

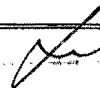
FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)

OFFICE SECRETARY

9 OCT 12 P 7:00

SENATE

COMMITTEE REPORT NO. 705

RECEIVED BY: 

Submitted by the Committee on Foreign Relations on
OCT 12 2009

Re: P.S. Res. No. 1406, prepared by the Committee.

Recommending its approval without amendment.

Sponsor: Senator Defensor Santiago.

MR. PRESIDENT:

The Committee on Foreign Relations, to which was referred the Agreement, entitled:

**INTERNATIONAL CONVENTION ON THE SIMPLIFICATION AND
HARMONIZATION OF CUSTOMS PROCEDURES
(AS AMENDED)**

has considered the same and has the honor to report it back to the Senate with the recommendation that Proposed Senate Resolution No. 1406, prepared by the Committee, entitled:


**RESOLUTION
CONCURRING IN THE RATIFICATION OF THE INTERNATIONAL
CONVENTION ON THE SIMPLIFICATION AND
HARMONIZATION OF CUSTOMS PROCEDURES
(AS AMENDED)**

be approved without amendment.

Respectfully submitted:


MIRIAM DEFENSOR SANTIAGO
Chair

Vice-Chairs:

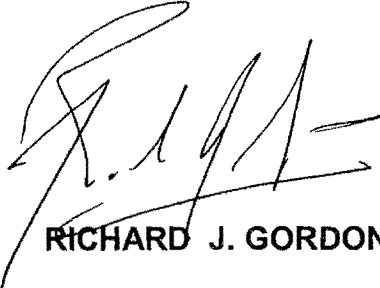


AQUILINO Q. PIMENTEL JR.
Minority Leader




RODOLFO G. BIAZON

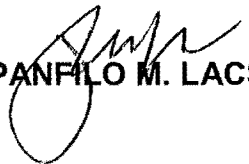
Members:



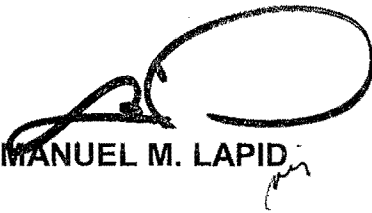
RICHARD J. GORDON



GREGORIO B. HONASAN II



PANFILO M. LACSON



MANUEL M. LAPID




LOREN LEGARDA



M.A. MADRIGAL

may intelektual.



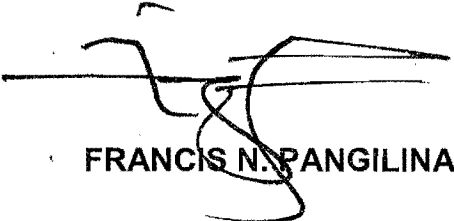
MAR ROXAS




ALAN PETER S. CAYETANO



PIA S. CAYETANO




FRANCIS N. PANGILINAN




MANNY VILLAR

Ex-Officio Members:



JINGGOY EJERCITO ESTRADA
President Pro-Tempore



JUAN MIGUEL F. ZUBIRI
Majority Leader

JUAN PONCE ENRILE
President
Senate of the Philippines
Pasay City

9 OCT 12 P7:00

SENATE

P.S. RES. NO. 1406

RECEIVED BY: _____

Prepared by the Committee on Foreign Relations

RESOLUTION
CONCURRING IN THE RATIFICATION OF THE INTERNATIONAL
CONVENTION ON THE SIMPLIFICATION AND
HARMONIZATION OF CUSTOMS PROCEDURES
(AS AMENDED)

WHEREAS, the Constitution, Article 7, Section 21 states, "No treaty or international agreement shall be valid and effective unless concurred in by at least two-thirds of all the members of the Senate";

WHEREAS, the International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto Convention) was adopted in Kyoto on 18 May 1973 and entered into force on 25 September 1974;

WHEREAS, in its 94th Session last June 1999, 114 customs administrations of the World Customs Organization (WCO) including the Philippines, adopted the International Convention on the Simplification and Harmonization of Customs Procedures (as amended), known as the Revised Kyoto Convention (RKC), which entered into force on 3 February 2006;

