

Electronic Payment & Revenue Reconciliation System

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Outline:

- 1. Background**
- 2. BOC Electronic mode of payment matrix**
- 3. Import Clearance System**
- 4. Electronic Payment Process Flows**
- 5. Remittance Process Flow**
- 6. Revenue Reconciliation System**

Background

- **A joint project of Bureau of Customs (BoC) and the Bankers Association of the Philippines (BAP).**
- **It was implemented in 1995. Initially, it started with using diskettes (PASS 1)**
- **In 1996, it was upgraded to hardware based (smart card technology) encryption/decryption via Philippine Clearing House, Inc. (PCHC) (PASS2)**
- **In 1997, the front-end system was enhanced to include additional fields. (PASS3)**
- **In 2002, it was upgraded from hardware-based smart card technology to software decryption.**
- **By 4th quarter of 2003, it will be upgraded from EDI based (ftp) to browser based technology. Also, it will include mobile broadcasting and payment. (PASS4)**

BOC Mode of Electronic Payment

Type of Process	Daily Transactions (%)	Remark
E-Payment via PCHC	89%	Metro Manila Ports
Internet Payment	1%	TMW at NAIA
Payment using diskettes	4%	Provincial Ports
AAB In-House Banks	3%	Metro Manila Ports
Non-Cash Payment	3%	Manual

