

MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 140

CREATING A CUSTOMS POLICY RESEARCH OFFICE (CPRO) IN THE
DEPARTMENT OF FINANCE (DOF)

WHEREAS, the present Administration is committed to increase the tax effort of the revenue generating agencies of the government from the current 12.9 percent of Gross Domestic Product (GDP) to 16 percent by 2016;

WHEREAS, Executive Order (EO) No. 292, otherwise known as the "Administrative Code of 1987," provides that the President has continuing authority to reorganize the Executive Department, allocate powers, functions and responsibilities, align resources, and provide clear direction to specific government agencies and units;

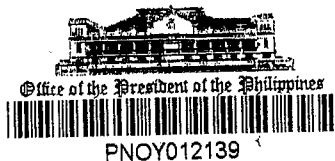
WHEREAS, under EO 292, DOF is responsible for the formulation, institutionalization and administration of fiscal policies and for the generation and management of the financial resources of the government;

WHEREAS, consistent with the above mandate, the DOF Secretary must spearhead efforts towards the streamlining of procedures and processes in revenue generating bureaus attached to DOF, one of which is the Bureau of Customs (BOC);

WHEREAS, there is a need to create a policy-making body in DOF which shall specialize in the identification and evaluation of internationally-accepted customs administration practices and processes, and shall work towards maximizing the BOC's revenue collection and building its integrity while ensuring harmonization and simplification of customs procedures;

WHEREAS, under Section 74 of Republic Act (RA) No. 10352, or the General Appropriations Act of 2013, the President may authorize organizational and staffing pattern changes in any department, bureau and office in the Executive Branch; and

WHEREAS, Section 17, Article VII of the 1987 Constitution expressly grants the President control of all executive departments, bureaus, agencies and offices.



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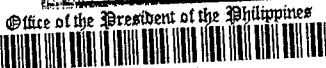
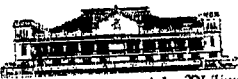
NOW THEREFORE, I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Organization. There is hereby created in the DOF the CPRO, which shall be responsible for reviewing the customs administration policies, rules and procedures, and thereafter providing sound recommendations for the improvement of the same.

The CPRO shall be under the direct supervision and control of the DOF Secretary, who may designate a subordinate official with the rank of Undersecretary to oversee the operations of the CPRO.

SECTION 2. Powers and Functions. The CPRO shall have the following powers and functions:

- a. Review and evaluate the provisions of existing rules, executive issuances, rules and regulations on tariff and customs, as well as international commitments of the Philippine Government on customs matters, and recommended measures to update, rationalize and improve current policies and practices with the end view of:
 - i. Simplifying customs procedures while ensuring harmonization with internationally-accepted customs administration practices and processes;
 - ii. Improving efficiency in the conduct and delivery of customs services;
 - iii. Ensuring proper collection, monitoring and storage of data, documents and records, which shall be accessible and readily available upon demand;
 - iv. Modernizing the systems and policies of the BOC to strengthen its capabilities in facing new challenges and opportunities;
 - v. Promoting the seamless flow of goods while protecting local industries;
 - vi. Maintaining transparency, preventing corruption, and safeguarding integrity in customs administration; and
 - vii. Maximizing BOC's revenue collection.



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- b. Conduct research on modern regulatory practices on customs and tariff, and determine their applicability to the Philippine setting;
- c. Draft the customs reform bills and work closely with the appropriate legislative liaison office for the shepherding of the same in Congress;
- d. Formulate a framework for training modules to be administered to BOC personnel to ensure smooth transition to the enhanced procedures, processes, and organizational structures, with due regard to the role of BOC personnel as catalysts in the achievement of the BOC's development;
- e. Recommend to the DOF Secretary such actions as may be necessary for the implementation of the proposals above; and
- f. Perform any and all acts as may be necessary and lawful to successfully implement this EO.

SECTION 3. Personnel and Staffing Complement. The CPRO shall be composed of its organic personnel, as approved by the Department of Budget and Management (DBM) upon recommendation of the DOF Secretary, augmented and reinforced by DOF and BOC personnel as well as those detailed or seconded from other agencies, whether attached to the DOF or not. In addition, the CPRO, upon approval of the DOF Secretary, may hire or engage technical consultants to provide necessary support in the performance of its mandate.

SECTION 4. Rules and Regulations. The DOF Secretary is hereby authorized to promulgate such rules and regulations and prescribe procedures and processes to enable the CPRO to effectively exercise its powers and discharge its duties and functions herein provided.

SECTION 5. Performance Audit System. The CPRO shall develop a performance audit system that will monitor and measure actual performance of CPRO personnel as a basis for rewards and incentives, and punishment for nonfeasance or malfeasance, subject to existing laws, rules and regulations. For this purpose, the DOF Secretary, is hereby directed to develop appropriate performance standards for personnel appointed, designated, or detailed to the CPRO, and a personnel evaluation system that will advance accountability in the Office.

SECTION 6. Funding. The funds shall be sourced proportionately from the savings of the concerned departments, agencies, bureaus and offices as identified by DBM and subject to the usual government accounting and auditing

rules and regulations. The DOF Secretary shall submit to DBM a proposed budget to cover the personnel requirements, maintenance and other operating expense, and capital outlays, if needed.

SECTION 7. Separability. If any provision of this Order is declared invalid or unconstitutional, the other provisions unaffected shall remain valid and subsisting.

SECTION 8. Repeal. All orders, issuances, proclamations, rules, regulations, or parts thereof, which are inconsistent with any of the provisions of this Order are hereby repealed modified accordingly.

SECTION 9. Effectivity. This Order shall take effect immediately upon publication in two (2) newspapers of general circulation.

DONE, in the City of Manila, this 2nd day of September, in the year of our Lord, Two Thousand and Thirteen.


By the President:



PAQUITO N. OCHOA, JR.
Executive Secretary



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MARIANITO M. DIMAANDAL
DIRECTOR IV
MALACANANG RECORDS OFFICE

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