WHEREAS, the RKC endeavors to accomplish the following:

1. Promote international trade by establishing a universal system of simplified and harmonized customs procedures;
2. Create better understanding of compliance requirements leading to increased transparency and predictability in customs procedures;
3. Impact positively on border security as it promotes the secure movement of legitimate trade across the globe;
4. Prevent the passing of national legislation contrary to the principles of the Convention;
5. Implement special procedures for low-risk importers; and
6. Reduce the time and cost of clearing customs in the Philippines;

WHEREAS, in the two hearings conducted by the Senate Committee on Foreign Relations on 15 May 2008 and 22 May 2009, the following agencies endorsed the concurrence in the ratification of the Revised Kyoto Convention:

1. Department of Foreign Affairs

2. Department of Finance
3. Bureau of Customs
4. Department of Agriculture
5. Department of Transportation and Communications
6. Department of Trade and Industry
7. Philippine Ports Authority
8. Maritime Industry Authority
9. Philippine Economic Zone Authority

WHEREAS, in the revised Instrument of Accession (IA) dated 16 March 2009, President Gloria Macapagal Arroyo accepted, acceded to and agreed to the Body of the International Convention on the Simplification and Harmonization of Customs Procedures (as amended), General Annex and the following Chapters and Specific Annexes:

1. Specific Annex A - Arrival of Goods in a Customs Territory:
 - Chapter 1 - Formalities Prior to the Lodgement of the Goods Declaration
 - Chapter 2-Temporary Storage of Goods
2. Specific Annex B – Importation:
 - Chapter 1 – Clearance for Home Use
 - Chapter 2 – Re-importation in the Same State
 - Chapter 3 – Relief from Import Duties and Taxes
3. Specific Annex C – Exportation
 - Chapter 1 – Outright Exportation
4. Specific Annexes E – Transit:
 - Chapter 1 – Customs Transit
 - Chapter 2 – Transshipment
5. Specific Annex F. – Processing:
 - Chapter 3 – Drawback
6. Specific Annex G – Temporary Admission:
 - Chapter 1 – Temporary Admission
7. Specific Annex J – Special Procedures:
 - Chapter 1 – Travellers
 - Chapter 2 – Postal Traffic
 - Chapter 4 – Stores
 - Chapter 5 – Relief Consignments
8. Specific Annex K – Origin

WHEREAS, President Arroyo registered reservations on the Recommended Practices in the following Specific Annexes A, B, F, G and J:

1. Specific Annex A – Arrival of Goods in Customs Territory:

- Chapter 1 – Formalities Prior to the Lodgement of the Goods Declaration
 - Recommended Practice 9
 - Recommended Practice 10
 - Recommended Practice 12
 - Chapter 2 – Temporary Storage of Goods
 - Recommended Practice 10
2. Specific Annex B – Importation
- Chapter 1 – Clearance for Home Use
 - Recommended Practice 2
 - Chapter 3 – Relief from Import Duties and Taxes
 - Recommended Practice 6
 - Recommended Practice 7
3. Specific Annex F – Processing
- Chapter 3 – Drawback
 - Recommended Practice 3
 - Recommended Practice 5
 - Recommended Practice 6
 - Recommended Practice 9
 - Recommended Practice 10
4. Specific Annex G – Temporary Admission
- Chapter 1 – Temporary Admission
 - Recommended Practice 9
 - Recommended Practice 10
 - Recommended Practice 14
 - Recommended Practice 19
 - Recommended Practice 21
 - Recommended Practice 23
5. Specific Annex J – Special Procedures
- Chapter 1 – Travellers
 - Recommended Practice 9
 - Recommended Practice 14
 - Recommended Practice 16
 - Recommended Practice 17
 - Chapter 2 – Postal Traffic
 - Recommended Practice 9

NOW, THEREFORE, be it resolved that the Senate of the Philippines concur as it hereby concurs in the ratification of the International Convention on the Simplification and Harmonization of Customs Procedures (as amended).

Adopted,

Miriam Defensor Santiago
 MIRIAM DEFENSOR SANTIAGO
 Chair