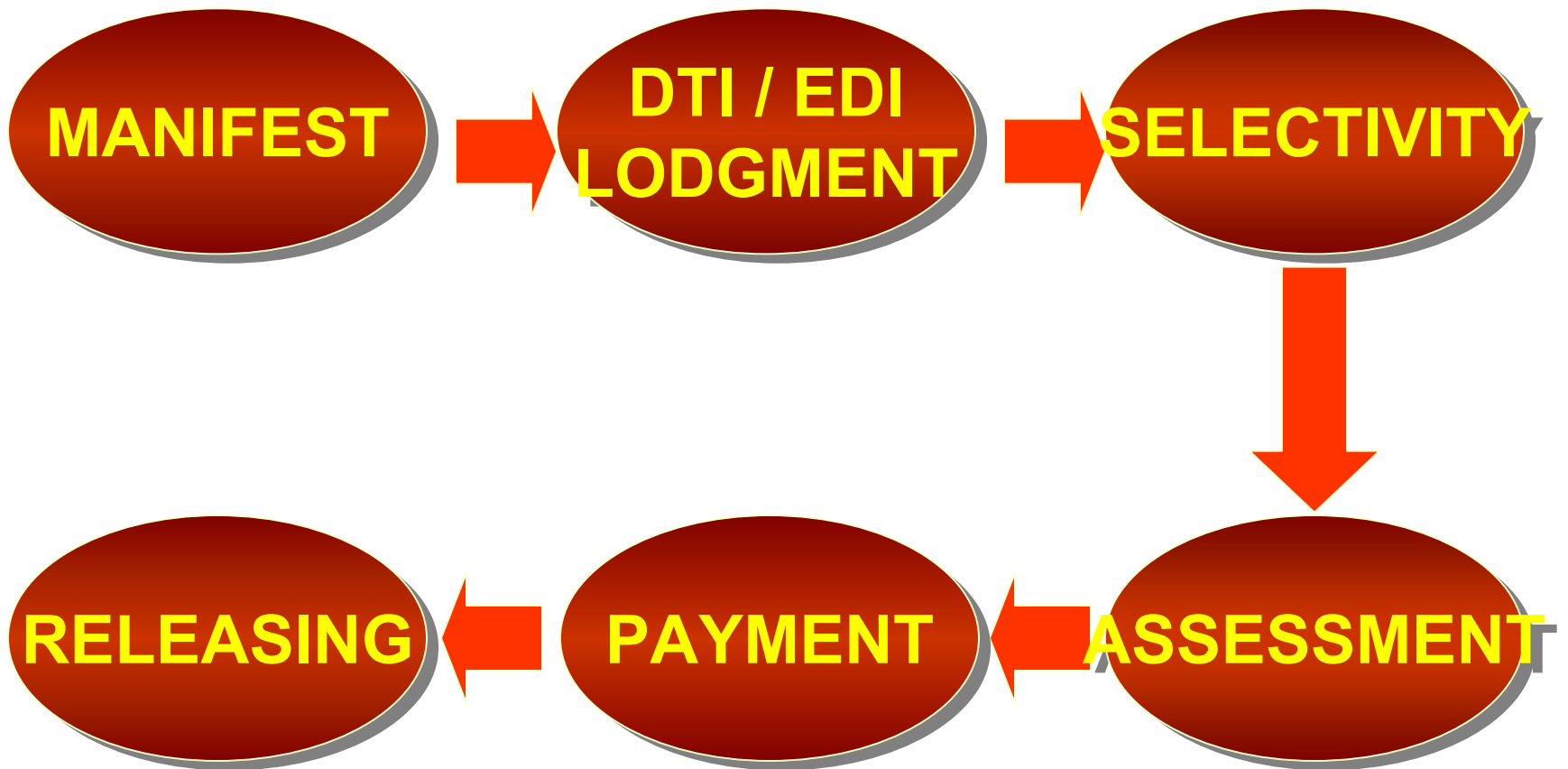
AAB Participants Nationwide

- **35 Authorized Agent Banks**
- **100 AAB branches nationwide**
- **Landbank and PNB as in-house banks for POM, MICP and NAIA.**

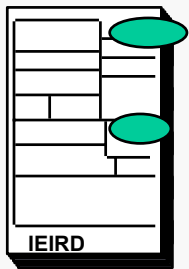
Authorized Agent Bank Participants (35 AABs) – (100 Branches Nationwide)

Name of Bank	No. of Branches
Allied Bank	5
ANZ Bank	1
Asia United Bank	1
Banco de Oro Commercial	6
Bangkok Bank	1
Bank of America NT & SA	1
Bank of Commerce	1
Bank of the Philippine Islands	6
China Bank	2
Chinatrust Comm'l Bank	1
Citibank	2
Deutsche Bank	1
Development Bank Phils	1
East West Banking Corporation	1
Equitable-PCI	1
Export and Industry bank	1
Fuji Bank, Limited	1
Hongkong Shanghai	1
ING Bank	1
International Exchange Bank	1
Land Bank	10
Maybank Bank	1
Metrobank	11
PBCom	1
Philippine National bank	13
Philtrust	2
Prudential Bank	1
Rizal Commercial Banking	9
Security Bank	3
Standard Chartered	2
The Bank of Tokyo, Limited	1
Union Bank	2
United Coconut Planters	6
Veterans Bank	1
UOB	1

