ____ and that we are accountable for the designation of authorized users on our behalf, the list of importables, monitoring of e-IPS applications until delivery of the import shipment at our project site and compliance with clearances required by other government agencies. We certify that goods imported through the e-IPS shall be used only for our PEZA-registered activities.

Thank you.

Very truly yours,

(CEO/President)
PEZA-Locator

ANNEX 2

Format for the LIST OF IMPORTABLES

PEZA-Registered Enterprise : _____
 Certificate of Registration No. : _____

Submitted by: (Name and Position) : _____
 Date Submitted : _____

List of Registered Activities:

Original Registration Agreement	Date Approved :	Activities:
Supplemental	Date Approved:	Activities:
Supplemental	Date Approved:	Activities:

Required data (in MS Excel format)

1. **Item/Goods Description** - as indicated in the invoices, purchase orders
2. **HS Code (8 digit HS Code, ASEAN Harmonized Tariff Nomenclature)**
3. *For I.T. enterprises only : Total quantity for each item*

Optional data as maybe required by a VASP (in MS Excel Format)

- a. Supplier Name
- b. Supplier Code
- c. Item Code or part number– as indicated in Purchase Orders, delivery/ advance shipping notice, delivery confirmation and invoice
- d. Commodity Code
- e. Commodity Description
- f. Pre-Alert Description

Required Broker Certification

This is to certify that we have classified the import items listed herewith into the appropriate HS Code Tariff Classification pursuant to the latest ASEAN Harmonized Tariff Nomenclature (AHTN).

Name of Broker and Signature: _____
 PEZA Accreditation No. and validity date: _____

Date: _____