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Technical Report

PEAG Capability Enhancement Project

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Prepared for

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Bureau of Customs
Department of Finance
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Submitted for review to

USAID/Philippines OEDG

August 10, 2007



Preface

This report is the result of technical assistance provided by the Economic Modernization through Efficient Reforms and Governance Enhancement (EMERGE) Activity, under contract with the CARANA Corporation, Nathan Associates Inc. and The Peoples Group (TRG) to the United States Agency for International Development, Manila, Philippines (USAID/Philippines) (Contract No. AFP-I-00-03-00020-00, Delivery Order 800). The EMERGE Activity is intended to contribute towards the Government of the Republic of the Philippines (GRP) Medium Term Philippine Development Plan (MTPDP) and USAID/Philippines' Strategic Objective 2, "Investment Climate Less Constrained by Corruption and Poor Governance." The purpose of the activity is to provide technical assistance to support economic policy reforms that will cause sustainable economic growth and enhance the competitiveness of the Philippine economy by augmenting the efforts of Philippine pro-reform partners and stakeholders.

This report describes the technical assistance that Commissioner of Customs Napoleon Morales requested from USAID/EMERGE by letters dated December 19 and 28, 2006, in the Bureau's effort to introduce the Voluntary Disclosure Program (VDP) and to strengthen the capability of its Post Entry Audit Group (PEAG) to conduct customs audits. EMERGE hired Atty. Alex M. Gaticales, Legal Expert, Team Leader, Atty. Agaton Teodoro O. Uvero, Customs Audit Operations Expert, Ms. Maria Fe Esperanza V. Madamba, Customs Audit Program Specialist, and Mr. Joel Joseph P. Greñas, Customs Audit Research Assistant, to undertake the task. This is the final report of their efforts.

The views expressed and opinions contained in this publication are those of the authors and are not necessarily those of USAID, the GRP, EMERGE or the latter's parent organizations.

**Compliance Promotion and
Post Entry Audit Procedures**

PEAG Capability Enhancement Project

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Acronyms

ACFTA	ASEAN-China Free Trade Area
ACOS	Automated Customs Operating System
AFTA	ASEAN Free Trade Area
ANL	Audit Notification Letter
ASEAN-CEPT	Association of Southeast Asian Nations- Common Effective Preferential Tariff
BFAD	Bureau of Food and Drug
BIR	Bureau of Internal Revenue
BOC	Bureau of Customs
CAO	Compliance Audit Office
CAO	Customs Administrative Order
CCOO	Chief Customs Operations Officer
CIP	Compliance Improvement Plan
CMO	Customs Memorandum Order
COA	Commission on Audit
CVCRRC	Central Valuation and Classification Review and Rulings Committee
DA	Department of Agriculture
DOF	Department of Finance
DTI	Department of Trade and Industry
FARR	Final Audit Report and Recommendations
GSP	General System of Preferences
INCOTERMS	International Commercial Terms
JPEPA	Japan-Philippines Economic Partnership Agreement
MISTG	Management Information System and Technology Group
MICP	Manila International Container Port
NAIA	Ninoy Aquino International Airport
OCOM	Office of the Commissioner
OIC	Officer-In-Charge
POM	Port of Manila
PEAG	Post Entry Audit Group
RA	Republic Act

SGL	Super Green Lane
TIRAO	Trade Information Risk Analysis Office
TRIPS	Trade-related aspect of Intellectual Property Rights
USAID	United States Agency for International Development
USAID-AGILE	USAID-Accelerated Growth, Investment and Liberalization with Equity
USAID-EMERGE	USAID-Economic Modernization through Efficient Reforms and Governance Enhancement
VAT	Value Added Tax
VCRC	Valuation and Classification Review Committee
VDP	Voluntary Disclosure Program
VRIS	Value Range Information System
WTO	World Trade Organization

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Executive Summary

This report covers the introduction of the Voluntary Disclosure Program (VDP) under the customs post entry audit system. It also includes the measures taken to enhance the capability of the Post Entry Audit Group (PEAG) to conduct customs post entry audits. The effort was part of the technical assistance program requested of United States Agency for International Development (USAID) by Customs Commissioner Napoleon L. Morales.

The technical assistance project has the following components:

1. **Voluntary Disclosure Program.** This is designed to enhance the level of importers' customs compliance by providing a non-punitive facility to correct honest errors in entry declaration. At the same time, it is envisioned to generate immediate additional revenue with considerably less resource requirements than a full-scale audit.
2. **Audit Manual and Process Enhancement.** This involves the documentation and structuring of select but core business processes of PEAG to help in the development of sound periodical audit program through effective risk profiling and audit selection, and productive field audit work. The outputs cover such functional areas as import and commodity profiling; prioritization through revenue and trade impact benchmarking; customs issue identification; information sourcing; internal procedures; audit verification work; and management information system.
3. **Training Needs Analysis and Design.** This covers seven areas, namely: personal skills, interpersonal skills, management/operational, data management, customs operations, customs audit, and risk management divided into basic, intermediate, and advanced levels of competencies. Through questionnaires and interview, the project aims at determining the current level of such competencies to serve as input for the development of a training program for PEAG. Thirty percent of the training program consists of knowledge-based competencies such as the following:

- a. Purchasing and Supply Chain including INCOTERMS, documentary Credits
 - b. Transport and Logistics,
 - c. Global Trading Arrangements,
 - d. Rules of Origin (WTO, AFTA, ACFTA, JPEPA, GSPs etc.),
 - e. International Trade Remedy Measures; and
 - f. Transfer Pricing and International Pricing Agreements
4. **Reference Library.** The program includes the effort to help expand the knowledge base of PEAG officers/researchers by providing the office with an electronic file of collated reference materials that are relevant to customs audit work, e.g. a compilation of basic international trade agreements such as the WTO Agreement on Customs Valuation and ASEAN-CEPT, ASEAN customs-related laws, in-country valuation and/or audit rulings (e.g., US rulings), US Customs Assessment Kit and Risk Management, voluntary disclosure programs of other countries, and commonly used International Commercial Terms (INCOTERMS).

Background

The PEAG under the Office of the Commissioner was mandated under RA 9135 to support the implementation of the WTO Transaction Value System. E.O. 160 was issued on January 6, 2003, to formally create the PEAG of the Bureau of Customs, composed of two offices, namely the Trade Information Risk Analysis Office (TIRAO) to do profiling and risk analysis; and the Compliance Audit Office (CAO) to conduct field audits.

The Assistant Commissioner to head PEAG was appointed in 2003, along with the Directors of CAO and TIRAO. The implementation of PEAG's organizational design was plagued with certain problems early on. In the final selection of the PEAG complement, major deviations from the recommended PEAG staff recruitment system were observed. The Audit Manual prepared as part of the USAID-AGILE assistance program in 2003 was hardly put into application. Audit operations became sporadic, at certain points interrupted by private sector protests about the voluminous data requested by the auditors. Meanwhile, PEAG staff migrated to other offices of the bureau, where they served full-time or in concurrent capacities. For a period of three years, the PEAG was unable to complete a single audit.

PEAG's revenue performance from 2005 to 2006 was considered far short of expectations. An evaluation made by this EMERGE consultant team in 2005 attributed PEAG's poor performance largely to a leadership problem.¹ Certain palliative measures were recommended, but these hardly gained a foothold under the old regime.

On November 1, 2006, Commissioner Morales appointed Atty. Rolando Ligon, Jr., as the Officer in Charge of the PEAG. This opened a window of opportunity to resume the technical assistance to PEAG, albeit on a limited scale, to address its most urgent needs and vulnerabilities.

¹ Gaticales et al, Final Report, SAF Task 2.1.3.1 *Customs Audit Performance and Capability Assessment, February 2005*

Objectives

The objectives of this technical assistance are:

- To enhance PEAG's capacity to conduct post entry audits in an objective and transparent and least-intrusive manner and without engendering unreasonable post-importation costs. .
- To increase PEAG's contribution to revenue collection
- To promote compliance with customs laws, rules and regulations among importers and other stakeholders of customs in the conduct of cross-border trade in the country.

Assessment of PEAG's Audit Implementation

PEAG started the year 2007 with a renewed opportunity to pursue its mandate under a new leadership. At the request of OIC Ligon, the Commissioner issued a memorandum in January 2007 recalling PEAG staff from their concurrent assignments elsewhere in the bureau. Annex A shows the present plantilla of the PEAG. Staffing continues to be a problem. Of the sixty plantilla positions provided for by E. O. 160, only fifty were actually filled. Ten of those appointed failed to report for work. Of the forty that reported for work, about ten subsequently sought transfers to more "challenging" postings in the Port Collection Districts. Thus, there are only about 29 warm bodies remaining in PEAG. Of the six lawyers originally assigned to PEAG, only Atty. Ligon remains in his original capacity. The rest were reassigned in other customs offices.

One of the critical challenges facing the new PEAG was the need to shed off the image of non-performance under the previous leadership. Confidence building was an important imperative, both on the part of the PEAG staff in their own competence to prepare for and conduct customs audits, and in the public's confidence that indeed, Customs, through PEAG can be regarded as a non-adversarial partner in the promotion of trade and customs compliance.

Under the new leadership, coordination between the consultant team with its counterpart team in the Bureau was considerably improved, and its work made more productive.

Much of the PEAG's improved performance during the first half of 2007, as reflected in the Table below, may to a large measure be attributed to the leadership change.

PEAG Performance, Jan-June 2007

Indicator	Jan-June 2007
Revenue Collection	Php 48,639,129.15
No. of cases profiled	49
Number of ANLs issued by OCOM	49
No. of Cases submitted for assessment (2004-present)	36
No. of Cases Referred to the Legal Service for Administrative Action	2

Business Processes

In the current state of the PEAG, the functional specialization between TIRAO and CAO which was provided for in Executive Order No. 160 has not been implemented. There are five audit divisions, each headed by a Chief Customs Operations Officer (CCOO) provided for in the CAO's organizational structure. Effectively, however, audit teams, which are usually composed of three auditors and one team leader, cut across the divisions, and even across CAO and TIRAO. The teams operate largely on their own with minimal supervision, except at certain cut-off points. They maintain their own individual team files and there is no exchange of information between and among the teams.

The *de facto* organization of PEAG along lines of account/industry, rather than functional specialization reduces the coordination requirements from one phase of the audit process to the other. While the system appears to work in speeding up the issuance of ANLs, there are no clear assignments of accountabilities for critical functions and key decision making. At the staff level, many of the support functions required for operations are not addressed, including the custodianship and management of records, and monitoring of audit activities.

There is much room for the standardization of processes and procedures, starting with the basic forms: the ANL, the FARR, and CIP. In the course of field audits, review and management consultation processes, if at all present, are weak, leaving the audit teams largely to their own devices in the face of obstacles such as uncooperative auditees and complicated technical issues.

The Compliance Improvement Plan (CIP) which ideally, should emanate from the audit findings is a set of recommended measures for auditees to address causes of declaration errors for importations subsequent to the audit. The CIP does not appear to be a standard part of the existing FARR format. There is no apparent mechanism to feed back to the border the audit findings and recommendations for a better-informed assessment and monitoring of subsequent declarations by the auditee.

Risk Profiling

The selection of auditees and the subsequent preparation and issuance of Audit Notification Letters (ANLs) is decentralized among the audit teams. Companies for audit are selected only on the basis of the issues raised against them from information obtained from whatever available source. The PEAG does not have its own stand-alone datawarehouse to utilize for profiling work. It has to depend on information sharing extended, only upon prior request, by another office that manages customs import data involved in the automated entry lodgment system (ACOS). There is much room for improvement in this area but would require major systems build-up, including organizational infrastructure, networking and database development, as well as skills training for the staff.

Data Sources

Risk profiling on an industry basis is based on simple numbers processing: slicing/ dicing, sorting, trending, benchmarking, and averaging of the relevant variables, (e.g. prices, weight, volume). Ideally, the database coverage should be wide enough to enable comparative analysis and bench marking. However, since industry data are rarely available, risk profiling is often restricted to individual importers who are chosen on the basis of complaints. Hard copies of entries are used as a poor substitute

for computer data. Statistical methods are not applicable, and rarely used.

Following are the alternative data sources used in risk profiling:

- **Industry Complaints.** These are intelligence reports sent to the Commissioner by domestic manufacturers and industry groups. Although tainted with protectionist motives, these reports are useful in directing the PEAG's attention to high risk areas and importers. Because of the pressure exerted by local lobby groups, these intelligence reports have been given immediate action, and have initiated most of the PEAG's profiling activities.
- **Automated Customs Operating System (ACOS).** ACOS contains all of the Bureau's electronic files on import transactions and is managed by the Management Information Systems and Technology Group (MISTG). For now, access to ACOS data is a major problem, keeping PEAG from looking at the bigger picture. For reasons that are not entirely clear, it is very difficult to obtain ACOS industry data on an annual basis. PEAG staff and officers report that it takes the MISTG some four to six months to respond to formal official requests of data. An alternative that is turning out to be more workable is to purchase "pirated data" through informal channels. However, the PEAG staff report that they end up shouldering the cost of data sourcing.
- **Errors detected.** Examiners at the border are supposed to refer import transactions that appear irregular to PEAG. However, the phrase "subject to post-entry audit" has become a cop-out escape for examiners and often has borne little, if any significance at all. Ironically, it has been alleged that irregular transactions that are "fixed" end up being released without any referral to PEAG. A Commissioner-initiated audit, which is few and far between, invokes the "error detected" clause as basis for audit selection without going through the regular risk profiling process.
- **Hard copies of the entry declarations.** Section 7 of CAO 4 - 2004 has directed all importers and brokers to provide PEAG with copies of the entry declarations. This practice was suspended and stopped upon complaints by importers of the onerous cost implications of the Order. In January 2007, Commissioner Morales issued a memorandum to revive this requirement. However, PEAG does not have the storage facilities for these documents. The transitory arrangement is for the

Port Districts to retain the entries with Cash or Billing and Liquidation Division until PEAG is in position to claim them. Copies of import entries filed with the Commission on Audit (COA) are an alternative reference. Accessing them, however, presents another round of bureaucratic problem for PEAG.

Other sources of valuable information for risk profiling include the following: 1) enforcement and intelligence records with customs police and/or customs intelligence group; 2) Customs cases involving customs assessment at the Law Division; 3) VCRC and CVCRRRC valuation and classification cases; 4) VRIS files; 5) SGL files; 6) Customs Accreditation records; 7) Regulating agency files; and 8) BIR VAT records, to name some. Unfortunately, these information sources are hardly tapped, if at all.

Audit Notification Letter

High risk companies are identified per industry, and their transactions analyzed. The type of analysis varies depending on the risks involved. The group presentations during the TIRAO Risk Profiling Workshop (Annex B) show examples of the risks and potential violations that may be involved and the various methods adopted to detect them.

Initial findings and compliance issues in high risk companies are documented to serve as basis for the request for the issuance of an Audit Notification Letter (ANL). The ANL is submitted for review and approval by the PEAG OIC and then by the Commissioner. At both levels, each ANL is evaluated and approved on the basis of its own intrinsic merits. Since there is no system of risk measurement and ranking, there is no basis for evaluating an ANL against the bigger picture, and for establishing relative priorities between and among prospective auditees.

The need to rank and prioritize on the basis of risk measurement may not be sufficiently appreciated for the moment. The thrust for now is to log and accumulate experience and therefore generate as many ANLs and complete as many audits as possible. The industry profiling done by the teams provides a prioritization system as far as the relevant industry(ies) and the team's activities are concerned. To this extent, it seems to have generated sufficient results in terms of audit findings and revenue collection prospects.