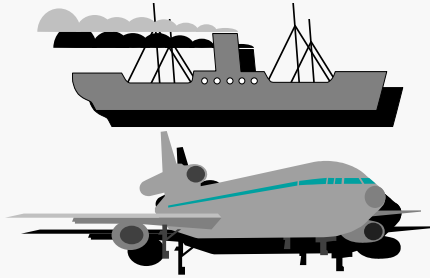
IMPORT CLEARANCE SYSTEM



FROM PAPER TO ELECTRONIC MANIFEST



**PAPER
MANIFEST**



**ELECTRONIC
MANIFEST**



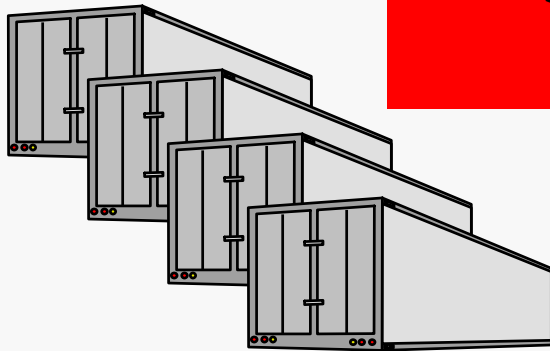
Customs



PARTNERS

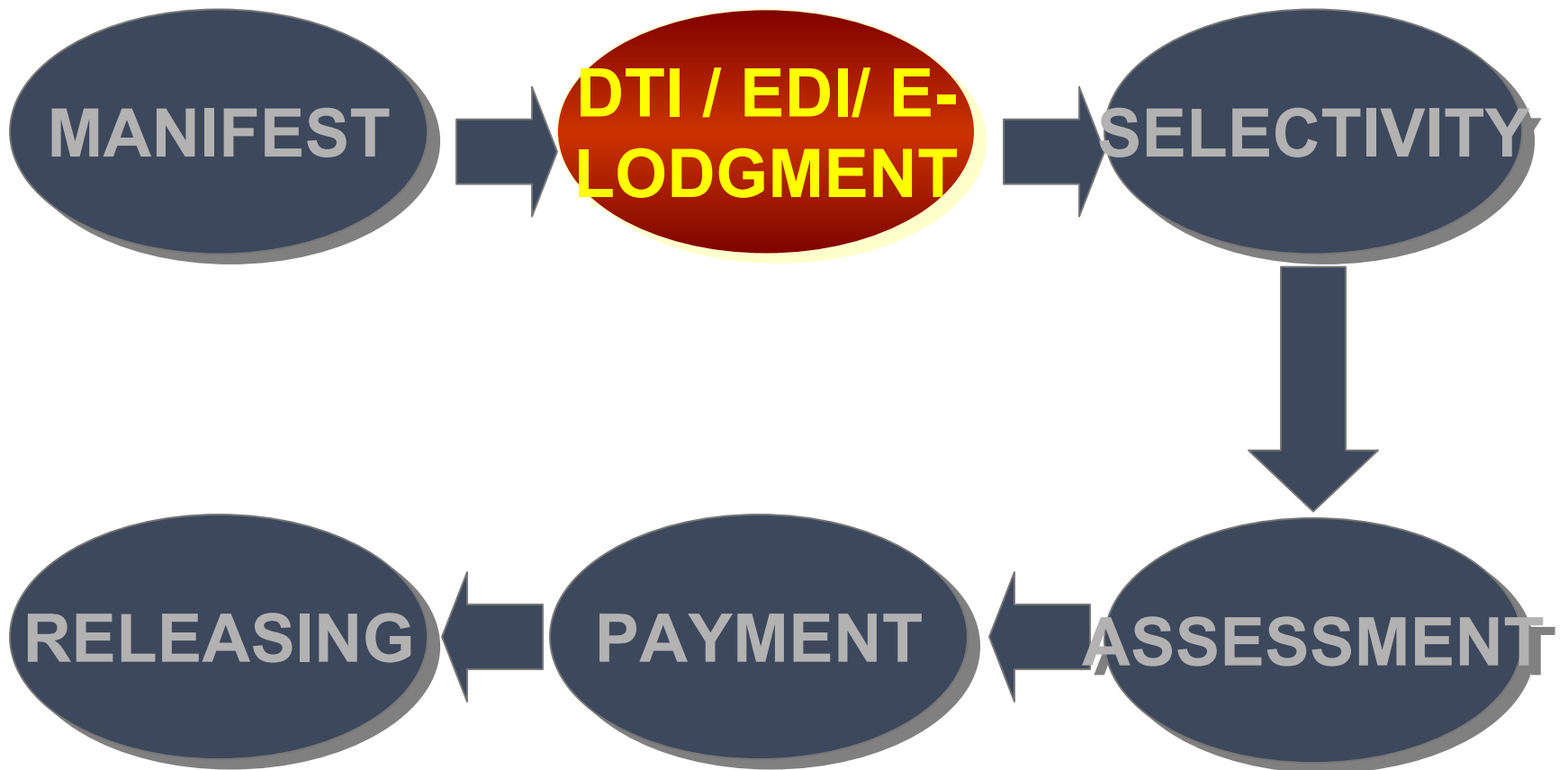
- AIR CARRIERS
- SHIPPING LINES
- ARRASTRE

