

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS

First Regular Session

House Bill No. ⁷⁰⁶ 782

Introduced by **HON. ROZZANO RUFINO B. BIAZON**

EXPLANATORY NOTE

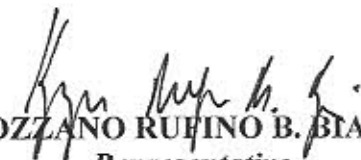
This bill seeks to modernize customs automation processes through the establishment of the National Single Window System. It is a proposed measure that is intended not only to upgrade our customs system but also to fulfill our commitment as a member of the Association of Southeast Asian Nations (ASEAN).

During the 11th Annual Meeting of Directors General of Customs of members of the Association of Southeast Asian Nations (ASEAN) held in Bangkok, Thailand on July 2003, the ASEAN Single Window (ASW) was adopted as a core component of customs facilitation. It was collectively agreed during this meeting that the electronic processing of trade documents through a single window will bring about a more efficient and effective service to the public.

Time and again, the antiquated and inefficient customs system has been cited as one of the culprits of the underperformance of the Bureau of Customs and source of corruption of its personnel. However, efforts to remedy this situation by reducing discretion among customs personnel through the development and implementation of an efficient, effective and transparent customs system have been wanting or undermined.

The establishment of the National Single Window System by law is envisioned to remedy this situation. It is hoped that by institutionalizing such an important and essential system, the necessary resources for its effective and efficient establishment and implementation will be provided by the government. Moreover, its continuity will also be immune from the whims and caprices of sitting administrations.

Due to the foregoing, the urgent passage of this bill is earnestly sought.


ROZZANO RUFINO B. BIAZON
Representative
Lone District, Muntinlupa City

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AN ACT
TO MODERNIZE CUSTOMS AUTOMATION PROCESSES BY ESTABLISHING
THE NATIONAL SINGLE WINDOW SYSTEM, PROVIDING FUNDS THEREFOR
AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* – This Act shall be known as the “*National Single Window System Act*”.

Sec. 2. *Policy.* – It is hereby declared the policy of the State to promote transparency in all government transactions and procedures in the processing and exchange of export, import or transit documentations to ensure uniformity and consistency of data and processes for all participating entities exchanging information. Towards this end, it shall provide an environment that will allow parties involved in trade and transport to lodge standardized information in a secure, electronic single-entry point to fulfill all import, export and transit related regulatory requirement in respect of each transaction.

Sec. 3. *National Single Window System.* – There is hereby established a National Single Window (NSW) System which shall be a computerized internet-based system that shall interconnect government agencies involved in the processing of import and export shipments. The NSW System, whose source code shall be owned by the government, shall be configured to allow parties involved in trade to lodge information and documents with a single-entry point to fulfill all import, export, and transit-related regulatory requirements.

Sec. 4. *Services Provided in the NSW System.* – The NSW System shall be concerned with the application and processing of permits, licenses and clearances for import and export. It shall record the final results of applications, regardless whether these are approved or rejected, and link them electronically to the Customs system for the validation and verification of importation or exportation. The NSW System shall be designed in order to provide the following services:

- a. Electronic submission of application forms;
- b. Viewable status in the system dashboard;
- c. Notification via electronic mail of application status;
- d. Electronic attachments of supporting documents;
- e. Mobile and electronic payment;
- f. Portable Document Format (PDF) documents using digital signatures;
- g. Executive dashboard and management reports; and
- h. Such other related and relevant services.

Sec. 5. *Participating Agencies and Government Institutions.* – The Department of Finance shall be the lead agency in the establishment of the NSW System which shall incorporate and interconnect the following government agencies involved in the issuance of import and export licenses, permits and clearances for trade facilitation over Philippine borders:

1. Sugar Regulatory Administration;
2. Bureau of Internal Revenue;
3. Bureau of Product Standards;
4. Bureau of Customs;
5. Board of Investments;
6. National Food Authority;
7. Food and Drug Administration;
8. Philippine Economic Zone Authority;
9. Bureau of Import Services;
10. Bureau of Quarantine;
11. Fertilizer and Pesticides Authority;
12. National Meat Inspection Service;
13. National Telecommunications Commission;
14. Bureau of Quarantine;
15. Dangerous Drugs Board;

16. Philippine Drug Enforcement Agency;
17. Firearms and Explosive Office;
18. Philippine National Police;
19. Forest Management Bureau;
20. Environment Management Bureau;
21. Philippine Ozone Desk;
22. Maritime Industry Authority;
23. Civil Aviation Authority of the Philippines;
24. Optical Media Board;
25. Philippine Nuclear Research Institute;
26. Philippine Coconut Authority;
27. Department of Health;
28. Bureau of Fisheries and Aquatic Resources;
29. Bureau of Plant Industry;
30. Bureau of Animal Industry;
31. Land Transportation Office;
32. Philippine Shippers' Bureau;
33. Bureau of Immigration;
34. Bangko Sentral ng Pilipinas;
35. Intellectual Property Office;
36. Insurance Commission;
37. One Stop Shop, Department of Finance
38. Fiber Industry Development Administration;
39. National Intelligence Coordinating Agency; and
40. Criminal Investigation and Detection Group.

The President is hereby authorized to mandate such other relevant government Departments, agencies, offices or institutions to participate and be part of the NSW System in order to carry out the objectives of this Act.

Sec. 6. Upgrade of Bureau of Customs Systems and Human Resources Development. – The Bureau of Customs is hereby authorized to upgrade and develop its current automated cargo clearance and information technology systems and personnel in order to effectively and efficiently accommodate and undertake interconnection with the various agencies as enumerated in the preceding section. In carrying out this mandate, it shall ensure:

- a. The enhancement of the capabilities of the customs system such as but not limited to the integration of non-intrusive inspection, cargo tracking systems, installation of real-time monitoring system and such other necessary systems, procedures, facilities and equipment;
- b. Compatibility of its systems and procedures with the other participating agencies in the NSW System or other information technology systems of government agencies or offices; and
- c. The hiring or training of necessary personnel.

Sec. 7. Implementing Rules and Regulations. – In order to carry out the effective implementation of this Act, the Department of Finance in coordination and cooperation with the government agencies and institutions enumerated in Section 5 hereof, shall formulate and issue the necessary rules and regulations.

Sec. 8. Transitory Provision. – The Steering Committee and Technical Working Group created under Executive Order No. 482 dated 27 December 2005, shall continue to exist and function as mandated.

Sec. 9. Appropriations. – The initial amount required for the implementation of this Act shall be charged to the Contingent Fund of the President. Thereafter, such amounts shall be charged to the respective budgets of the concerned government agencies and institutions.

Sec. 10. Repealing Clause. – All laws, decrees, ordinances, administrative orders, rules and regulations, or any part thereof, which are inconsistent with this Act are hereby repealed or amended accordingly.

Sec. 11. Separability Clause — Should any provision of this Act be subsequently declared unconstitutional, the other provisions not so declared shall remain in full force and effect.

Sec. 12. Effectivity. – This Act shall take effect after 15 days from its publication in at least two (2) newspapers of general circulation.

Approved,