In the future, severe resource limitations especially of manpower will eventually bear on the group's performance. By then, a broader-based and methodical risk measurement and ranking will be better appreciated. Even if the PEAG continues to organize itself along industry groupings, rather than functional specialization, there is room for a formal and documented process of looking at the bigger picture, to evaluate relative risks and rank, prioritize and program audit activities.

The current ANL format and its attachments may have to be revisited to make it less intimidating, friendlier or non-belligerent, and more effective in communicating what the audit team intends to do and the documents and information it needs, in an atmosphere of true trade partnership and cooperation. This is important considering the prevailing adverse industry reaction or regard towards customs audit in general, and the audit team in particular.

Field Audits

There has not been ample opportunity to standardize audit processes, given PEAG's limited experience in field audits. Completed field audits take from four to six months, depending on how well the issues have been identified, and how responsive the auditee is to the requests for documents. Audit teams often initiate and undertake more than one audit at a time, in order to better utilize the lag time between request and submission of documents. This often results in discontinuities, and involves time-consuming and inefficient adjustments.

The workshop discussions revealed that administrative remedies for uncooperative auditees are not sufficiently clear to the auditors, and therefore not sufficiently availed of.

It is also clear that auditors need considerable training in the conduct of key processes, such as pre-audit and exit conferences. In the pre-audit conference, there are no clear guidelines as to how the team can best utilize the occasion to establish rapport with the auditee by helping out in filling up the questionnaire or in clarifying business processes such as goods, inventory, and finance flows. The interview provides an excellent opportunity to get acquainted with the nature and extent of the auditee's business and trading activities and with the imported articles through on-site inspection and plant or warehouse walk-thru. For the exit conference, the objective of the exercise does not appear to be clear to

the audit teams. Nor are the relative rights and obligations of both sides during the process settled in the minds of the auditors. These are voids in policy direction that have to be also addressed.

Auditors have acknowledged deficiencies in skills and knowledge especially in areas like modern inventory and accounting systems, new trends in global corporate operations and practices (e.g., transfer-pricing), payment modes, post-importation payments such as royalty and license fees, and the like. Such skills and information lack adversely affects the capability of auditors to effectively and accurately identify customs issues specific to the auditee's cross-border operations. The net effect of this is a reduced level of expectation in the quality of audit output and in the corresponding revenue impact.

Maintaining the integrity of field audit and the security of both personnel and audit records remain to be an audit management concern. Policies have to be established to define processes and responsibilities in field audit record custody, audit inter-personal demeanor, information access, and personal safety.

Logistics is another area of customs management concern. The PEAG needs a lot of funding support to effectively carry out its functions and responsibilities. This includes investment in office equipment such as computers, communications, office supplies, storage facilities, datawarehouse facility, transport to and from place of audit work, and even a respectable office space.

Confidence building is still critical to ensure a high level of cooperation and support from the import sector. This can be addressed through a continuing program of information and educational campaign about the positive aspects of customs audit as a necessary "evil" to improve compliance and thereby facilitate trade, as well as the safety nets in place to prevent abuse.

Accomplishments

Voluntary Disclosure Program

Voluntary disclosure is an international customs best practice that enables importers to be compliant with customs rules in a non-adversarial fashion. This is consistent with the spirit of customs-trade partnership regime the WTO system seeks to foster among the customs administrations of member-economies.

Through RA 8181 as amended by RA 9135, the WTO transaction value system was implemented in January 2001. It shifted customs assessment from the customs-imposed to self-assessed valuation system for duties and taxes payable on imports. Under a self-assessment system and considering the technical nature of the transaction value method, the probability of committing honest errors in the computation of taxes and duties is high. To this, even reputable importers, including multinational companies, are vulnerable. Addressing the need to provide a non-punitive remedy to correct erroneous entry declaration, the Voluntary Disclosure Program allows importers to pay the deficiencies in duties and taxes on account of honest errors without having to be severely penalized for such mistakes.

The program provides bona fide importers with the opportunity to voluntarily disclose to customs any underpayment of duties and taxes without waiting to be selected under the post entry audit program of the Bureau of Customs.

To qualified importers the incentive to file a voluntary disclosure consists of the non-imposition of penalties for the underpayments as disclosed, subject to due verification as to its accuracy and completeness. Also, importers availing of the program are given a last priority status for post entry audit under certain conditions.

To prevent abuse, the program specified certain companies and import transactions that are excluded from its mantle. These include those companies and import declarations already covered by a final assessment issued by the Commissioner of Customs or subject of pending ruling requests with the Customs Valuation Classification Review and Ruling Committee or any other similar customs office; those covered by cases already filed and pending in courts; those who have already been

issued Audit Notification Letters (ANL) and are currently undergoing enforced compliance audit; and importations tainted with fraud.

On the side of the Bureau of Customs, Voluntary Disclosure seeks to promote voluntary compliance and in so doing, improve the bureau's revenue generation efforts through immediate payment and collection of delinquencies in duties and taxes without the need to undertake a resource-intensive full compliance audit.

The consultant team, together with its BOC counterpart drafted the rules and regulations governing the Voluntary Disclosure Program. The policy document, embodied in Customs Administrative Order No. 5-2007 was approved and issued by the Department of Finance (DOF) on May 29, 2007. (Refer to Annex C)

The composite team also drafted the implementing regulations for the Program. The initial draft was presented in a workshop attended by the PEAG staff and Deputy Collectors for Assessment of the three metro ports: Port of Manila (POM), Manila International Container Port (MICP) and the Ninoy Aquino International Airport (NAIA). The amended draft, based on the inputs of the workshop participants, was submitted to the Commissioner, and signed and issued as Customs Memorandum Order No. 18-2007 on July 6, 2007 (refer to Annex D).

Schedule 1. Salient Features of the Voluntary Disclosure Program

- 1. Who may avail of the Bureau of Customs Voluntary Disclosure Program (VDP)?**
All importers wishing to remedy honest errors in the assessment of import duties and taxes.
- 2. When may one file a voluntary disclosure?**
 - (a) Prior to the receipt of an Audit Notification Letter (ANL); or
 - (b) Upon receipt of the ANL but prior to the scheduled date of field audit
- 3. Steps in filing a voluntary disclosure:**
 - Fill up VDP application form (Form A) available in the website or any office of the Bureau of Customs.
 - Prepare required documents (attachments to Form A)
 - Make a tender of payment of the duty and tax deficiency on the disclosed transactions, with the undertaking that the tender of payment shall be honored regardless of whether the importer is found qualified or not to avail of the Program benefits at the time of application or at any time during the verification process.
 - Submit the following to Post Entry Audit Group: Form A, Official Receipt, and required documents (attachments to Form A)
- 4. Incentives/ Benefits offered for voluntary disclosure:**
 - No fines or penalties provided for in Section VI C.1 of CAO 5-01 on the disclosed underpayments, subject to verification by the Post Entry Audit Group
 - “Last priority status” in the customs audit selection process for future importations subject to the following conditions:
 1. Submission of a customs compliance program that directly addresses the cause or causes of the mistakes or errors in the entry declaration and other necessary measures to improve the company’s level of compliance with customs laws, rules and regulations.
 2. Compliant behavior established based on random profiling and review of the company’s succeeding import activities.
 3. The amount of duties and taxes to be collected from any single disclosure shall not be less than One Million Pesos (PhP1, 000,000).
- 5. The consequences of an incomplete disclosure:**
 - a. The penalty regime provided under RA 9280 and its implementing rules (e.g. CAO 4-2004) applies to additional duty and tax deficiencies or adverse customs issues that were not part of the specific import entries disclosed, but were uncovered during the verification process resulting from a voluntary disclosure
 - b. When fraud in the importation or bad faith in the non-disclosure is established during the verification process, the application for voluntary disclosure shall be denied, and a full formal audit shall be commenced without prejudice to the conduct of formal enforcement investigation as the Commissioner of Customs may see fit. Any money that may have been tendered by the importer and received by customs at the time of application for voluntary disclosure shall be applied to the deficiency in duties and taxes as disclosed.
- 6. Exclusions from the benefits of the Voluntary Disclosure Program:**
 - a. Those covered by a final assessment issued by the Commissioner of Customs or subject of pending ruling requests with the CVCRRRC or any other customs office;
 - b. Those covered by cases already filed and pending in courts;
 - c. Those who have already been issued Audit Notification Letters (ANL) and are currently undergoing enforced compliance audit;
 - d. Those involving FRAUD cases.

PEAG Operating Guidelines

The PEA Guidelines prepared under the AGILE-EGTA technical assistance to the Bureau of Customs in 2000 covers five steps, namely 1) gathering information; 2) initial risk assessment; 3) profiling using computerized data; 4) profiling and review of BOC's past decisions and 5) preparing report for the commissioner.

As a supplement to the existing manual, this technical assistance project introduced materials related to three key areas, namely a) annual audit plan; b) profiling and auditee selection; and, c) field audit. In order to achieve ownership of the materials and the processes by the PEAG staff, the consultant team conducted workshops on the following: 1) Audit Toolkit; 2) Risk Profiling; and, 3) Management Reporting.

Audit Toolkit

The Audit Toolkit consists of the following:

- a) Audit Questionnaire provides a guide and outline for customs issue identification during pre-audit conference. It is structured in such a way as to ensure that all potential areas for customs declaration errors are covered.
- b) Workplan detailing the sequential steps and processes that should be undertaken during audit. This is designed in such a way as to enable the audit team to optimize the use of field audit time through a focused approach to audit verification.
- c) Audit work schedule and management plan to assist auditors and keep track of hours spent in the various stages of audit. This is crafted to help the audit team and the audit management to allocate and manage the limited time and meager resources of PEAG as against the number of companies/entities programmed for audit.

The workshop provided a venue for ventilating and clarifying procedural issues encountered in the process of field audits. Hopefully, the Audit Toolkit could help address a number of these concerns.

Risk Profiling

A series of four workshops conducted on risk profiling was designed to assist the TIRAO in an iterative process of identifying, estimating and ranking risks, as a prelude to the selection of auditees from a broader perspective.

Participants were divided into groups and assigned to make a presentation of six identified risk areas each.

The exercise succeeded in identifying the general areas of customs risk, class them together according to commodity and nature of the importing entity, and drill the risks down to as many specific potential customs issues that could arise from such risk areas. The specific risks as identified were then measured against (1) level of occurrence; (2) impact on revenue; (3) source of information; and (4) level of difficulty of information access.

The output of the exercise could serve as a reference document in the development of a periodic audit program and/or in the audit selection in the absence of such periodic program as of yet. Also the document, which is to be considered as work in progress, could assist auditors in their specific audit work plan preparation.

Management Reporting

The last workshop was conducted to review the format of the ANL and the FARR. The consultant team presented recommended format of these forms and are part of the PEAG Operating Guideline.

The team likewise crafted a management reporting system for the Commissioner to advise him of work progress pertaining to profiling and field audit activities of PEAG.

Other Observations:

1. The database needed to perform risk profiling is highly underdeveloped. PEAG has no institutional access to ACOS data and still has to develop network linkages with complementary or alternative data. In the absence of this untrammelled access to critical customs information, it is difficult to imagine, as the

- experience of the last three years has shown, how PEAG can effectively carry out its mandate. There are many other potent sources of critical information identified earlier that are hardly tapped, if at all.
2. Familiarity with compliance issues varies among the staff. PEAG needs to develop and maintain a knowledge management system that would institutionalize/enhance skills and expand knowledge base and would make it accessible to PEAG working personnel and staff.
 3. The current organizational set up of PEAG may have to be reviewed to determine whether changes have to be introduced to improve its administrative and operational performances as a whole. For instance, as it is now, the TIRAO and CAO offices are to some extent not working as they should in accordance with the mandated division of work. If adjustments have to be made according to actual practice, then policy changes have to be formalized.

Training Design

The training design covers seven major areas, namely: personal skills, interpersonal skills, management/operational, data management, customs operations, customs audit and risk management. This benefited from previous work done in earlier technical assistance projects to the Bureau under the AGILE-EGTA programs.² The training design in Annex E consolidates previously recommended training programs. Updating was done on knowledge-based training in customs operations and international trade and transport practices which have important applications in audit operations.

The training curriculum includes both skills- and knowledge-based learning. It is designed to address both the technical skills and knowledge requirements of the jobs within PEAG, and to enable the staff to work efficiently as a team. It covers a wide range of areas, some of which may be optional, subject to PEAG management's assessment. Based on discussions with the staff, the most urgently needed training is those for ongoing operations, i.e. customs operations and customs audit.

² AGILE-EGTA Technical Assistance to the Bureau of Customs, 2002-2003

The curriculum is differentiated into basic, intermediate and advanced levels. Each of these levels need to be placed in the context of the office environment, and conducted simultaneously with organizational development and systems building, e.g. in risk management, performance evaluation, and audit operations.

The consultant team conducted a training needs survey to gather feedback on the degree of confidence among the PEAG staff over various skills and knowledge related to PEAG core functions. The questionnaire is attached as part of Annex E. The results of the survey, also in Annex E, will guide the trainers on the methods to employ in the conduct of training as designed.

E- Reference Library

The consultant team made a compilation of e-customs references saved in a CD that was turned over to PEAG management. This consists of the following:

1. Legal text of WTO Agreement on Customs Valuation including sections on rules of origin, safeguards, anti-dumping, licensing procedures, pre-shipment inspection and Trade-related aspect of Intellectual Property rights (TRIPS)
2. ASEAN-CEPT including legal enactments and consolidated packages of ASEAN members
3. ASEAN customs-related laws
4. In-country ruling (US Customs rulings)
5. Voluntary disclosure programs of other countries
6. US Customs Assessment Kit and Risk Management
7. Commonly used INCOTERMS (International Commercial Terms)

Recommendations

The consultant team recommends the following:

1. Organizational updating is needed as a foundation for systems building. Certain deviations from the original design of the PEAG may need to be evaluated, and as appropriate, formalized. Additional structures may have to be put up to address emerging needs. Specifically, PEA management may look into the following:
 - Creation of an Audit Management Committee for consultations and policy making; to facilitate coordination with other units of the bureau; and to provide a venue for ventilating operational issues, and a learning mechanism vis-a-vis work-related problems and obstacles.
 - Formal assignment of staff functions, and their corresponding accountabilities e.g. data networking, records custodianship, data security and accessing, monitoring of audits, documentation and management of meetings and certain work processes.
2. The following systems need to be built or strengthened:
 - Data networking linkages with other units of the Bureau, e.g. Legal, the Port Collection Districts; and with other government agencies with regulatory functions related to imports (e.g. BIR, Department of Agriculture (DA), Department of Trade and Industry (DTI), Bureau of Food and Drug (BFAD)).
 - Guidelines for the treatment of post importation payments. Duties on royalties and other post-importation payments carry huge revenue potentials which are as yet unrealized because of a lack of systems and procedures for the determination, assessment, computation and collection of these duties.
 - Administrative remedies. PEAG auditors feel that practical and prompt administrative remedies need to be strengthened to ensure cooperation from a number of

auditees who resort to means, valid or not, to effectively deny access or who out rightly refuse to provide customs with access to importers' documents and records.

- **Training Program.** Skills training in both customs issue identification and resolution and in audit verification, is needed at different levels, to be integrated with the building of systems and procedures. Synergies from working as a team are also as yet largely unrealized.
- **Advocacy.** Post Entry Audit is yet at its infancy in Philippine customs administration. There is considerable information dissemination and education to be done to transform the perception of the trading community about customs audit and convince them to support the program, to promote compliance, hence, facilitate trade. The Voluntary Disclosure Program is a good starting point to send the signal to the trade community that the foremost policy objective is one of building compliance as a shared responsibility between customs and the importers.