**BILL OF LADING
& IMPORT
DECLARATION**



SHIPMENT VERIFICATION

IMPORT CLEARANCE SYSTEM



ACCEPT ELECTRONIC LODGMENT ONLY

**Single
Import Document**

**95% Entries
83% Revenues
P 38.00 Fee**

EDI

DTI

EEC-PCCI

INTERNET

VAN's

**BOC
ACOS**

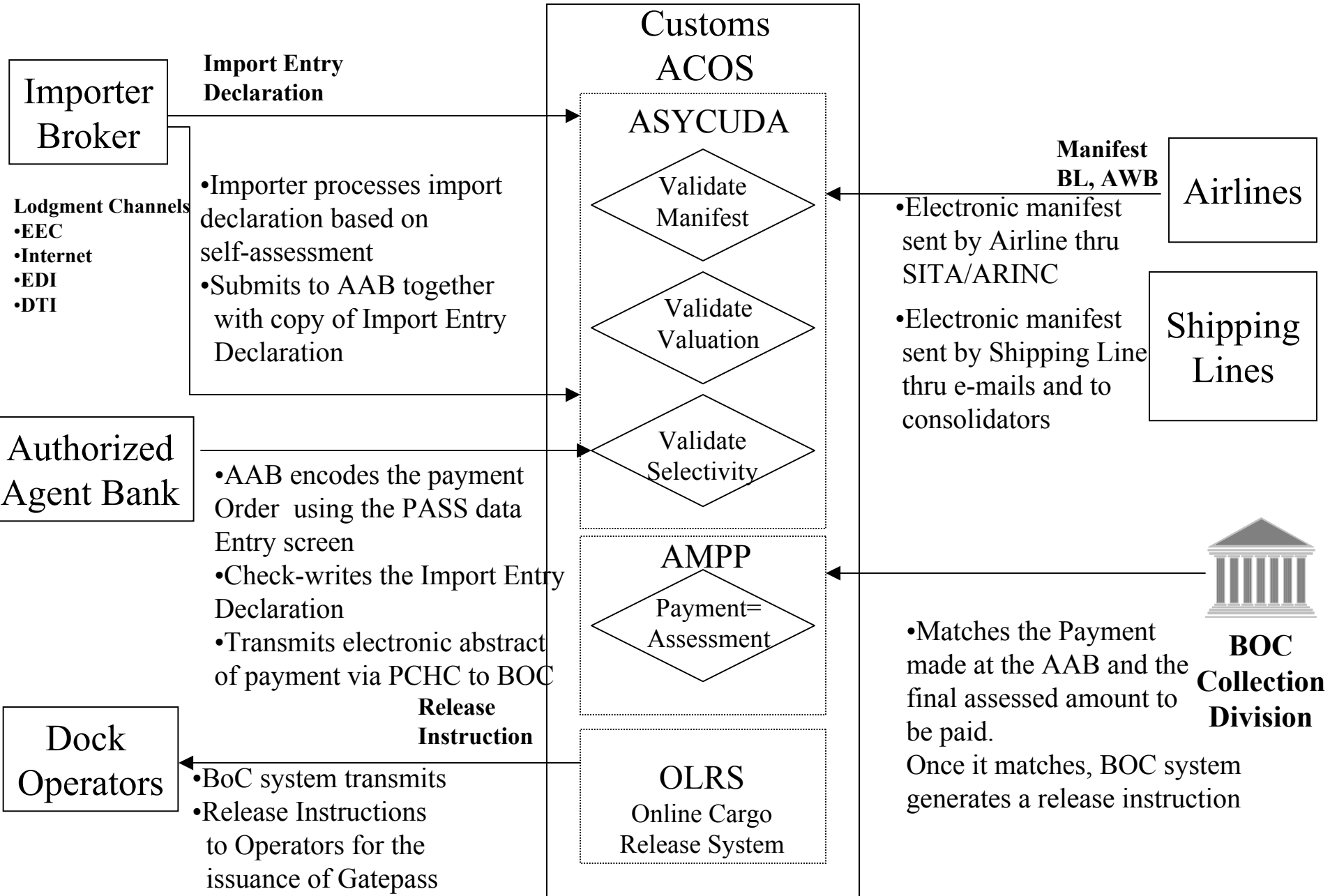
PARTNERS:

