

## **Chronology of R.A. 9280**

**Background:** Sometime in March of 2004, a bill in Congress entitled “**Customs Broker Act of 2004**” was passed into law. It was also designated as the **R.A. 9280**. If you look at the provisions of the law, it has a very valid reason for enactment and not in any way harmful or controversial. Its preamble states as follows:

“AN ACT REGULATING THE PRACTICE OF CUSTOMS BROKERS PROFESSION IN THE PHILIPPINES, CREATING FOR THE PURPOSE A PROFESSIONAL REGULATORY BOARD FOR CUSTOMS BROKERS, AND APPROPRIATING FUNDS THEREFOR”

With a just and noble objective to professionalize the profession of customs brokerage, the said Bill was signed into law on March 30, 2004. The Congress did not conduct public hearings or consultations with exporters.

When the Implementing Rules and Regulations (IRR) came out, exporters voiced their objections because the law has seemed to encroach into a totally different dimension, i.e., export processing and facilitation. If you read the IRR, Section 6 disallows exporters from preparing, filing, signing and processing their export documents. The law had therefore made the processing of export documents as an exclusive work of a customs broker.

Ever since, exporters had always processed and signed their own export documents. Exportation of goods is not subject to tax or to customs duties, hence, classification of goods and computation of taxes, an expertise of Customs Brokers, is not really needed.

Exporters are now advocating for the amendment of the R.A. 9280 or the Customs Brokers Act of 2004 to exempt exporters from compulsory hiring or commissioning the services of Customs Brokers.

Philexport Cebu is now active in monitoring Congress bills and reacting faster to prevent the recurrence of bills that are detrimental to the interests of exporters from being enacted into law, such as RA 9280.

- March 30, 2004:** The Customs Broker's Act of 2004 was signed into law.
- August 25, 2004:** Philexport Cebu together with other leaders of Philexport National and Philippine Chamber of Commerce sent a joint Manifesto addressed to the commissioner of Customs George M. Jereos and Professional Regulation Commissioner Antonieta Fortuna-Ibe asking for the suspension of implementation of RA 9280.
- November 2004:** The IRR of RA 9280 was finished.
- December 2004:** Senator Ramon Magsaysay Jr., one of the principal authors of RA 9280, clarified that the export documentations were not included as exclusive work for customs brokers in the original proposed law. This was his statement when he visited as the guest speaker of Philexport Cebu's General Membership Meeting.
- 1<sup>ST</sup> quarter 2005:** BOC Commissioner Lina, suspended the implementation of R.A. 9280 pending a study on the validity of its IRR.
- March 3, 2006:** BOC Commissioner Napoleon L. Morales, issued CMO-06-2006 and CAO -03-2006 accrediting Customs Brokers for the implementation of RA 9280.
- March 22, 2006:** A dialogue between exporters and customs brokers was held at the Paig-ibig Conference Room together with Customs Collector Lourdes V. Mangaoang. It was agreed that implementation of R.A. 9280 to exporters will be delayed for at least 60 days for the smooth implementation of the law and avoid problems in export documentation. Presidential Assistant Felix Guanzon, joined the meeting as observer.
- March 28, 2006:** Philexport-Cebu sent a copy of its Position Paper to P.A. Felix Guazon.
- March 31, 2006:** P.A. Felix Guanzon endorsed the Position Paper of Philexport-Cebu to Malacanan.
- April 18, 2006:** The Position Paper of Philexport Cebu was endorsed by Malacañan to Department of Finance.
- April 19, 2006:** Department of Finance endorsed Philexport Cebu's Position Paper to the Bureau of Customs.
- April 26, 2006:** Philexport-Cebu representatives headed by its President Allan Suarez and Chairman Alvin Lim meet the Customs Brokers group

at DTI – 7 Conference Room. They discussed the services of Customs Brokers to exporters and its corresponding rates. The Customs Brokers group promised to provide the list of the services and corresponding rates to exporters within a week.