Remaining issues

Global best practices provide a useful reference for improving PEAG's office systems and procedures. However, much of the literature needs to be evaluated against the local backdrop, where conditions differ from first world country settings. Further work in capacity enhancement for the PEAG will be affected by the following remaining macro issues:

1. In the larger environment, the many loopholes and leakages persist. Cooperation with other units of the Bureau is important, but often is not available. The problem of data access for example, will hamstring PEAG's operations unless addressed. A risk management system designed to enable the integration of PEAG's work and efforts with those of other units is also needed.
2. Redundancies and duplication of functions brought about by the sporadic creation of bodies that are essentially ad hoc in character persist and are even increasing. There is a need to delineate the areas of operations of other offices, and establish mechanisms for

coordination with PEAG which has the legal mandate from RA 9135 to conduct post entry audit.

3. There is still a high level of non-compliance among importers many of whom need to be fully informed of their new obligations under the PEA system. Inspiring the private sector to improve compliance will require a highly visible prior effort on the part of the government bureaucracy to cleanse its own ranks.

The Consultant Team:

Atty. Alex M. Gaticales, Legal Expert, Team Leader
Atty. Agaton Teodoro O. Uvero, Customs Audit Operations Expert
Ms. Maria Fe Esperanza V. Madamba, Customs Audit Program Specialist
Mr. Joel Joseph P. Greñas, Customs Audit Research Assistant

BOC Counterpart

Atty. Rolando T. Ligon, Jr., Director, CAO; OIC, PEAG
Collector Ramon Anguilan, OIC, TIRAO

Resource Persons

Atty. Priscila Bauzon – Deputy Collector for Assessment, POM
Atty. Remedios Espinosa – Deputy Collector for Assessment, MICP
Ms. Silveria Salazar – Collection Division, NAIA

ANNEX A
PLANTILLA OF POSITIONS
Post Entry Audit Group (PEAG)
Bureau of Customs

Name	Position	Remarks
Active Personnel as of June 2007		
1 Ligon, Rolando T.	OIC-PEAG	
2 Anquilan, Ramon	OIC-TIRAO	
3 Santos, Benjamin Talon	CCOO	
4 Pumatong, Wivina Barel	CCOO	PEAG Cebu
5 Valdez, Balmyrson Manuel	CCOO	Currently assigned to Legal Service
6 Grana, Priscilla Paredes	CCOO	
7 Ursabia, Angelito Gamosa	CCOO	Currently assigned to RCMG
8 Castañeda, Reginaldo Zapico	COO V	
9 Dizon, Jose Manlapaz	COO V	Acting CCOO
10 Gallo, Cecilio Vicente R.	COO V	
11 Magtanong, Teresita D.	COO V	
12 Mangalindan, Von Joseph David	COO V	
13 Ramirez, Agnes Mayoralgo	COO V	Acting CCOO
14 Ramos, Sofronio Nazares	COO V	
15 Reyes, Vincent Gabriel Ventura	COO V	
16 Vilarin, Sabina Santos	COO V	
17 Alcantara, Ismael Sadural	COO IV	
18 Angeles, Henry Damasen	COO IV	
19 Dagpin, Caliph Quizo	COO IV	
20 Matias, Florentino Hicban	COO IV	
21 Mendoza, Jessica Salto	COO IV	
22 Quinto, Jay Novilla	COO IV	Acting COO V
23 Rodriguez, Ramon Fowler	COO IV	
24 Salcedo, Ma. Elenita Atendido	COO IV	
25 Santos, Arnold Bryant Dawa	COO IV	
26 Cordoda, Jose Francisco Salazar	Record Officer	
27 Javier, Rommel Abaya	Record Officer	Acting COO IV
28 Premediles, Hemerose Buencunillo	Record Officer	
29 Sta. Cruz, Dante Perez	Record Officer	Acting COO IV
30 Togonon, Leonardo Caluyo	Record Officer	Acting COO IV
31 Balite, Le Anthony Laguitan	Clerk III	
32 Garcia, Jenaline Mesina	Clerk II	
33 Jocson, Rodrigo Manalo	Driver	
34 Yalong, Deo Augutus		Acting COO IV
Inactive/Transferred/Resigned		
1 Soliman, Nelson J.	Asst. Comm.	
2 Fernandez, Andrew Manaois	CCOO	
3 Corpin, Bautista Gler	COO V	
4 Legaspi, Joselito Liqueste	COO V	
5 Mangubat, Antonio Jaminola Jr.	COO V	
6 Mendoza, Hernando Jereos	COO V	
7 Reniedo, Alberto Sevilla	COO V	

ANNEX A
PLANTILLA OF POSITIONS
Post Entry Audit Group (PEAG)
Bureau of Customs

Name	Position	Remarks
Active Personnel as of June 2007		
8 Romero, Lemuel Parungao	COO V	
9 Toring, Fe Lluelyn Ganir	COO V	
10 Tuazon, Redentor Salvador	COO V	
11 Yorobe, Virgil San Lorenzo	COO V	
12 Vasquez, Lamberto Placiente	COO V**	
13 Jervoso, Ryan Neil Gil	COO V**	
14 Villanueva, Lissa Belle	COO V**	
15 Agulto, Angelito Lopez	COO IV	
16 Barrida, Rochelle Valdez	COO IV	
17 Barte, Segundo Sigmund Freud Zamorro	COO IV	
18 Caringal, James Zuño	COO IV	
19 Gotanco, Anthony Val Gary Buagas	COO IV	
20 Mil, Jeanett Lintag	COO IV	
21 Premediles, Julius Buencunillo	COO IV	
22 Rabo, Melchor Rotoni	COO IV	
23 Tomagan, Juan Gregorio Tablizo	COO IV	
24 Ugay, Ciriaco De Guzman	COO IV	
25 Apilado, Ma. Victoria delos Santos	COO IV**	
26 Pagkalinawan, Dinno Santos	COO IV**	
27 Allanique, Maximino Lintag	Record Officer	
28 Reyes, Ronald Gabriel Tuason	Record Officer	
29 Fua, Manuel Berdin	Clerk III	
30 Perez, Marcelle Canlas	Clerk III**	
31 Leaño, Frederick S.	Clerk II	
32 Medenilla, Christine Encina	Messenger	
33 Saura, Joyce Gemma Del Rio	Messenger	
34 Yapan, Manuel Falconit Jr.	Messenger	
35	CCOO*	

* Position not filled up

** Did not assume position

ANNEX B
Sample Group Output during the Risk Profiling Workshop
Regulated Imports

Product & Agency Concerned		Remarks/Requirements	Revenue Impact	Vulnerability	Data Source	Accessibility
Sugar	Sugar Regulatory Board (SRA)	Accredited importer of Sugar with corresponding Quota. Prior approval to import from SRA is required.	High	High	SRA, NFA E.O.s	Difficult
Rice	National Food Authority	Prior approval from NFA before importation. If cooperative, the cooperative should be registered With the Cooperative Development Authority (CDA)	High	High	NFA, CDA E.O.s	Difficult
Wheat	Bureau of Animal Industry	Prior Approval from BAI. Non accredited importer are subject to ATRIG.	High	High	BAI, Asso. Of wheat manufacturers/producers, E.O.s	Difficult
Agricultural Products/machineries	Dept. of Agriculture Bureau of Fisheries	Accreditation is not required. However, products should be verified if included in the list of the products per AFMA (E.O. 133)	High	High	DAR, Bureau Of Fisheries E,O.s	Difficult

ANNEX B
Sample Group Output during the Risk Profiling Workshop
Regulated Imports

Product & Agency Concerned		Remarks/Requirements	Revenue Impact	Vulnerability	Data Source	Accessibility
Regulated Drugs	BFAD and DOH	Only licensed manufacturers, producers and distributors are authorized to import. Except, hospitals and registered medical clinics.	High	High	BFAD, DOH E.O.s	Difficult
Fuel, Oil Coal, Gas	DOE (PNOC)	Only importers duly licensed and accredited by DOE. PNOC is the implementing agency.	High	High	DOE, PNOC, DOF, IPPs, E.O.s	Difficult
Lumber & Wood Products	DENR,	Prior import authority from DENR.	High	High	DENR, E.O.s	Difficult
Motor Vehicles & Trucks	BOI, BIS	BOI – only car and trucks assemblers duly registered and members of the Progressive Cars and Trucks Manufacturing Program (PCTMP) are entitled to special privileges on a reduce tariff rates. Such companies are required to secure prior	Substantial	Medium	BOI, BIS. VICMU/BOC LTO,E.O.s	Difficult

ANNEX B
Sample Group Output during the Risk Profiling Workshop
Regulated Imports

Product & Agency Concerned		Remarks/Requirements	Revenue Impact	Vulnerability	Data Source	Accessibility
		approval from BOI. Bureau of Import Services (BIS) – Prior approval from BIS before arrival of the reconditioned, second hand trucks and motor vehicles.				
Tiles	PCCI/ICE	Subject to PCCI/ICE clearance before release from customs custody.	Substantial	Medium	PCCI, ICE VCRC, E.O.s	Difficult
Garments And Textiles	GTEB, TMAP PCCI, ICE	Companies engaged in the importation of textiles, garments, raw materials for manufacture and export should be registered to GTED. In practice, warehousing entries are the methods of releasing the importations, Drawback/tax & duty refund.	High	High	GTEB, TMAP, PCCI/ICE, Whsg. Operation Div. WAD, Bonds Div. WDRD	Difficult
Mobile Phones, Telecom. Eqpt.	NTC, DOF	Importer should be accredited, franchise holder	Medium	Medium	NTC, DOF, DOTC	Difficult

ANNEX B
Sample Group Output during the Risk Profiling Workshop
Regulated Imports

Product & Agency Concerned		Remarks/Requirements	Revenue Impact	Vulnerability	Data Source	Accessibility
And Apparatus		With licensed to possessed, operate and engaged in telecommunication services.			E.O.s	
Fertilizer	FPA	Prior Approval from FPA	Medium	Medium	FPA, NFA E.O.s	Difficult
Photo-graphic and copying machines	National Breau of Investi-gation	Prior clearance not required. However, clearance from NBI is required prior to release from the Bureau of Customs.	Medium	Medium	NBI, E.O.s	Difficult
Musical Tapes, DVD, CD, Video games machine	MTRCB, PAGCOR	Strictly regulated and subject to clearance from MTRCB, PAGCOR.	High	High	MTRCB, PAGCOR PCSO E.O.s	Difficult
Firearms & Explosives	FEU, PNP DND	Strictly prohibited. Prior clearance to import from FEU, PNP and DND. There are two (2) basic requirements, Permit to Purchase and Permit to Possess.	High	High	FEU, PNP, DND, DILG	Difficult



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA 1099

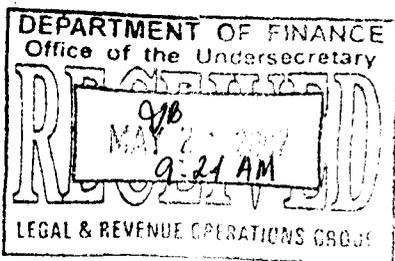
CUSTOMS ADMINISTRATIVE ORDER
NO. 5-2007

Subject: Voluntary Disclosure Program (VDP)

By Authority of Sections 608 and 2316 of the Tariff and Customs Code of the Philippines (TCCP), amending for this purpose Customs Administrative Order (CAO) 4-2004, the following rules and regulations are hereby promulgated:

SEC. I OBJECTIVES

- A. To provide a clear set of policies and guidelines in the application and availment of the Voluntary Disclosure Program on fine/penalties for deficiencies in the payment of taxes and duties.
- B. To promote compliance with customs laws and regulations by providing a non-punitive facility for importers to voluntarily disclose or report to customs plain errors or innocent mistakes in the import entry declarations and in the payment of duties and taxes and other charges.
- C. To generate instant additional customs revenue with least administrative cost to both the government and the concerned importer.
- D. To demonstrate and emphasize to the import sector and other customs stakeholders the statutory obligations of the trading community and the adverse consequences of customs non-compliance or lack of due diligence in conducting business with customs at the border.



CAO-5-2007

SEC. II STATEMENT OF POLICY

- A. The adoption of the Transaction Value System under the WTO Agreement on Customs Valuation has resulted in the shift from the customs-imposed to the so-called self-assessment system. Under the self-assessment regime, an importer is directly responsible for the complete and accurate import entry declaration, principally, as to customs value, tariff classification, and is duty-bound to provide any other relevant information necessary for customs to properly assess the correct duties and taxes due on the imported article.
- B. The Voluntary Disclosure Program provides importers the remedy to correct, under certain conditions specified herein, any erroneous, inaccurate, or insufficient information declared to customs arising from sheer mistake, inadvertence, or negligence without the imposition of any fine or penalty in appropriate cases. The Program shall not apply when the wrong entry declaration was attended with fraud, as defined in Section 3611 of the TCCP, as amended.
- C. The Program shall be available (a) prior to the receipt of an Audit Notification Letter (ANL) or (b) upon receipt of the ANL but prior to the scheduled date of field audit.

SEC. III BENEFITS OF THE PROGRAM

- A. An importer filing a valid and timely voluntary disclosure together with a tender of payment shall not be subject to fines or penalties under existing regulations but only insofar as the import entries and customs issues disclosed are concerned but without prejudice to the provisions of Section IV and VI. C of CAO 5-01.
- B. The disclosing party shall also be accorded the status of "last priority" in the customs audit selection process for future importations subject to the following conditions:
 - 1. Submission of a customs compliance program that directly addresses the cause or causes of the mistakes or errors in the entry declaration and other necessary measures to the company's level of compliance with customs laws, rules and regulations.

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2. Compliant behavior established based on random profiling and review of the company's succeeding import activities.
3. The amount of duties and taxes to be collected from any single disclosure shall not be less than One Million Pesos (PhP1,000,000.00).

SEC. IV TREATMENT OF INCOMPLETE DISCLOSURE

- A. When additional duty and tax deficiencies or adverse customs issues are uncovered during the verification of the import entries disclosed, the graduated rules on penalties under the foregoing CAO shall apply to those that are not part of the disclosure.
- B. When fraud in the importation or bad faith in the non-disclosure is established during the verification process, the application for voluntary disclosure shall be denied, and a full formal audit shall be commenced without prejudice to the conduct of formal enforcement investigation as the Commissioner of Customs may see fit. Any money that may have been tendered by the importer and received by customs at the time of application for voluntary disclosure shall be applied to the deficiency in duties and taxes as disclosed.

SEC. V WHO ARE QUALIFIED FOR THE PROGRAM

- A. All importers may submit to a voluntary disclosure subject to the following conditions:
 1. Preparation and submission of a verified application for voluntary disclosure identifying the transactions being disclosed with specific reference to the import entry number, type of article imported, nature of the error or mistake (e.g., undeclared adjustment to the price paid or payable, such as assists, royalty or license fee, proceeds from subsequent resale; error in the tariff heading or duty rate used; undue availment of preferential duty rate; and the like) resulting in the underpayment of duties and taxes, year of importation, and port or ports of entry. For the purpose, a standard user-friendly disclosure format, including a checklist of documents required shall be provided in an appropriate order by customs.



2. Tender of payment of the duty and tax deficiency on the disclosed transactions, with the undertaking that the importer shall honor the tender of payment regardless of whether he is found qualified or not to avail of the Program at the time of application or at any time during the verification process.
- B. The Program shall not include importers or import transactions subject of the following:
1. Those covered by a final assessment issued by the Commissioner of Customs or subject of pending ruling requests with the CVCRRC or any other customs office;
 2. Those covered by cases already filed and pending in courts;
 3. Those who have already been issued Audit Notification Letters (ANL) and is currently undergoing enforced compliance audit;
 4. Those involving FRAUD cases, including those covered by Section 3611 of the TCCP, as amended.