- PCCI
- VAN's

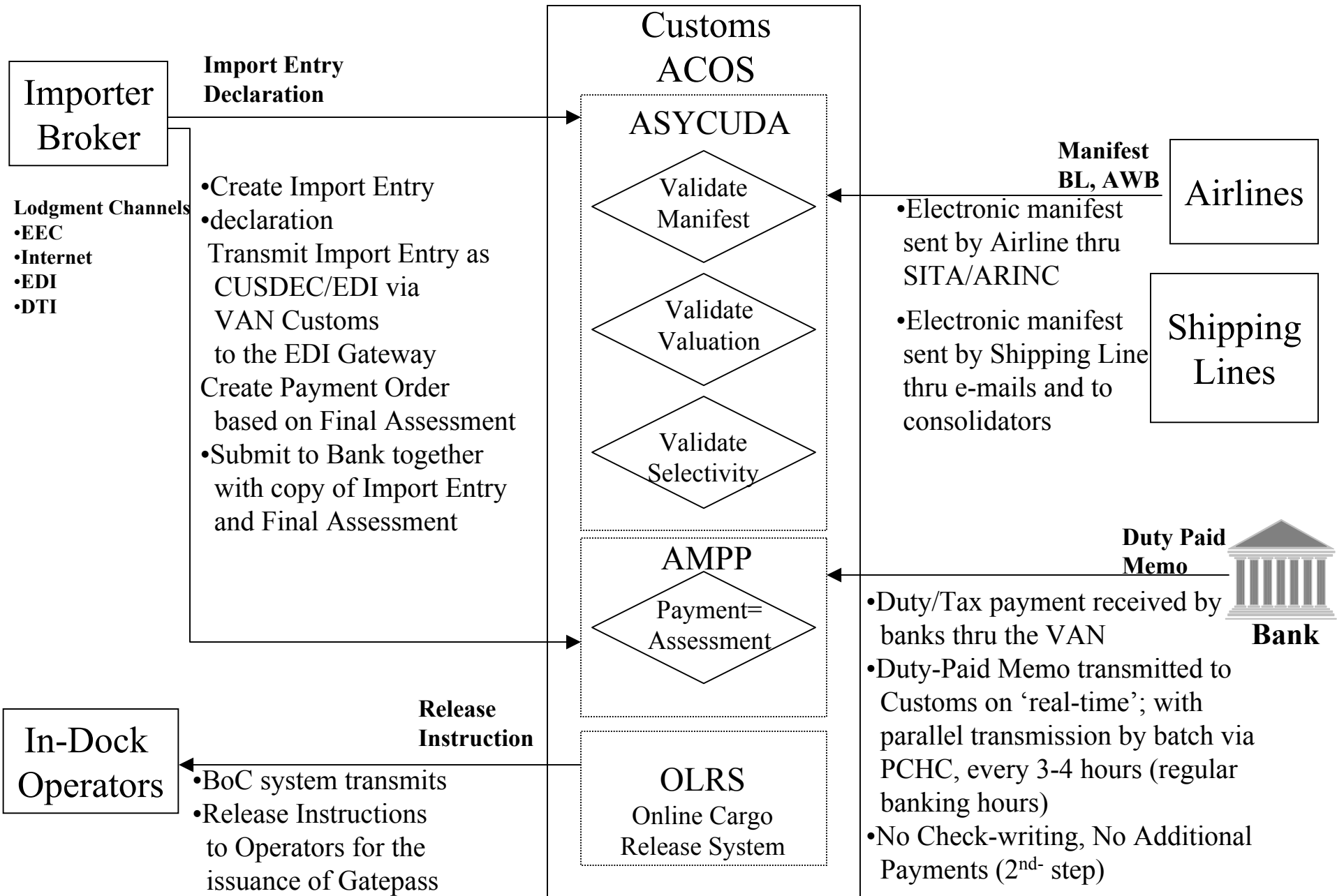
METRICS for 2002

MODE	VOLUME	REVENUE
EEC	91.0%	83.0%
DTI/Direct Trade Input	0.5%	0.5%
EDI/Electronic Data Interchange	5.0%	9.0%
Internet	0.5%	0.5%
Super Green Lane (EDI)	3.0%	7.0%