SEC. VI VERIFICATION AND PROCESSING OF THE APPLICATION

- A. The verified application for disclosure shall be filed with the Post Entry Audit Group (PEAG) under the Office of the Commissioner of Customs together with the tender of payment and the required undertaking together with the supporting documents relating to the disclosure being made.
- B. The PEAG shall verify if the application is complete and valid as to form and substance. If the application is valid, PEAG shall accept the application and conduct verification on the disclosure.
- C. In relation to the specific import entries subject of the voluntary disclosure application, when there is a finding of fraud or that there are other material inaccuracies mistakes or errors in the entry declaration or outright violations committed that were not the subject of the disclosure but impact adversely on government revenue, PEAG shall recommend the conduct of formal and full audit and the initiation of fraud investigation.



CAO-5-2007

D. In all cases, the tender of payment shall be accepted by Customs to be applied to the deficiencies in duties and taxes as voluntarily disclosed regardless of whether the voluntary disclosure application is ultimately given due course or not.

SEC. VII IMPLEMENTING RULES AND REGULATIONS

The Commissioner of Customs shall issue procedural rules to define and outline in detail the process of documentation, application, evaluation, availment, and disposition of voluntary disclosures under the Voluntary Disclosure Program.

SEC. VIII REPEALING CLAUSE

All Orders, Memoranda, Circulars or parts thereof which are inconsistent with this Order are hereby deemed repealed and/or modified accordingly.

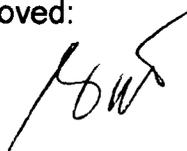
SEC. IX SEPARABILITY CLAUSE

If any part of this Order is declared by the Courts as unconstitutional or contrary to existing laws, the other parts so declared shall remain in full force and effect.

SEC. X EFFECTIVITY CLAUSE

This Order shall take effect fifteen (15) days after publication in any newspaper of general circulation and filing of copies with the UP Law Center pursuant to E.O. No. 292 (Administrative Code of 1997).

Approved:


ROBERTO B. TAN
(Undersecretary)
Officer - in - Charge



NAPOLEON L. MORALES
Commissioner



24 MAY 2007



July 6, 2007

CUSTOMS MEMORANDUM ORDER
NO. 18-2007

To: **COLLECTORS OF CUSTOMS
SERVICE/DIVISION CHIEFS
REGISTERED IMPORTERS
ALL OTHERS CONCERNED**

Subject: **Rules and Regulations Implementing the Customs Voluntary
Disclosure Program (VDP) pursuant to CAO 5-2007**

I. OBJECTIVES

1. To provide a set of guidelines to govern the documentation, processing, evaluation, disposition, and implementation of applications for voluntary disclosure under the VDP.
2. To facilitate action on voluntary disclosure applications to generate immediate customs revenue thereon.
3. To promote customs and trade compliance among importers and other customs stakeholders at the border.

II. ADMINISTRATIVE PROVISIONS

1. To assist the importer in ensuring the completeness and accuracy of the application for Voluntary Disclosure, there is hereby provided a Voluntary Disclosure Checklist (Form A), a copy of which is attached as Annex "A".
2. There shall be a standard voluntary disclosure application format denominated as the Voluntary Disclosure Form (Form B), a copy of which is hereto attached as Annex "B" and made an integral part of this Order. Application Forms shall be made available at the Office of the Assistant Commissioner of the Post Entry Audit Group and the Office of the Collector of Customs of every Port/District.

3. The Form B contains a provision on the tender of payment covering the deficiency in duties and taxes as disclosed and an undertaking to honor such tender irrespective of whether the voluntary disclosure application is given due course or not. It also contains a listing of the basic documents needed to be submitted to support the voluntary disclosure application.
4. When the applicant is a corporation, the application shall be supported by a Company Board Resolution authorizing the signatory in the application form to make the disclosure and to bind the company thereto.
5. The VDP application form shall be fully accomplished and accompanied by (a) the Official Receipt evidencing payment of the deficiency in duties and taxes as disclosed (b) legible copies of records listed down in Form B, and such other documents or peculiar information as the disclosing party may consider relevant to support the disclosure being made.
6. There is hereby created a Special Verification Unit (SVU) within the PEAG to be composed of PEAG officers/personnel designated by the Assistant Commissioner, PEAG. The SVU shall keep and maintain all records pertaining to all applications for voluntary disclosure, including the amount of duties and taxes collected, in a manner that would enable easy identification, allow authorized access to, and cause prompt retrieval of the case folder and/or specific documents pertaining thereto.

III. OPERATIONAL PROVISIONS

Step One

1. The importer shall accomplish Form B to be signed by a duly authorized and responsible officer of the disclosing company, business entity or natural person, as the case may be.
2. The importer shall pay the amount of duties and taxes based on the disclosed deficiency to the Collection Division of the Port of Manila, which shall issue an Official Receipt therefor. The Collection Division shall credit the collected amount to the respective Collection District(s) where the import entry involved in the voluntary disclosure was filed in accordance with existing accounting and auditing rules and regulations or policies applicable in the premises. Upon acceptance of the payment and issuance of the Official Receipt, the Chief, Collection Division, POM, shall provide the PEAG Office, Attention: SVU, with a

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copy of the Official Receipt through an appropriate inter-office endorsement stating the name of the applicant and the amount of duties and taxes paid as disclosed. Format of the Indorsement is hereto attached as Annex "C".

3. The duly accomplished Form B, together with the required documentary attachments which shall all be properly marked and certified by the applicant, as well as the original copy of the Official Receipt of payment, shall be filed with the Office of the Assistant Commissioner of the Post Entry Audit Group. The original Official Receipt shall be returned to the applicant after the same has been viewed and examined by the responsible evaluating officer at the Office of the Assistant Commissioner for PEAG.

Step Two

4. The duly accomplished Form B shall be processed and evaluated by the designated officer of the SVU, who shall perform the following functions:
 - 4.1 Verify the completeness of the information provided by the applicant in the accomplished Form B.
 - 4.2 Check the sufficiency of the documents attached, including the payment of duties and taxes as disclosed, and/or the information provided to support the voluntary disclosure and necessary to conduct effective disclosure verification.
 - 4.3 Ensure that the application form is accompanied by a comparative computation table showing (a) tariff classification or customs unit value, etc., originally declared as against the tariff classification or customs unit value, etc. as disclosed and (b) the duties and taxes originally paid and those resulting from the voluntary disclosure.
 - 4.4 Determine whether the applicant is qualified under the coverage and exclusionary clauses of the VDP program as provided for in Section V of CAO 5-2007.
 - 4.5 When the formal requirements are incomplete or otherwise not complied with, or when the applicant is not qualified under Section 4.3 above, the evaluating officer shall advise the applicant in writing of such fact and provide him with a period of fifteen (15) working days within which to complete or comply with the formal requirements. If after the lapse of the period given, the applicant remains non-compliant, the voluntary disclosure application shall be denied by the Assistant Commissioner, PEAG with formal notice to the applicant.

- 4.6 Once the completeness and validity as to form of the duly accomplished Form B has been established, the assigned officer shall conduct a disclosure verification, in coordination with the Trade Information Risk Analysis Office (TIRAO), on the disclosed customs issues, product lines, tariff headings, customs value, number of import entries, and the like, using the standard operating procedure to be established for the purpose. When necessary, the evaluating officer may request the applicant to appear before the office or to submit further information/document to clarify any matter which is the subject of the voluntary disclosure made.
- 4.7 Review the basis and accuracy of the computation made by the disclosing party with respect to the disclosed declaration errors or mistakes. When the disclosed deficiency is based on royalty or license fee payments conditioned on local, after-import sales, or on proceeds from subsequent resale of the imported goods, the evaluating officer shall recommend a formula of computation to ensure a fair and reasonable accounting of such deficiencies using the generally-accepted accounting and auditing principles (GAAP) and methods.
- 4.8 While the coverage of the verification shall be limited to the matters as disclosed, the evaluating officer may recommend the conduct of a full audit when fraud is uncovered or evident bad faith in the disclosure made is established at any stage of the evaluation process.
- 4.9 Prepare and submit a brief summary of findings and recommendations, through the Director, Compliance Audit Office, to the Assistant Commissioner, PEAG for office approval.

Step Three

5. The Assistant Commissioner, PEAG, shall evaluate the findings and recommendations of the SVU and direct such actions as may be necessary to complete staff action on the matter.
 - 5.1 When the recommendation is for the acceptance of the application on the ground that the deficiency in duties and taxes proceeded from innocent error or plain negligence, he shall require the applicant to submit a Customs Compliance Improvement Plan (CCIP) as described in the succeeding Section IV 2.1 of this Order. The CCIP format is hereto attached as Annex "D" of this Order.

5.2 When the recommendation is for the denial of the voluntary disclosure application on account of the existence of fraud as uncovered, or of bad faith (as when material information available to the applicant is knowingly withheld to intentionally mislead customs) in the disclosure itself, as established during the verification process, the PEAG shall, after due notice, initiate action leading to the conduct of full audit of the applicant firm following the existing procedure without prejudice to the institution of an enforcement investigation as the Commissioner of Customs may direct.

5.3 The recommended action to be taken on the voluntary disclosure application shall be forwarded to the Commissioner of Customs for final approval.

Step Four

6. The approved action shall be returned to the Assistant Commissioner, PEAG, for implementation with notice to the applicant.

IV. BENEFITS OF A VALID VOLUNTARY DISCLOSURE

1. No fine or penalty shall be imposed on the deficiency in duties and taxes but only to the extent of the amount and the issues disclosed.
2. The applicant shall earn a "least priority status" in the annual audit selection process for all its auditable importations, subject to the following conditions:
 - 2.1 Submission by the applicant of a customs compliance program designed specifically to address the cause or causes of the errors or mistakes made in the entry declarations as disclosed and generally to enhance the level of competence of its personnel, agents, or officers in charge of its import clearance operations.
 - 2.2 Compliant behavior established through random sampling and review of future import activities showing faithful and serious implementation of its customs compliance program.
 - 2.3 Amount of voluntary disclosure payment is not less than One Million (PHP1,000,000.00) Pesos per application.

"Least priority status" shall mean that the importer may not be considered for audit selection for the next two years from the date of application.

V. SEPARABILITY CLAUSE

The provisions of this Order are hereby ordered separable and in case any of the provisions hereof are declared invalid, the other provisions, which are not affected, shall remain in full force and effect.

VI. REPEALING CLAUSE

All Orders, Memoranda, Circulars, or parts thereof, which are inconsistent herewith, shall be deemed repealed and/or modified accordingly.

VII. EFFECTIVITY DATE

This Order shall take effect immediately.



NAPOLEON D. MORALES
Commissioner

A handwritten signature in black ink, appearing to read 'Napoleon D. Morales', is written over the printed name. To the right of the signature is a large, hand-drawn checkmark.

ANNEX E (a)

PEAG TRAINING NEEDS ANALYSIS SURVEY RESULTS

BACKGROUND

Part of the technical assistance requested by PEAG OIC Rolando T. Ligon with the EMERGE project is the conduct of a Training Needs Analysis for the PEAG. OIC Ligon admitted that after almost 3 years of operation, the present manpower complement of PEAG is not commensurate to the mammoth task of conducting customs audit since its level was significantly reduced from the original 60 plus personnel to just 29 at the moment. Accordingly, most of the staff that left the PEAG transferred to other BOC offices while others have left the Bureau.

Aside from beefing up the number of staff, the PEAG management deemed it necessary to enhance the technical skills and competency of the staff through re-tooling and re-trainings. The training activities are expected to improve their knowledge and skills on the assessment and processing of relevant data and information that they have. Moreover, the present trading environment continues to evolve and the rules becoming more complicated so the PEAG needs to supplement its knowledge on the environment that affects international trade, export and import documentations and international sales contracts. The skills that will be acquired will also aid the staff in arriving at sound recommendations on all the issues that they will face once they are conducting audit.

According to OIC Ligon, the Japan International Cooperating Agency (JICA) is also interested in providing technical assistance to PEAG on skills development through trainings. The output of EMERGE's training needs analysis survey is intended to be a significant input to this training program.

OBJECTIVES

Specifically, the training needs analysis survey aims to:

- a. determine the present level of technical and administrative skills and competency of PEAG staff; and,
- b. ascertain which skills will have to be prioritized and implemented under the JICA training project.

METHODOLOGY

A survey form was prepared by the EMERGE consultants enumerating the various technical and administrative skills and areas that are critical in the auditee selection and audit performance. PEAG management reviewed and approved the contents of the form. The forms were distributed to all PEAG staff and were instructed to rate themselves objectively. The copy of the survey form is attached here.

Assessment of the level of skills was based on a scoring system provided in the form. The PEAG staff was asked to faithfully rate their level of skills using the following:

Numerical Equivalent	Meaning
5	Superior
4	Good
3	Fair
2	Poor
1	Zero Knowledge

All the responses pertaining to each of the skills were tabulated and summarized. The average or mean response as well as the mode were compiled to clearly show the present skill levels. The summary table is also attached in this report.

Based on the survey results, a training program outlining all the skills, competency requirement, and timing was prepared by the EMERGE consultants. Please refer to the attached training design.

RESULTS

1. Of the present 29 PEAG staff, only 82% or twenty four (24) filled out the survey forms. The distribution is as follows:

	No. of staff who accomplished	Percent to Total Staff
Administrative	7	24%
Technical	14	48%
Supervisory	3	10%
Total	24	82%

2. On Skills-based Competency, the following summary table shows the results of the tabulation made on the gathered responses. The detailed responses can be found in the attached Survey Results matrix.

Area	Mean	Mode
1. TCCP & related laws & regulations	3	3
2. International Trade & transport practices	3	3
3. Risk management principle	3	3
4. Statistical tools	3	3
5. Specific industry	3	3

Observations:

- 2.1) The mean responses as well as modes that were gathered in all the major areas under the Skills-based competency are "Fair".

- 2.2) The staff has a good grasp on Customs Valuation Method 1 as their response was “Good”. However, they only have a “Fair” understanding on the rest of the Methods of Customs Valuation.
- 2.3) The staff needs to supplement knowledge on the risk management principle specifically on Intellectual Property Rights (IPR) Border control and the Revised Kyoto Convention. The responses gathered on these areas were only “Poor”.
- 2.4) Although the staff gave a “Fair” response on the statistical tools, it was noted that the response was “Poor” on the specific statistical methods (regression and correlation analysis) and stratified sampling technique.
- 2.5) Responses provided for the industry knowledge were varying. While the mean response is “Fair”, it was noted that the mode responses on some areas were “Poor”. These areas are:
- a) Industry standards and practices
 - b) Supply Chain Management
 - c) Financial and Management Accounting
 - d) Vendor Information management system
 - e) Inventory Management software and technologies
3. The mean responses as well as modes for major areas under Skills-based competency are “Fair”. The following summary table shows the gathered responses:

Area	Mean	Mode
1. Research & Information	3	3
2. Records management	3	3
3. Audit Management	3	3

Observation:

- 3.1) The only research skill that has “Good” response was on the conduct of research using variety of resources (e.g. internet, publication, etc). The mean responses for the rest of the skills under this competency were “Fair”.
4. On the level of skill of the supervisor, the results gathered for the skills-based competency are the following:

Area	Mean	Mode
1. IT systems and development	3	3
2. Framework development & benchmarking	4	4
3. PEA policy & guideline development	4	4

Observations:

- 4.1) The results of the survey conducted for supervisors under the skills-based competency indicated that the levels are relatively high at “Good”.
- 4.2) The mean and mode response of supervisors on IT systems and development is “Fair”. This response can be expected as the PEAG lacks the necessary hardware and software systems that will handle the processing of data and information. Moreover, it was noted that there is much room for improvement in this area but will necessitate major systems build-up, including organizational infrastructure, networking and database development, as well as upgrading of skills through trainings for the staff.

Date Administered: _____

I. Respondent Identification

Position _____
 Approximate years of active service: _____ PEAG, _____ Office
 _____ Other BOC office(s), specify _____

II. Knowledge-Based Competencies

1. TCCP and related laws and regulation	1	2	3	4	5
WTO Customs Valuation (Art. 1-26)					
Customs Valuation Method 1					
Customs Valuation Method 2					
Customs Valuation Method 3					
Customs Valuation Method 4					
Customs Valuation Method 5					
Customs Valuation Method 6					
AHTN and Tariff Classification Rules					
Adjustments (Article 8)					
Marking Duty					
Anti-Dumping & Countervailing					
Safeguard Duties					
General Systems of Preference (Quota allocation Policy)					
International and Preferential Trade Agreements (AFTA-CEPT, ASEAN-PTA, etc)					
Local/ASEAN content rules under AFTA-CEPT					
Country of Origin Rules					
Customs Transit and Transshipment					
Free Trade Zones					
Tariff Privileges: CBW, PEZA, BOI, AFMA					
Border Protection of IPRs and related matters					
Customs Offences and Sanction Regimes					
Decision Making & Appeals in Customs Matters (VCRC and other Administrative proceedings)					
Conditionally-free Commodities					
Prohibited Commodities (Sec 105)					
Regulated Commodities (Sec 107)					
Import Permits and Licenses					
Fundamentals of computing customs value (dutiable value, freight, insurance, etc.) and taxes (excise, ad valorem, VAT)					
Modes of payment (LC, self-funded, etc)					
Internal Revenue Rules and Regulations on Import VAT, Excise and other specific taxes, ATRIG					
2. International Trade and Transport Practices	1	2	3	4	5
Freight Forwarding, Multimodal Transport and Transport Documents					
International Commercial Terms (ICC Incoterms2000)					
Letters of Credit and Documentary Credits (UCP 500)					
Cargo Insurance					
Supply Chain and Third Party Logistics					
3. Risk management principles	1	2	3	4	5
Risk Management Concepts					

3. Risk management principles	1	2	3	4	5
ACOS Selectivity					
VRIS System					
SGL Program					
IPR Border Control					
Revised Kyoto Convention					

4. Statistical Tools	1	2	3	4	5
Regression and Correlation Analysis					
Stratified sampling					
Benchmarking					
Descriptive Statistics (Mean, Mode, frequency distribution)					
Analysis of Variance					
Statistical Software (SPSS, SAS, etc.)					

5. Specific industry(ies), specify _____:	1	2	3	4	5
Product knowledge,					
Pricing structure					
Market Trends					
Industry standards and practices					
Supply Chain Management					
Financial and Management Accounting					
Vendor Information management system					
Inventory Management software and technologies					

III. SKILLS BASED COMPETENCIES

1. Research & Information. <i>The ability to gather, collate & analyze information from various sources for more effective compliance measurement, risk assessment & audit selection.</i>	1	2	3	4	5
Define research strategy, framework & methodology					
Identify other sources of data					
Conduct research using a variety of sources e.g. internet, publications, etc					
Organize data & develop report formats					
Apply basic statistical tools to collate /process/organize research data					
Apply advanced statistical tools, e.g.hypothesis testing to describe & interpret trends, patterns & conclusions					
Use stratified sampling methodologies to generate audit targets					
Analyze the results of SPSS or other Statistical Software					
Use and analyze the results of the SPSS/Statistical software					
Analyze & interpret research data e.g. working copies of IEIRD, bill of lading, commercial invoices					
Integrate research results & relevant information to develop industry profiles (big players, what they import, where they import, traders)					
Evaluate the accuracy of research data & interpretation thereof and revise research design, if needed.					

2. Records Management. <i>The ability to create, organize, maintain and secure PEA collection of recorded materials to ensure timely provision of required documents & information.</i>	1	2	3	4	5
Apply SOPs in the filing and retrieving records					
File /retrieve records & documents according to set procedures & security guidelines					
Receive & release incoming and outgoing communications according to set procedures & guidelines					
Mail, distribute and route communications according to set procedures and security guidelines					
Apply library & records management principles, as well as computer skills to create & catalogue files & records					

2. Records Management. <i>The ability to create, organize, maintain and secure PEA collection of recorded materials to ensure timely provision of required documents & information.</i>	1	2	3	4	5
e.g. by industry					
Apply security protocol to ensure that all aspects of record keeping adhere to relevant legislation					
Conduct inventory / audit of information stored, created and disposed					
Develop disaster plans to make sure that PEAG has the necessary information to continue functioning in the event of a major disaster					
Operate computers: Excel, Metacube front end software, e-mail, Public folder, E-group					
Develop policies, systems & procedures for the storage/retrieval, security, distribution /access & retention/disposal of PEAG records					

3. Audit management. <i>The ability to develop policies and guidelines related to selection of auditees, conduct of audits & reporting & other PEA functions</i>	1	2	3	4	5
Develop and apply audit methodology					
Convert importers electronic files into workable (CAO formatted) files					
Employ a variety of sampling designs including stratified sampling methodologies					
Apply advanced statistical tools e.g. testing to describe and interpret trends, patterns and conclusions					
Integrate research results and relevant info to develop industry profiles					
Evaluate TIRAO profile					
Prepare audit plan for specific auditee / industry cluster					
Use computer assisted audit techniques					
Identify issues based on evaluation of importer profile					
Develop interview questions					
Facilitate/conduct audit conferences (pre/post audit meetings) effectively					
Probe and extract info while maintaining smooth interpersonal relations					
Investigate and validate sensitively, effectively and efficiently throughout the audit process					
Handle document reviews to validate information presented to Customs					
Reference and document audit findings					
Compute additional assessment penalties					
Conduct systems audit					
Prioritize & re-prioritize audit focus areas and realign them with the current PEAG Audit Plan					
Analyze audit findings and prepare recommendations for compliance measures					
Prepare report on & communicate audit findings & recommendations					
Monitor compliance with agreed measures using the electronic tracking system (ETS)					
Evaluate audit					
Recommend inputs to RM system					
Recommend improvements to the audit process and enhancements to system					
Assess effectiveness and efficiencies of the PEA program and recommend policy changes					

IV. FOR SENIOR STAFF (CCOO AND HIGHER) ONLY

4. IT systems development & maintenance. <i>The ability to identify, develop & maintain IT solutions to undertake risk assessment, compliance measurement & audit selection</i>	1	2	3	4	5
Gather, process & analyze IT needs					
Recommend solutions to IT needs					
Design/develop IT programs					
Identify and develop opportunities for using computer assisted audit techniques					
Choose among alternative software candidates					
Develop & roll-out IT program implementation including documentation & users training					
Modify program to incorporate revisions					

5. Framework development & benchmarking. <i>The ability to develop, operationalize, maintain & update frameworks, models or systems that will identify, measure & classify risks, compliance levels & other criteria for audit selection; including a monitoring system to update models, frameworks & systems for continued effectiveness</i>	1	2	3	4	5
Apply basic risk management principles					
Design classification system (industry/importers)					
Develop measurement system (risk & compliance)					
Translate broad criteria into specific selection parameters (system design)					
Develop selection algorithm					
Identify trends in selection algorithm to incorporate new info / directives					
Recommend update of the selection algorithm to incorporate new information or new directives					
Understand and explain the auditee selection process					
Implement the Import Clearance Process					
Oversee implementation of systems and identify enhancements/need for updating					
Analyze security issues that impact on PEA assets/information and design appropriate security measures					
Design updates to the feedback system that will provide inputs to RM, consider new requirements of RM system from PEA					
Adapt PEA procedures to changing requirements & developments in the international scene					
Design the over-all framework for PEA as it relates to the BOC compliance program					

6. PEA policy & guideline development. <i>The ability to develop policies and guidelines related to selection of auditees, conduct of audits & reporting & other PEA functions</i>	1	2	3	4	5
Research & analyse existing laws, regulations,					
Prepare policy recommendations based on research outputs, audit reports & PEA performance					
Conduct/ facilitate consultation sessions					
Monitor & evaluate PEA performance vis-à-vis targets, rules & regulations & client satisfaction					
Manualize rules, guidelines & procedures & inputs revisions					
Formulate new PEAG policies & guidelines in response to changing international trade environment					
Design / redesign feedback system for inputs to RM					
Identify need for new policies & guidelines					
Secure buy-in for new guidelines/ policies					

ANNEX E (b)
PEAG TRAINING NEEDS SURVEY RESULTS

SKILLS/AREAS	RESPONDENTS																								MEAN	MODE	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24			
I. KNOWLEDGE-BASED COMPETENCIES																											
1. TCCP and related laws and regulation																											
WTO Customs Valuation (Art. 1-26)	4	3	4	3	3	3	3	3	2	3	5	2	3	4	4	3	3	3		3	3	5	2	4		3	3
Customs Valuation Method 1	4	4	3	3	3	3	4	3	3	4	5	2	4	4	4	4	3	3	4	3	4	5	2	5		4	4
Customs Valuation Method 2	3	4	3	3	3	3	4	3	3	4	5	2	4	4	3	3	3	3	3	3	3	5	1	5		3	3
Customs Valuation Method 3	3	4	3	3	3	2	4	3	3	3	5	2	4	4	3	3	3	3	3	3	3	5	2	5		3	3
Customs Valuation Method 4	3	4	3	3	3	2	4	3	3	3	5	2	4	4	3	3	3	3	3	3	3	4	2	4		3	3
Customs Valuation Method 5	3	4	3	3	3	2	4	3	3	3	5	2	3	4	3	2	3	3	3	3	3	4	1	4		3	3
Customs Valuation Method 6	3	3	3	3	3		4	3	3	5	4	2	3	3	3	3	3	3	3	3	3	4	1	4		3	3
AHTN and Tariff Classification Rules	3	4	5	3	3	3	4	2	3	5	5	2	3	4	3	2	3	3	4	2	3	5	1	3		3	3
Adjustments (Article 8)	3	3	4	3	4	2	4	2	3	3	5	2	4	3	4	4	4	3	4	3	3	5	1	4		3	3
Marking Duty	2	3	3	3	4	3	2	3	2	2	5	2	3	3	4	3	2	3	1	2	4	2	1	4		3	3
Anti-Dumping & Countervailing	2	3	3	3	4	3	2	3	2	2	5	2	2	3	3	3	3	3	1	2	3	2	1	3		3	3
Safeguard Duties	3	3	3	4	4	2	3	3	2	3	5	2	2	3	3	3	3	3	3	3	3	3	1	3		3	3
General Systems of Preference (Quota allocation Policy)	2	3	2	3	4	2	1	2	1	2	5	2	1	3	2	2	2	2	1	2	3	3	1	3		2	2
International and Preferential Trade Agreements (AFTA-CEPT, ASEAN-PTA, etc)	3	3	2	3	4	2	3	2	2	3	4	2	2	3	3	3	2	2	2	2	3	3	1	3		3	3
Local/ASEAN content rules under AFTA-CEPT	3	3	2	3	4	2	2	2	2	3	4	2	2	3	3	3	2	2	3	2	3	3	1	3		3	3
Country of Origin Rules	3	3	5	3	4	3	2	2	2	3	4	2	1	3	3	3	3	3	3	2	4	4	1	3		3	3
Customs Transit and Transshipment	2	2	5	3	4	2	3	2	2	2	3	2	1	3	3	2	3	3	1	2	3	3	1	3		3	3
Free Trade Zones	2	2	4	3	4	3	3	3	2	3		2	1	4	3	2	3	3	1	2	3	3	1	3		3	3
Tariff Privileges: CBW, PEZA, BOI, AFMA	2	2	4	3	4	3	3	3	2	3	4	2	2	3	2	2	2	2	1	2	2	3	2	3		3	2
Border Protection of IPRs and related matters	2	2	3	3	4	3	3	2	1	3	5	2	1	3	2	2	2	3	1	2	2	3	2	3		2	2
Customs Offences and Sanction Regimes	2	3	2	3	4		3	3	1	3	4	2	3	3	3	2	2	3	1	2	3	4	2	3		3	3
Decision Making & Appeals in Customs Matters (VCRC and other Administrative proceedings)	2	2	4	3	4	3	3	4	1	3	4	2	2	3	3	3	2	2	1	2	3	4	2	3		3	3
Conditionally-free Commodities	2	3	4	3	4	3	3	3	2	2	4	2	1	3	2	3	3	2	2	2	4	4	2	3		3	2
Prohibited Commodities (Sec 105)	3	3	4	3	4	4	4	4	2	3	5	3	2	3	3	3	3	3	1	2	4	4	2	4		3	3
Regulated Commodities (Sec 107)	3	3	4	3	4	4	4	3	2	3	5	3	2	3	3	3	3	3	1	2	3	4	2	3		3	3
Import Permits and Licenses	3	3	4	3	4	4	3	3	2	3	5	3	2	3	3	3	3	3	2	2	3	3	2	3		3	3
Fundamentals of computing customs value (dutiable value, freight, insurance, etc.) and taxes (excise, ad valorem, VAT)	4	2	5	4	3	3	4	3	2	3	5	2	3	4	4	4	4	3	4	3	3	4	3	4		3	4
Modes of payment (LC, self-funded, etc)	3	2	5	3	4	3	3	4	2	2	5	2	3	4	4	3	4	3	3	3	2	3	2	4		3	3

ANNEX E (b)
PEAG TRAINING NEEDS SURVEY RESULTS

SKILLS/AREAS	RESPONDENTS																								MEAN	MODE
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24		
Internal Revenue Rules and Regulations on Import VAT, Excise and other specific taxes, ATRIG	2	2	3	3	4	3	2	4	1	2	5	2	1	4	5	3	3	3	3	2	2	3	2	3	3	3
2. International Trade and Transport Practices																										
Freight Forwarding, Multimodal Transport and Transport Documents	2	2	4	3	4	4	2	3	2	2	4	2	1	2	3	3	3	3	1	2	2	3	1	4	3	2
International Commercial Terms (ICC Incoterms2000)	3	2	4	3	4	4	3	2	2	2	5	2	2	3	3	4	4	3	3	3	2	3	2	4	3	3
Letters of Credit and Documentary Credits (UCP 500)	3	3	4	3	4	3	3	4	2	2	5	2	2	4	4	3	4	3	3	3	2	3	1	4	3	3
Cargo Insurance	3	3	4	3	4	3	3	4	2	2	4	2	1	3	3	3	4	3	2	3	2	3	1	4	3	3
Supply Chain and Third Party Logistics	2	2	3	3	4	3	2	3	2	2	4	2		3	3	3	4	2	3	2	2	3	1	3	3	3
3. Risk management principles																										
Risk Management Concepts	3	3	3	3	4	3	3	3	3	3	5	2	4	3	3	3	4	3	3	3	4	4	2	4	3	3
ACOS Selectivity	3	2	3	3	4	3	3	3	3	3	5	2	4	3	3	2	3	3	2	3	3	3	2	3	3	3
VRIS System	3	2	3	3	4	3	3	3	2	3	5	2	4	3	3	3	3	3	2	2	3	3	2	3	3	3
SGL Program	3	2	2	3	4	2	3	3	3	3	3	2	3	3	3	2	3	3	3	2	3	3	2	3	3	3
IPR Border Control	2	2	2	3	5	2	3	3	2	3	3	2	2	2	2	3	2	3	1	2	3	3	1	3	2	2
Revised Kyoto Convention	2	2	2	2	5	2	1	2	2	2	4	2	1	2	2	3	2	2	1	2	2	3	1	3	2	2
4. Statistical Tools																										
Regression and Correlation Analysis	2	2	3	2	4	2	1	3	2	2	2	2	1	3	3	2	4	3	1	2	3	2	2	3	2	2
Stratified sampling	1	2	3	2	4	3	1	3	2	3	2	2	1	3	3	2	3	2	2	2	3	2	2	3	2	2
Benchmarking	2	2	3	2	4	2	1	3	2	3	2	2	3	3	3	2	3	3	4	2	3	2	1	4	3	2
Descriptive Statistics (Mean, Mode, frequency distribution)	1	2	3	2	4	3	1	2	2	3	2	3	3	3	3	3	4	3	3	3	3	2	1	3	3	3
Analysis of Variance	2	2	3	3	4	2	1	3	2	2	2	3	2	3	4	3	4	3	4	3	3	2	2	3	3	3
Statistical Software (SPSS, SAS, etc.)	1	2	3	2	5		1	3	3	3	2	3	2	3	3	2	4	3	2	3	2	2	3	3	3	
5. Specific industry(ies), specify _____:																										
Product knowledge,	4	2	4	2	4	4	3	3	3	3	4	2	3	3	3	3	3	3	3	3	3	3	3	5	3	3
Pricing structure	3	2	4	2	5	3	2	3	2	3	3	2	2	3	3	3	2	3	4	3	2	2	2	4	3	3
Market Trends	3	2	3	2	5	3	2	3	3	2	3	2	2	3	3	3	2	3	4	3	2	2	2	4	3	3
Industry standards and practices	3	2	3	2	5	3	2	3	2	2	3	2	2	3	3	3	2	3	4	3	2	2	2	4	3	2