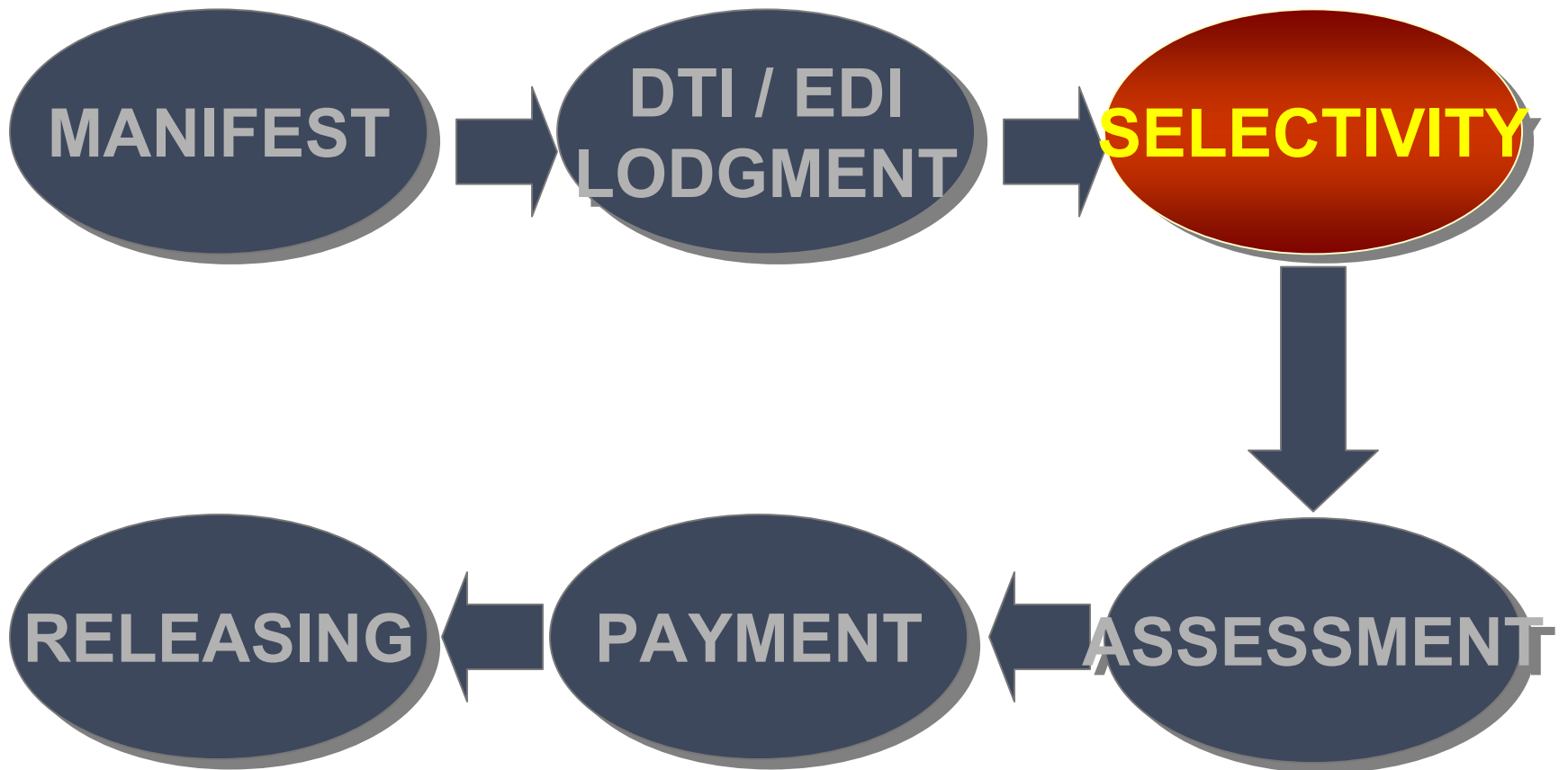
Face-to-Face Import Process Flow for Metro Manila Ports