ANNEX E (b)
PEAG TRAINING NEEDS SURVEY RESULTS

SKILLS/AREAS	RESPONDENTS																								MEAN	MODE
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24		
Supply Chain Management	3	2	3	2	5	3	2	3	2	2	3	2	2	3	3	3	3	2	4	3	2	2	2	4	3	2
Financial and Management Accounting	2	2	4	2	2	3	1	3	1	3	3	2	2	5	5	4	2	3	4	4	3	3	2	4	3	2
Vendor Information management system	2	2	3	2	5	3	1	3	2	3	3	2	2	5	4	3	2	2	2	3	2	2	2	4	3	2
Inventory Management software and technologies	2	2	2	2	5	2	1	3	3	3	3	2	3	3	4	3	2	3	2	3	2	3	2	4	3	2
II. SKILLS BASED COMPETENCIES																										
1. Research & Information. The ability to gather, collate & analyze information from various sources for more effective compliance measurement, risk assessment & audit selection.																										
Define research strategy, framework & methodology	3	3	4	3	4	3	2	3	3	4	5	3	4	3	3	3	4	3	4	3	3	4	2	3	3	3
Identify other sources of data	2	3	4	3	4	3	4	3	3	4	5	3	4	4	4	3	4	3	4	3	3	4	2	3	3	3
Conduct research using a variety of sources e.g. internet, publications, etc	4	3	4	3	4	3	4	3	3	5	5	3	4	3	4	4	4	3	3	3	3	5	2	4	4	3
Organize data & develop report formats	3	3	4	3	4	3	3	3	3	4	5	3	3	4	4	3	4	3	3	3	3	3	2	4	3	3
Apply basic statistical tools to collate /process/organize research data	3	3	4	2	4	3	3	3	2	4	5	3	2	4	4	3	4	3	3	3	3	3	1	3	3	3
Apply advanced statistical tools, e.g.hypothesis testing to describe & interpret trends, patterns & conclusions	3	3	3	3	4	3	2	3	2	4	5	3	2	4	4	3	4	3	2	3	3	2	1	3	3	3
Use stratified sampling methodologies to generate audit targets	2	3	3	3	4	3	2	3	2	5	3	2	4	4	3	4	3	2	3	3	2	1	3	3	3	
Analyze the results of SPSS or other Statistical Software	1	3	3	2	5	3	1	3	2	4	2	3	2	4	4	3	4	3	2	3	2	2	1	3	3	3
Use and analyze the results of the SPSS/Statistical software	1	3	3	2	5	3	1	3	2	4	2	3	2	4	4	3	4	2	2	3	2	2	1	3	3	3
Analyze & interpret research data e.g. working copies of IEIRD, bill of lading, commercial invoices	3	3	3	4	4	4	4	3	2	4	5	3	3	4	4	3	4	3	2	3	2	4	1	3	3	3
Integrate research results & relevant information to develop industry profiles (big players, what they import, where they import, traders)	3	3	4	3	4	4	3	3	2	4	5	3	3	4	4	3	4	3	2	3	3	3	1	3	3	3
Evaluate the accuracy of research data & interpretation thereof and revise research design, if needed.	3	3	3	3	4	3	3	3	2	3	5	3	3	4	4	3	4	3	2	3	3	3	1	3	3	3

ANNEX E (b)
PEAG TRAINING NEEDS SURVEY RESULTS

SKILLS/AREAS	RESPONDENTS																								MEAN	MODE
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24		
2. Records Management. The ability to create, organize, maintain and secure PEA collection of recorded materials to ensure timely provision of required documents & information.																										
Apply SOPs in the filing and retrieving records	3	3	4	3	4	3	3	3	3	5	4	4	3	4	3	3	4	3	2	3	3	4	2	3	3	3
File /retrieve records & documents according to set procedures & security guidelines	3	3	4	3	4	3	4	3	3	5	4	4	3	4	3	4	4	3	2	3	3	4	2	4	3	3
Receive & release incoming and outgoing communications according to set procedures & guidelines	4	3	4	3	4	3	4	3	2	5	4	4	3	4	3	4	4	3	2	3	3	4	3	4	3	4
Mail, distribute and route communications according to set procedures and security guidelines	4	3	4	3	4	3	4	3	2	5	5	4	3	4	3	3	4	3	2	3	3	4	3	4	3	3
Apply library & records management principles, as well as computer skills to create & catalogue files & records e.g. by industry	3	3	3	3	4	3	4	3	1	5	5	4	3	4	4	2	4	3	2	3	2	4	3	3	3	3
Apply security protocol to ensure that all aspects of record keeping adhere to relevant legislation	3	3	3	3	4	3	3	3	2	4	5	4	3	4	3	3	3	3	2	3	2	4	2	3	3	3
Conduct inventory / audit of information stored, created and disposed	3	3	3	3	4	3	3	3	2	4	4	4	3	4	4	4	3	3	2	3	2	4	3	3	3	3
Develop disaster plans to make sure that PEAG has the necessary information to continue functioning in the event of a major disaster	3	3	3	3	4	3	3	3	1	4	4	3	1	4	3	3	3	2	2	3	3	4	3	3	3	3
Operate computers: Excel, Metacube front end software, e-mail, Public folder, E-group	4	3	3	4	4	2	3	3	3	5	3	3	4	5	3	4	3	2	3	2	5	3	4	3	4	3
Develop policies, systems & procedures for the storage/retrieval , security, distribution /access & retention/disposal of PEAG records	3	3	3	3	4	2	3	3	2	5	3	3	4	3	3	4	3	2	3	2	4	3	3	3	3	3
3. Audit management. The ability to develop policies and guidelines related to selection of auditees, conduct of audits & reporting & other PEA functions																										
Develop and apply audit methodology	3	3	4	3	3	2	3	2	2	2	4	2	3	4	5	3	3	3	3	3	3	4	1	4	3	3
Convert importers electronic files into workable (CAO formatted) files	3	3	2	2	3	2	3	3	2	2	4	2	4	4	4	4	3	3	2	3	2	3	1	3	3	3

ANNEX E (b)
PEAG TRAINING NEEDS SURVEY RESULTS

SKILLS/AREAS	RESPONDENTS																								MEAN	MODE	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24			
Employ a variety of sampling designs including stratified sampling methodologies	2	3	3	3	3	2	3	2	2	2	4	2	2	4	4	3	3	3	2	3	2	3	1	3	3	3	
Apply advanced statistical tools e.g. testing to describe and interpret trends, patterns and conclusions	2	3	2	3	3	2	3	3	2	2	3	2	2	4	4	3	3	3	2	3	3	3	1	3	3	3	
Integrate research results and relevant info to develop industry profiles	3	3	3	3	3	2	3	3	2	3	3	2	3	4	4	3	4	3	2	3	3	4	1	3	3	3	
Evaluate TIRAO profile	4	3	4	3	3	3	3	3	1	2	3	2	3	4	4	3	4	3	2	3	3	4	2	4	3	3	
Prepare audit plan for specific auditee / industry cluster	3	3	4	3	3	2	2	3	2	2	3	2	3	4	5	3	4	3	3	3	3	4	2	4	3	3	
Use computer assisted audit techniques	2	3	3	3	3	2	2	3	3	3	3	2	3	4	5	3	4	3	2	3	3	4	2	3	3	3	
Identify issues based on evaluation of importer profile	3	3	4	4	3	3	3	3	2	2	3	2	3	4	4	3	4	3	2	4	3	3	2	4	3	3	
Develop interview questions	3	3	4	3	3	3	3	3	2	2	4	2	3	4	4	3	4	3	3	3	4	3	2	4	3	3	
Facilitate/conduct audit conferences (pre/post audit meetings) effectively	4	3	4	3	3	3	3	3	3	2	4	2	3	4	5	3	4	3	3	3	3	3	1	4	3	3	
Probe and extract info while maintaining smooth interpersonal relations	4	3	4	3	3	3	3	3	3	2	4	2	3	4	5	3	4	3	3	3	3	3	1	4	3	3	
Investigate and validate sensitively, effectively and efficiently throughout the audit process	3	3	4	3	3	3	3	3	2	1	4	2	3	4	4	3	4	3	3	3	3	3	1	4	3	3	
Handle document reviews to validate information presented to Customs	3	3	4	3	3	3	3	3	2	2	4	2	3	4	4	3	4	3	3	3	3	3	1	4	3	3	
Reference and document audit findings	3	3	4	3	3	3	3	4	3	2	4	2	3	4	4	3	4	3	4	3	3	3	2	4	3	3	
Compute additional assessment penalties	3	3	4	4	3	3	3	4	2	2	4	2	3	4	4	3	4	3	4	3	3	4	2	4	3	3	
Conduct systems audit	4	3	4	3	3	3	1	3	2	1	4	2	3	4	4	3	4	3	4	4	3	3	1	4	3	3	
Prioritize & re-prioritize audit focus areas and realign them with the current PEAG Audit Plan	3	3	4	3	3	3	2	3	2	1	5	2	3	4	4	3	4	3	4	4	3	4	1	4	3	3	
Analyze audit findings and prepare recommendations for compliance measures	4	3	4	3	3	3	3	3	2	1	5	2	4	4	4	3	4	3	4	4	4	3	4	1	4	3	4
Prepare report on & communicate audit findings & recommendations	4	3	4	3	3	3	3	4	3	1	5	2	4	4	4	3	4	3	4	4	4	3	3	1	4	3	4
Monitor compliance with agreed measures using the electronic tracking system (ETS)	2	3	3	2	3	3	1	3	2	1	4	2	2	4	3	3	4	2	2	3	2	2	1	3	3	2	
Evaluate audit	3	3	3	3	3	3	2	3	1	1	5	2	2	4	4	3	4	3	3	3	3	4	1	4	3	3	
Recommend inputs to RM system	3	3	4	3	3	3	2	3	1	1	5	2	3	4	4	3	4	3	2	3	3	4	1	3	3	3	
Recommend improvements to the audit process and enhancements to system	3	3	4	3	3	3	2	3	2	1	5	2	3	4	4	3	4	3	3	3	3	4	1	4	3	3	

**ANNEX E (b)
PEAG TRAINING NEEDS SURVEY RESULTS**

SKILLS/AREAS	RESPONDENTS																								MEAN	MODE		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24				
Assess effectiveness and efficiencies of the PEA program and recommend policy changes	4	3	4	3	3	3	3	3	3	2	1	5	2	3	4	4	3	4	3	3	3	3	4	1	4	3	3	
IV. FOR SENIOR STAFF (CCOO AND HIGHER) ONLY																												
4. IT systems development & maintenance. The ability to identify, develop & maintain IT solutions to undertake risk assessment, compliance measurement & audit selection																												
Gather, process & analyze IT needs												5		3												3	4	3
Recommend solutions to IT needs												5		3												3	4	3
Design/develop IT programs												3		3												2	3	3
Identify and develop opportunities for using computer assisted audit techniques												4		3												3	3	3
Choose among alternative software candidates												3		3												2	3	3
Develop & roll-out IT program implementation including documentation & users training												3		3												3	3	3
Modify program to incorporate revisions												4		3												2	3	NONE
5. Framework development & benchmarking. The ability to develop, operationalize, maintain & update frameworks, models or systems that will identify, measure & classify risks, compliance levels & other criteria for audit selection; including a monitoring system to update models, frameworks & systems for continued effectiveness																												
Apply basic risk management principles												4		4												3	4	4
Design classification system (industry/importers)												4		4												3	4	4
Develop measurement system (risk & compliance)												4		4												3	4	4
Translate broad criteria into specific selection parameters (system design)												4		4												3	4	4
Develop selection algorithm												4		4												3	4	4
Identify trends in selection algorithm to incorporate new info / directives												4		4												3	4	4
Recommend update of the selection algorithm to incorporate new information or new directives												4		4												3	4	4

ANNEX E (b)
PEAG TRAINING NEEDS SURVEY RESULTS

SKILLS/AREAS	RESPONDENTS																								MEAN	MODE	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24			
Understand and explain the auditee selection process											4			4							3					4	4
Implement the Import Clearance Process											4			4							3					4	4
Oversee implementation of systems and identify enhancements/need for updating											4			4							3					4	4
Analyze security issues that impact on PEA assets/information and design appropriate security measures											4			4							3					4	4
Design updates to the feedback system that will provide inputs to RM, consider new requirements of RM system from PEA											4			4							3					4	4
Adapt PEA procedures to changing requirements & developments in the international scene											3			4							3					3	3
Design the over-all framework for PEA as it relates to the BOC compliance program											3			4							3					3	3
6. PEA policy & guideline development. The ability to develop policies and guidelines related to selection of auditees, conduct of audits & reporting & other PEA functions																											
Research & analyse existing laws, regulations,											4			4							3					4	4
Prepare policy recommendations based on research outputs, audit reports & PEA performance											4			4							4					4	4
Conduct/ facilitate consultation sessions											5			4							4					4	4
Monitor & evaluate PEA performance vis-à-vis targets, rules & regulations & client satisfaction											5			4							3					4	NONE
Manualize rules, guidelines & procedures & inputs revisions											5			4							3					4	NONE
Formulate new PEAG policies & guidelines in response to changing international trade environment														4							3					4	NONE
Design / redesign feedback system for inputs to RM											4			4							3					4	4
Identify need for new policies & guidelines											5			4							3					4	NONE
Secure buy-in for new guidelines/ policies											4			4							3					4	4

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

AREA	BASIC	INTERMEDIATE	ADVANCED
PERSONAL	<ul style="list-style-type: none"> • Values & Ethics • Introduction to Quality Management 	<ul style="list-style-type: none"> • Quality Improvement & Innovation • Problem Solving & Decision-Making 	<ul style="list-style-type: none"> • Report Writing
INTERPERSONAL	<ul style="list-style-type: none"> • Teambuilding • Customer Service: Internal & External 	<ul style="list-style-type: none"> • Presentation Skills • Running Interactive Meetings • Change Management 	<ul style="list-style-type: none"> • Leadership Series <ul style="list-style-type: none"> - Mentoring - Governance - Culture Bldg. - Advocacy
MANAGEMENT/ OPERATIONAL	<ul style="list-style-type: none"> • Orientation to Office SOPs • Intra-Unit Accountability Mgt. • Basic Computer Skills 	<ul style="list-style-type: none"> • Basic Supervision Skills • Coaching & Counseling • Budgeting & Resource Management • Performance Mgt. System & Skills 	<ul style="list-style-type: none"> • Unit Strategic Planning Exercise • Management Development Program
DATA MANAGEMENT	<ul style="list-style-type: none"> • Basic Records Management Course 	<ul style="list-style-type: none"> • Library Management Course 	<ul style="list-style-type: none"> • MIS Design
CUSTOMS OPERATIONS	<ul style="list-style-type: none"> • Basic Customs Operations & Assessment Procedures • Basic Industry Information • Basic Course on WTO Valuation & Classification • International Trade and Transport Practices 	<ul style="list-style-type: none"> • Lecture Series on PEA • Post-Entry Audit Updates • Industry Orientation • Practical Application of WTO Valuation and Classification Rules and Procedures 	
CUSTOMS AUDIT	<ul style="list-style-type: none"> • ABCs of Accounting • Customs Audit I - Overview 	<ul style="list-style-type: none"> • Customs Audit II • Auditee Selection and Profiling • Audit Issue Identification • Verification 	<ul style="list-style-type: none"> • Customs Audit III • Computer Assisted Audit • Compliance Assessment
RISK MANAGEMENT	<ul style="list-style-type: none"> • Introduction to Risk Management • Basic Statistical Tools 	<ul style="list-style-type: none"> • Risk Management II • User's Training on Datawarehousing 	<ul style="list-style-type: none"> • Risk Management III • Advanced Course in Statistics
SPECIALIZED		<ul style="list-style-type: none"> • Project Management • Trainers' Training 	

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

Part I. Basic Introductory Seminar/Workshops

Title	Objectives:	Target Participants	Time Frame	Course Outline
Personal				
Basic Computer Skills	<ul style="list-style-type: none"> ▪ Operate computers and perform MS Office programs and other relevant software 	All staff	One (1) week	<ul style="list-style-type: none"> ▪ Basic computer operations ▪ Using MS Office : Excel, Power Point, Word ▪ Using other relevant software: met cube ▪ Using the internet, e-mail, public folders etc.
Introduction to Quality Management	<ul style="list-style-type: none"> ▪ Understand basic concepts of total quality ▪ Appreciate need for customer satisfaction, continuous improvement, people empowerment ▪ Know success stories of quality initiatives in similar organizations ▪ Identify approaches for improving quality in own work place or jobs 	All staff	One (1) day	<ul style="list-style-type: none"> ▪ Overview of total quality: concepts & history ▪ Case studies on TQM ▪ Group planning for quality improvement
Values and Ethics	<ul style="list-style-type: none"> ▪ Understand importance of shared values in building successful organizations ▪ Appreciate PEAG's core values, definitions and behavioral manifestations ▪ Align personal values with PEAG values ▪ Determine behavioral gaps and develop individual action plans to address gaps 	All staff	Two (2) days	Definition of values & its role in culture building PEAG Values & behavioral manifestations Individual Values Exercise Values Questionnaire Individual Action Planning
Interpersonal / Operations Management				
Teambuilding	Understand and explain the 5Cs Structured Teamwork Model Define, demonstrate and role play and apply each of the 5Cs in the 5Cs Structured Teamwork Model: 1) Communication; 2) Cooperation; 3) Creativity; 4) Coordination; 5) Continuing process improvements Choose the appropriate Leadership Style for team enhancement in typical organizational challenge situations Balance the "hard" and the "soft" skills in managing team operations using the 7S Manager model	TIRAO and CAO Office Teams	Two (2) Days	<ul style="list-style-type: none"> ▪ Challenge Exercise #1: A Shared Leadership Style, vs. Traditional Structured Leadership Style ▪ Challenge Exercise #2: Role of Planning, Resource Utilization in Teamwork ▪ Challenge Exercise #3: Master of Constraints, Trial and Error and Learning from Mistakes under pressure ▪ Advantages and limitations of the 5Cs Structured Teamwork Model ▪ Understanding varieties of Negotiation Styles in a teamwork setting ▪ Giving and Receiving Constructive Feedback

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

Part I. Basic Introductory Seminar/Workshops

Title	Objectives:	Target Participants	Time Frame	Course Outline
Customer Service: Internal and External	Understand and apply 3 key principles Address 2 types of critical customer needs: 1) personal needs; 2) practical needs Manage the 3 step service formula: S ¹ preparation... S ² meeting... S ³ follow-on Solicit feedback from customers on satisfaction/delight levels Master 4 service steps Recognize and respond to service opportunities as a team.	All Officers and Staff	Two (2) Days	<ul style="list-style-type: none"> • Customer service philosophy and principals • How to handle critical customer needs • Managing the service formula: Personal Service Excellence: A Check List • Completing the 4 service steps: • Role Plays with critical incident reports • Recognizing 4 different kinds of service opportunities • Serving the “dissatisfied” customer • Workshop: Case studies analysis and solutions to service breakdowns
Orientation on Office SOPs	Understand basic PEA processes and how these relate to the total Customs operations Understand and appreciate PEA policies and guidelines Know basic administrative policies and procedures	All staff	One half (½) day	<ul style="list-style-type: none"> • Review of PEA vision, mission & values • Customs compliance program and PEA • PEA processes and operations • Administrative procedures and guidelines
Inter-Unit Accountability Agreements (IAAs)	Understand Roles and Functions of IAAs Identify organizational interdependencies among divisions/departments/units Prepare and communicate User-Unit support <u>Needs</u> to Supplier-Units Clarify and negotiate Supplier-User Agreements with conditions and time frames Monitor and refine accountable deliverables among all organization units Document and report levels of measurable achievements as data for Performance evaluation, recognition and rewards.	Managers, Supervisors, Technical Specialists, Others	Two (2) Days	<ul style="list-style-type: none"> • Overview on relationship of IAAs to Strategic Plan, Job Accountability Commitments (JACs), performance measures, monitoring, teambuilding and evaluation • Guidelines for formulating internal Supplier-User needs and agreements • Negotiating skills for IAAs • Workshop: Preparation, negotiation and confirmation of Supplier-User Accountability Agreements across all organization units • Monitoring, revising, and reporting on Supplier-User delivery levels. • Integration of IAAs into the Performance Management System (PMS)
Data Management				
Basic Records	<ul style="list-style-type: none"> ▪ Know basic records management principles 	All clerks and	One (1)	<ul style="list-style-type: none"> • Need for effective records management in

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

Part I. Basic Introductory Seminar/Workshops

Title	Objectives:	Target Participants	Time Frame	Course Outline
Management Course	<ul style="list-style-type: none"> ▪ Understand the various inputs and outputs of the PEAG system ▪ Know the SOPs on incoming and outgoing communications; filing and retrieving records ▪ Apply records management principles in developing/enhancing PEAG records handling and management 	records officers	Week	PEA <ul style="list-style-type: none"> • Records management principles • PEAG process flows and manuals • Office SOPs and reporting requirements
Customs Operations				
Basic Customs Operations & Assessment Procedures	<ul style="list-style-type: none"> ▪ Gain appreciation of over-all BoC customs operations ▪ Understand basic importation and exportation regulations ▪ Be able to explain the TCCP and related laws ▪ Know & understand basic customs procedures & assessment/valuation procedures 	CAO/TIRAO Directors, Chiefs and technical	One (1) Week staff	<ul style="list-style-type: none"> ▪ Over-all BoC operations and procedures ▪ Rationale for importation and exportation regulations ▪ Understanding the TCCP and related laws ▪ BoC assessment /valuation procedures ▪ Practical application of the TCCP and related laws ▪ Fundamentals of computing customs value (dutiable value, freight, insurance, etc.) and taxes (excise, ad valorem, VAT ▪ Decision Making & Appeals in Customs Matters (VCRC and other Administrative proceedings) ▪ Internal Revenue Rules and Regulations on Import VAT, Excise and other specific taxes, ATRIG
Basic Course on WTO Valuation and Classification	<ul style="list-style-type: none"> ▪ Know and understand RA 9135 and related implementing guidelines ▪ Understand and get familiarized with the Audit Manual ▪ Know and understand the TCCP and related laws ▪ Understand and apply the implementing rules and regulations of the WTO valuation system ▪ Know and explain post WTO valuation issues 	All CAO Chiefs and COO 4/5, All TIRAO technical staff	One month, 1day per week	<ul style="list-style-type: none"> ▪ Introduction to RA 9135 ▪ The WTO valuation system ▪ The TCCP and related laws ▪ Understanding and using the Audit Manual ▪ Understanding and applying the implementing rules and regulations of the WTO valuation system ▪ Post WTO valuation issues
International Trade Laws and Systems	<ul style="list-style-type: none"> ▪ Know international laws that impact on customs operations ▪ Be able to recognize and evaluate compliance issues 	All CAO Chiefs and COO 4/5, All TIRAO	One month, one day	<ul style="list-style-type: none"> ▪ AHTN and Tariff Classification Rules ▪ Marking Duty ▪ Adjustments (Article 8)

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

Part I. Basic Introductory Seminar/Workshops

Title	Objectives:	Target Participants	Time Frame	Course Outline
	that emanate from international trade laws	technical staff	per week	<ul style="list-style-type: none"> ▪ Safeguard Duties ▪ Anti-Dumping & Countervailing ▪ General Systems of Preference (Quota allocation Policy) ▪ International and Preferential Trade Agreements (AFTA-CEPT) , ▪ ASEAN-PTA, etc ▪ Local/ASEAN content rules under AFTA-CEPT ▪ Country of Origin Rules ▪ Customs Transit and Transshipment ▪ Conditionally-free Commodities ▪ Free Trade Zones ▪ Tariff Privileges: CBW, PEZA, BOI, AFMA ▪ Border Protection of IPRs and related Customs Offences and Sanction Regimes matters ▪ Prohibited Commodities (Sec 105) ▪ Regulated Commodities (Sec 107) ▪ Import Permits and Licenses ▪ Modes of payment (LC, self-funded, etc) ▪
International Trade and Transport Practices	<ul style="list-style-type: none"> ▪ Gain familiarity with international trade and transport practices ▪ Gain familiarity with Inco terms ▪ Be able to evaluate compliance issues related to these practices 	All CAO Chiefs and COO 4/5, All TIRAO technical staff	One month, one day per week	<ul style="list-style-type: none"> ▪ Freight Forwarding, Multimodal Transport and Transport Documents ▪ International Commercial Terms (ICC Incoterms2000 ▪ Letters of Credit and Documentary Credits (UCP 500) ▪ Cargo Insurance ▪ Supply Chain and Third Party Logistics
Philippine Trade & Industry facts, Figures & Inco Terms	<ul style="list-style-type: none"> ▪ Know industry grouping and classification ▪ Gain familiarity with specific products, major players, prices, terms and practices in specific industries ▪ Get updated on trends and developments in specific industries; both local & international 	CAO/TIRAO Directors, Chiefs and technical staff	Monthly / 1 Day	<ul style="list-style-type: none"> ▪ The Philippine trade and industry classification system ▪ Basic facts and figures of specific industry groupings ▪ Reading industry trends and developments

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

Part I. Basic Introductory Seminar/Workshops

Title	Objectives:	Target Participants	Time Frame	Course Outline
				<ul style="list-style-type: none"> ▪ Sources of industry data and developments ▪ International trade practices & developments ▪ Product knowledge, ▪ Pricing structure ▪ Market Trends ▪ Industry standards and practices ▪ Supply Chain Management ▪ Financial and Management Accounting ▪ Vendor Information management system ▪ Inventory Management software and technologies
Customs audit				
The A, B, Cs of Accounting	<ul style="list-style-type: none"> ▪ Able to explain and apply general accounting principles 	CAO personnel with no accounting background	Three (3) Days	Basic accounting principles
Introduction to Customs Audit	<ul style="list-style-type: none"> ▪ Gain an overview of the role of PEA in Customs ▪ Gain an appreciation for key processes, resource requirements and linkages with other offices ▪ Gain knowledge of global best practices 	CAO technical staff	Two (2) Days	<ul style="list-style-type: none"> ▪ Audit process and methodology ▪ Basic auditing guidelines ▪ Global best practices
Risk Management				
Introduction to Risk Management	<ul style="list-style-type: none"> ▪ Understand basic risk management principles ▪ Appreciate need for a risk management- based compliance program ▪ Understand the BoC compliance program: framework, process flow & responsibility 	CAO & TIRAO technical staff, Chiefs & Directors	Three (3) days	<ul style="list-style-type: none"> ▪ Definition of Risk Management ▪ Basic principles in risk management ▪ Profiling ▪ Analysis & risk identification ▪ Risk Measurement ▪ Why a risk management-based compliance program ▪ BoC compliance program: objectives, framework, process flow & responsibility ▪ ACOS Selectivity ▪ VRIS System ▪ SGL Program

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

Part I. Basic Introductory Seminar/Workshops

Title	Objectives:	Target Participants	Time Frame	Course Outline
				<ul style="list-style-type: none"> ▪ IPR Border Control ▪ Revised Kyoto Convention
Basic Statistical Tools	<ul style="list-style-type: none"> ▪ Use and apply basic statistical tools and techniques to collect, organize & analyze PEA research data ▪ Do research using the datawarehouse and applicable software ▪ Conduct research using a variety of sources e.g. internet, publications & other secondary data, primary data 	CAO/TIRAO Directors, Chiefs and technical staff	Two (2) weeks	Role and use of statistics in the BoC compliance program Using applicable statistical tools and techniques Data gathering using various sources Data analysis and interpretation Using the BoC datawarehouse and software

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

Part II. Intermediate Training in Applied Skills

Title	Objectives:	Target Participants	Time Frame	Course Outline
Personal				
Computer Applications	Understand components of BOC information system plan Know basic computer applications Apply skills in operating computerized PEA systems	All staff	Three (3) days	<ul style="list-style-type: none"> ▪ BOC information system architecture/plan ▪ MS Office applications ▪ Hands-on exercises ▪ Operating PEA LAN systems ▪ Using the internet & datawarehouse
Quality Improvement and Innovation	Review quality management principles Understand process management principles Learn tools and techniques in process improvement Identify areas for process improvement Develop a change management program for process improvement	Technical staff and up	One and a half (1 ½) days	<ul style="list-style-type: none"> ▪ Quality management principles: a review ▪ Process management: principles & techniques ▪ Group exercises ▪ Group planning
Problem Solving & Decision Making	Acquire skills on basic tools and techniques in problem solving and decision-making Apply tools and techniques in real problems Participate in group problem solving and decision-making Prepare alternative solutions on identified real situation problems & issues	All technical staff and up	Two (2) days	<ul style="list-style-type: none"> ▪ Problem solving & decision-making: a management tool ▪ Steps in problem identification & analysis ▪ Problem solving tools and techniques ▪ Individual and group exercises
Interpersonal/ Management				
Basic Supervisory Skills	Gain appreciation of the role of supervisors Acquire skills on planning, leading, organizing, & controlling Prepare a self-development plan to improve supervision skills	CAO/TIRAO COO 4/5	One (1) Week	<ul style="list-style-type: none"> ▪ The role of the supervisor: Management of men/management of tasks ▪ Qualities of an effective supervisor ▪ Planning effectively: Setting objectives; programming & budgeting ▪ Organizing a team: Importance of a common vision, mission & values ▪ Determining manning complement & staffing appropriately ▪ The supervisor's control function ▪ Practical application of PLOC ▪ Assessment of one's PLOC skills