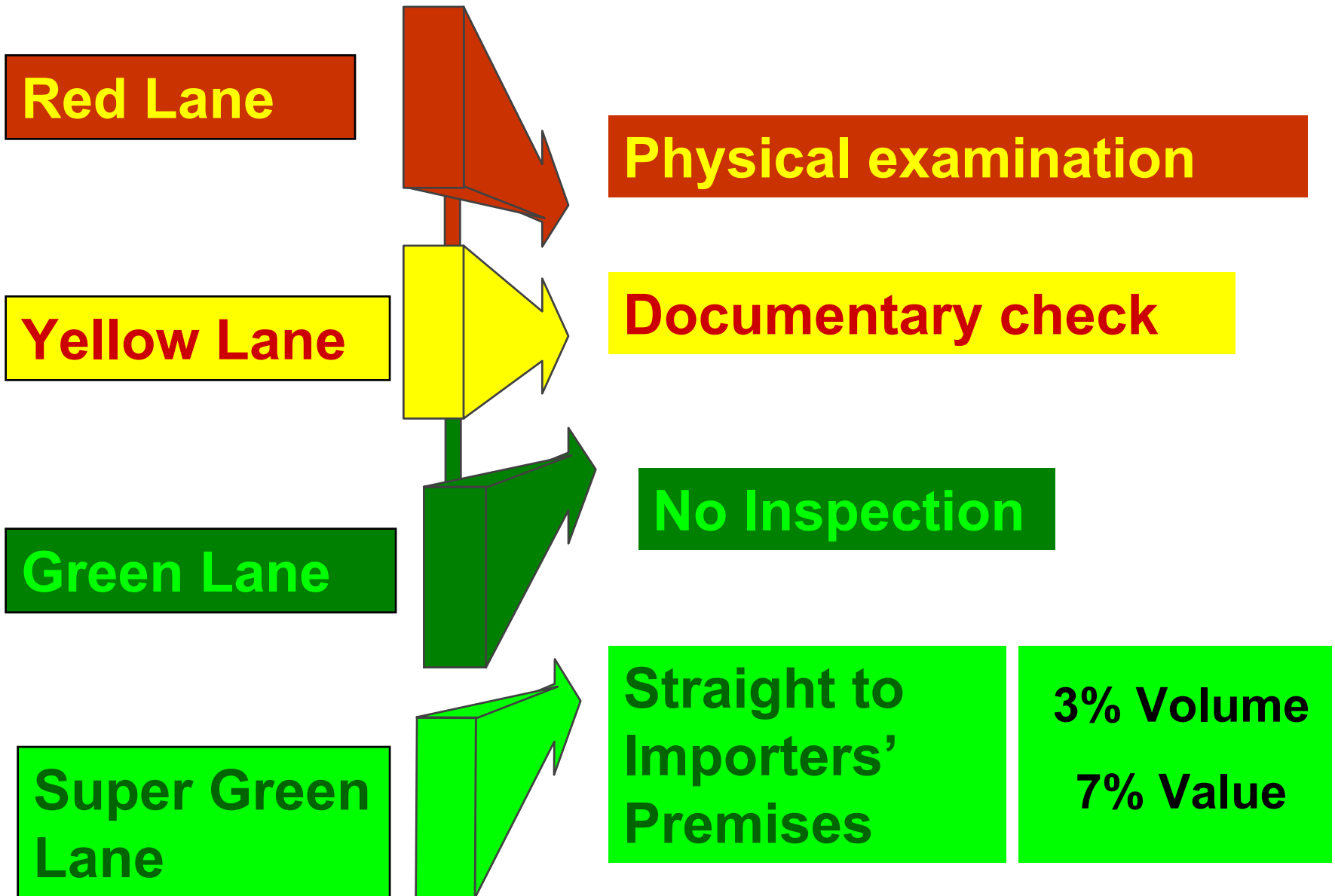
Non Face-to-Face Import Process Flow for Metro Manila Ports