ANNEX E (c)
Design of the Post Entry Audit Group Training Program

Part II. Intermediate Training in Applied Skills

Title	Objectives:	Target Participants	Time Frame	Course Outline
Coaching and Counseling Skills	<ul style="list-style-type: none"> ▪ Determine when to use and when not to use coaching or counseling skills ▪ Use proper personal communication energies with employee ▪ Listen actively and sensitively to employee ▪ Develop new/better skills using 8 steps coaching model ▪ Achieve new, effective behaviors using 7 step counseling model ▪ Workshop: Role play actual coaching and counseling situations from supervisor-employee experiences ▪ Mentor supervisors/managers of trainees how to practice the new skills in actual OJT applications after workshop 	PEAG Supervisors and Officers	Two (2) Days	<ul style="list-style-type: none"> ▪ Self-development planning ▪ Demonstrate Aggressive vs. Assertive Personnel Communications on Job ▪ Show how to listen, understand and respond effectively to troubled employees ▪ Demonstrate and practice the 8 Step <u>Coaching</u> model ▪ Demonstrate and practice the 7 Step <u>Counseling</u> model ▪ Workshop: Role play practical applications of coaching and counseling skills using job experiences ▪ Develop ability to analyze when to use coaching or counseling or some other solutions to employee performance problems.
Presentation Skills	<p>Acquire skills and techniques in delivery and effective use of presentation materials</p> <p>Know how to plan and organize for an effective presentation</p> <p>Display delivery presentation skills through a n actual presentation</p> <p>Identify areas for improvement and action plans</p>	CAO/TIRAO COO 4/5	Three (3) days	<ul style="list-style-type: none"> ▪ Overview of an effective presentation ▪ Steps in preparing for a presentation <ul style="list-style-type: none"> ○ Plan ○ Prepare ○ Support equipment and materials Delivery skills Handling criticisms, objections Individual preparation for a presentation Actual presentations Individual feedback & critiquing
Running Interaction Meetings	<p>Determine purpose, desired outputs</p> <p>Prepare agenda, invite contributions</p> <p>Explain and use 4 key roles: Chair/Leader, Facilitator, Documenter, Member</p> <p>Conduct interactive process meeting</p> <p>Wrap-up, follow-on and report post-meeting accountabilities and assignments</p>	All Officers and Supervisors	One (1) Day	<ul style="list-style-type: none"> ▪ Assess causes why some meetings succeed and many meeting fail ▪ Why meetings succeed: Principles and Practices ▪ Overview of 28 Steps to Successful Meetings ▪ How to <u>Prepare</u> for Interaction Meetings ▪ How to Conduct Actual Interaction Meeting

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Part II. Intermediate Training in Applied Skills

Title	Objectives:	Target Participants	Time Frame	Course Outline
	Train team members in 4 key roles			<ul style="list-style-type: none"> ▪ How to Wrap-up, Follow-on and Report on Assignments ▪ How to play the 4 key roles in Interaction Meetings 1) Chair/Leader; 2) Facilitator; 3) Documenter; 4) Active Member ▪ Workshop: Running a Interaction Meeting
Change Management	<ul style="list-style-type: none"> ▪ Understand basic change management principles ▪ Develop understanding of organization change as a process ▪ Appreciate need for, accept and initiate changes ▪ Provide skills in leading and managing change 	All technical staff & up	Three (3) days	Causes & drivers of change Impact on organizations, work units & people Phases of organizational change Understanding one's response & behaviors toward change Initiating organizational change: Organization diagnosis tools & techniques Planning for & managing change: Tools & techniques Developing a change strategy including a communication program Evaluating change management interventions
Budgeting and Resource Management	<ul style="list-style-type: none"> ▪ Understand basic budgeting and resource management principles and practices ▪ Know policies and procedures related to BOC/PEAG budgeting process ▪ Prepare departmental budget 	Division Chiefs & up	One and a half (1 ½) days	<ul style="list-style-type: none"> ▪ Budgeting concepts & principles ▪ BOC planning & budgeting process and guidelines ▪ Costing projects and programs ▪ Preparing a departmental budget
Performance Management System and Skills	<ul style="list-style-type: none"> ▪ Provide on overview of Performance Plan, Philosophy, Principles, 1 year Performance Cycle and Calendar ▪ Write individual Job Accountability Commitments (JACs) ▪ Demonstrate the Monitoring and Documentation process and skills ▪ Assess and Upgrade Manager/Supervisor Performance Intervention Skills 	Managers and Supervisors (N=10)	Nineteen (19) Days	<ul style="list-style-type: none"> ▪ Overview of Performance Plan, Philosophy, Principles, 1 Year Performance Cycle and Calendar ▪ Workshop: Writing individual Job Accountability Commitments (JACs) ▪ Monitoring & Documentation Skills ▪ Workshop: Developing Performance Intervention Skills for Reviewer ▪ Workshop: Handling the Individual Performance

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Part II. Intermediate Training in Applied Skills

Title	Objectives:	Target Participants	Time Frame	Course Outline
	<ul style="list-style-type: none"> ▪ Enable reviewers to conduct Individual Performance Evaluation and Improvement Reviews (PEIRs) ▪ Develop a Recognition and Rewards Program with Guidelines ▪ Demonstrate PEIR Reporting mechanism, and Appeal Process ▪ Pilot 1st Performance Review Exercise for all officers and staff 			Evaluation and Improvement Reviews (PEIRs) <ul style="list-style-type: none"> ▪ Guidelines and skills for the Recognition and Rewards Program ▪ PEIR Reporting Process and Appeal Process
Data Management				
Library Management Course	<ul style="list-style-type: none"> ▪ Apply library and records management principles as well as computer skills to create and catalogue files and records ▪ Understand & apply security protocol in securing PEAG database & files ▪ Know and understand relevant laws and legislation related to PEA records and file keeping ▪ Apply library management systems and tools to be able to conduct inventory & audit of information stored, created and disposed 	All records officers	Three (3) Days	<ul style="list-style-type: none"> ▪ Rationale for library management in the PEAG ▪ Basic library management principles and processes ▪ Relevant laws and regulations on PEA records and file keeping ▪ Basic security protocols and measures in data handling and storage ▪ Practical application of library management principles on common data handling and storage issues
Customs Operations				
Lecture Series on Post-Entry Audit Updates Resource Persons: International (90%) and Internal (10%)	<ul style="list-style-type: none"> ▪ Translate broad criteria into parameters in the design of auditee selection system etc. ▪ Design / upgrade overall framework for PEA as related to the BOC compliance program ▪ Identify trends in selection algorithm to incorporate new info / directives ▪ Develop systems enhancements ▪ Design / redesign feedback system for inputs to RM ▪ Adapt PEA procedures to changing requirements and developments on the international scene 	TIRAO Directors and other technical staff	Monthly / 1-2 Days	New Government policies and directives relevant to PEA operations Developments and trends in customs operations - particularly PEA - on the international scene Best practices in PEA worldwide World economic trends and technologies that impact customs operations
Lecture	<ul style="list-style-type: none"> ▪ Explain specific industry business processes 	CAO Directors	Two (2) x ½	Overview of Business Management principles

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Part II. Intermediate Training in Applied Skills

Title	Objectives:	Target Participants	Time Frame	Course Outline
Series on Industry Orientation GO Agencies (DTI etc.); Private Sector Industry Specialists	<ul style="list-style-type: none"> ▪ Prepare a specific industry cluster report ▪ Apply business management principles ▪ Understand and explain importers' Customs business processes (financial flows, goods flows, documents flows) 	and technical staff	Day Sessions	Industry Facts and Figures Industry Histories and Trends Special industry nuances learned from audit experiences Special issues between BOC and specific industries
Practical Application of WTO Valuation and Classification Rules and Procedures	<ul style="list-style-type: none"> ▪ Understand and apply the Audit Manual ▪ Appreciate and use-in-practice the tariff classification rules and assessment procedures ▪ Practical application of the rules of origin ▪ Explain the various special trade programs (CEPT – AFTA; AFMA) 	CAO & TIRAO Directors and technical staff	One (1) Week	<ul style="list-style-type: none"> ▪ Basic concepts in post-entry audit ▪ Practical application of post-entry audit rules and procedures
Customs Audit				
Customs Audit II	<ul style="list-style-type: none"> ▪ Identify issues based on evaluation of industry profiles ▪ Facilitate audit conferences ▪ Conduct systems audit ▪ Handle document reviews to validate info presented to Customs ▪ Convert importers electronic files into workable CAO formatted files ▪ Probe and extract info while maintaining smooth interpersonal relations ▪ Investigate and validate sensitively, effectively and efficiently throughout the audit process 	CAO technical staff	Two (2) Days	Special skills practicum focused on development of the following: audit issues identification skills facilitating skills probing skills investigative skills validation skills
Compliance assessment Laboratory	<ul style="list-style-type: none"> ▪ Able to reference and document audit findings ▪ Write technical reports 	All CAO technical staff	Two (2) Day Orientation Continuing on the job	<ul style="list-style-type: none"> ▪ Office SOPs and reporting requirements ▪ Personal journal writing and the review process ▪ Knowledge management ▪ Code of Conduct for CAO ▪ How to make an audit report

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Part II. Intermediate Training in Applied Skills

Title	Objectives:	Target Participants	Time Frame	Course Outline
			training	<ul style="list-style-type: none"> ▪ Organizing audit reports ▪ Setting-up a referencing system
Risk Management				
Risk Management II	<ul style="list-style-type: none"> ▪ Understand how the selectivity system of ACOS works ▪ Understand & explain, identify and evaluate the risks in the cargo assessment process, ▪ Appreciate how SGL & PEA systems work 	TIRAO Technical staff, Chiefs and Director	Two (2) weeks	Review of risk management principles Review of BoC compliance program Walk through on ACOS & selectivity module/system Hands-on operation/practice on ACOS tools Case studies

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Design of the Post Entry Audit Group Training Program

Part III. Advanced Training for Supervisory functions and Systems design, maintenance and upgrading

Title	Objectives:	Target Participants	Time Frame	Course Outline
Report Writing	<ul style="list-style-type: none"> ○ Acquire skills for efficient written communications 	All technical staff	½ day	<ul style="list-style-type: none"> ▪ Principals of Written communication ▪ The inverted pyramid
Risk Management III	<ul style="list-style-type: none"> ▪ Understand selection algorithm ▪ Operate selection software 	TIRAO technical staff & Chiefs	One-Two (1-2)	<ul style="list-style-type: none"> Overview of the selectivity system Selection criteria Selection software
Users' Training on PEA Data Warehouse	<ul style="list-style-type: none"> ▪ Able to gather, process and analyze PEA IT needs ▪ Recommends solutions to PEA IT needs ▪ Suggest alternative software candidates 	TIRAO Directors and technical staff	One (1) Week	<ul style="list-style-type: none"> ▪ Understanding and accessing the BOC info systems plan ▪ Appreciation and usage of all aspects of PEA IT infrastructure ▪ Evaluation of the advantages and disadvantages of alternative software candidates
Advanced Statistics	<ul style="list-style-type: none"> ▪ Able to analyze results of SPSS ▪ Able to identify security issues that impact on PEA assets and info, and design appropriate security measures ▪ Can operate SPSS/decision time and answer tree ▪ Can analyze and interpret research data ▪ Integrates research results and relevant info to develop industry profiles ▪ Applies advanced statistical tolls such as hypothesis testing to describe and interpret trends, patterns and conclusions ▪ Employs a variety of sampling designs including stratified sampling methodologies 	TIRAO Directors and technical staff	Short-term (2-3 Days or a 3-4 Months University course)	<ul style="list-style-type: none"> Advanced statistical tools Data analysis and interpretation
Customs Audit III	<ul style="list-style-type: none"> ▪ Prioritize & re-prioritize audit focus areas and realign them with the current PEAG Audit Plan ▪ Analyze audit findings and prepare recommendations for compliance measures ▪ Compute additional assessment penalties ▪ Recommend improvements to the audit process ▪ Monitor compliance with agreed measures using 	CAO Technical staff who have completed Audit Courses I & II	<ul style="list-style-type: none"> a) 2 days start-up b) ½ day refreshers monthly/quarterly 	<ul style="list-style-type: none"> Application of accounting principles in customs audit Problem-solving in the audit process Practicum on computation of penalties Advanced Audit Skills-building <ul style="list-style-type: none"> ▪ What info to focus on ▪ What documents to identify ▪ What "soft skills" need to be developed

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Part III. Advanced Training for Supervisory functions and Systems design, maintenance and upgrading

Title	Objectives:	Target Participants	Time Frame	Course Outline
	the electronic tracking system (ETS) <ul style="list-style-type: none"> ▪ Suggest inputs to the Risk Management System ▪ Assess effectiveness and efficiencies of the PEA program and recommend policy changes 			Practicum on compliance monitoring using the electronic tracking system (ETS) Creative "brainstorming" exercise on: <ol style="list-style-type: none"> a) How to improve the Risk Management System b) How to update and change policies c) How to make the PEA program more effective and efficient
Unit Strategic Planning Exercise	<ul style="list-style-type: none"> ▪ Review unit Vision, Mission Statement, Values with behavioral indicators and Orientation Program expectations and learnings ▪ Prepare Directional Statements/Goals and Strategies for Unit and Offices (3) ▪ Develop Key Result Areas and S.M.A.R.T. Objectives for Unit and Offices (3) ▪ Determine Operational Budget: General and per Office (3) ▪ Set quarterly Reviews of results against plans for unit; and monthly reviews per Office (3). ▪ Align KRAs, Objectives, Value Behaviors and timeframes with the units individual Job Accountability Commitments (JACs) 	Unit Management Team (N=10)	Four (4) Days	Alignment of the unit Vision, Mission Statement, Values with behavioral indicators, the unit expectations and learnings from their one (1) week Orientation Program Workshop: Craft the 1 st Year Directional Statements/Goals/Strategies: Unit and Office (3) Workshop: Formulate Key Result Areas (KRAs), S.M.A.R.T. Objectives: Unit and Offices (3) Development of the 1 st year Operational Budget: General and per Office (3) Design and schedule of Strategic Plan quarterly reviews of results against plans for the unit; and monthly reviews per office (3) Prepare individual Job Accountability Commitments (JACs) based on unit and office KRAs, Objectives, Value behaviors, performance measures and time frames.
Management Dev't Program	Gain further knowledge and skills in managing people and tasks Know basic business management principles and processes Acquire skills in basic business finance Gain better understanding of human and organizational behaviors Hone skills in supervision	Division Chiefs and up	One (1) month	<ul style="list-style-type: none"> ▪ Review of management principles ▪ Overview of the economics of a firm ▪ The basic business processes: marketing, sales, finance, human resources, production, etc. ▪ Case studies ▪ Action planning on a real management issues

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Part III. Advanced Training for Supervisory functions and Systems design, maintenance and upgrading

Title	Objectives:	Target Participants	Time Frame	Course Outline
Leadership Series	<ul style="list-style-type: none"> ▪ Gain knowledge, appreciation and skills on specific leadership components such as : <ul style="list-style-type: none"> ○ Mentoring ○ Governance ○ Culture building ○ Advocacy ▪ Update knowledge & skills with the latest management techniques ▪ Share experiences with co-managers/leaders 	Division Chiefs and up	Two hour sessions on scheduled dates	Course Outline: Typical Outline per Subject Matter Overview of principles Management updates Sharing
Project Management	Understand the 4 phases of the Project Management Framework Know Project Selection techniques Learn how to use software for project management Know how to use latest in project management techniques to plan, monitor, control and forecast project results Learn how to SOW, Budgets, Time Charts, Risk Management, Audits, Change Management etc.	CAO/TIRAO COO 4/5	Three (3) days	<ul style="list-style-type: none"> ▪ Overview of Project Management: Framework & Process ▪ Various project selection techniques ▪ Latest software in project management ▪ Project planning and management techniques and tools
Trainers' Training	Understand learning principles and styles Know how to identify, define and characterize required competencies Know how to develop and design curriculum and training programs Gain skills in effective delivery of training programs Know how to cost and evaluate training programs	CAO/TIRAO COO 4/5	One (1) week	<ul style="list-style-type: none"> ▪ The learning organization ▪ Learning styles & techniques ▪ Competency identification and definition ▪ Curriculum & program development /design ▪ Conduct/ delivery of training programs ▪ Costing & evaluating training programs