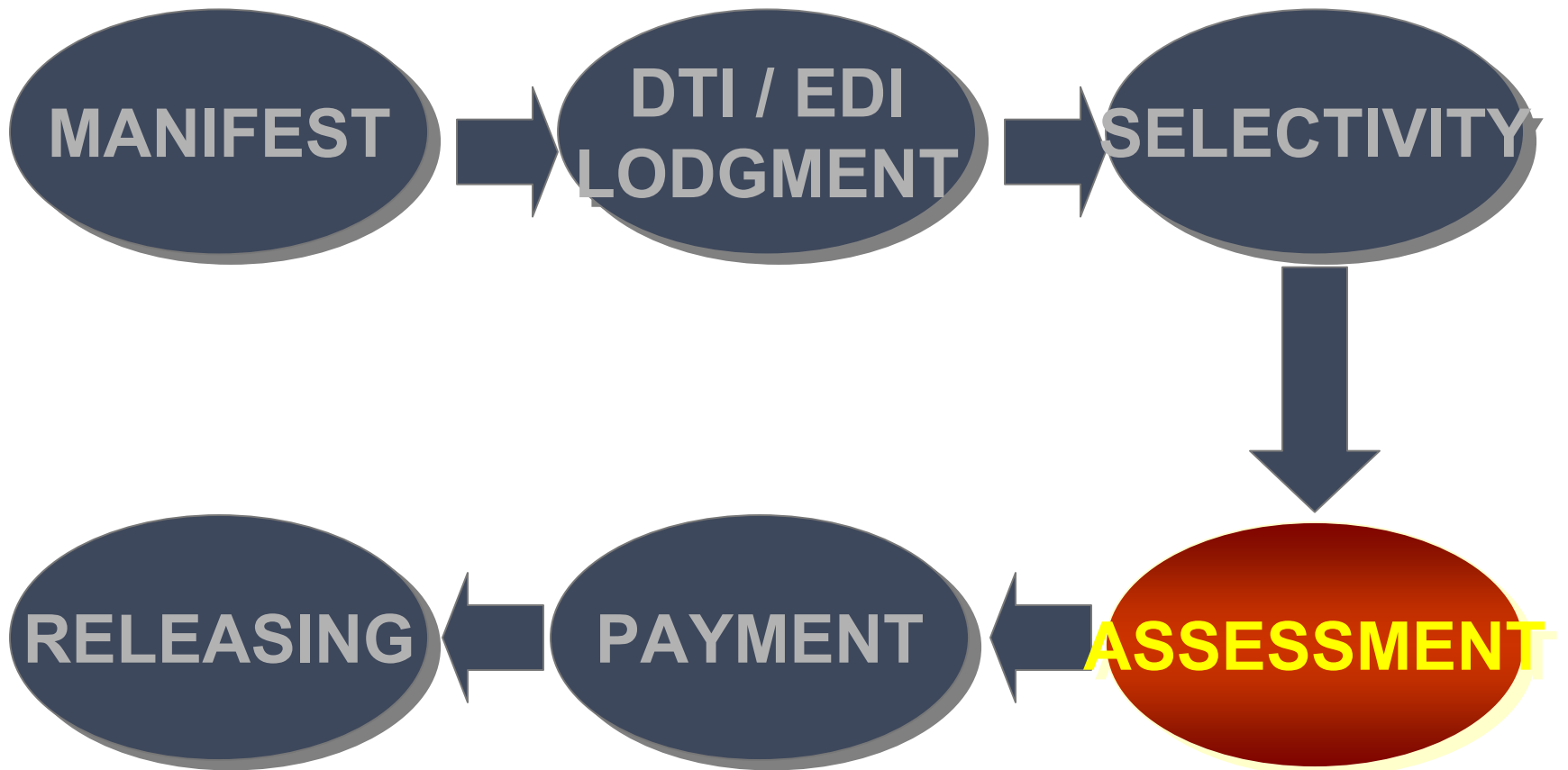
IMPORT CLEARANCE SYSTEM



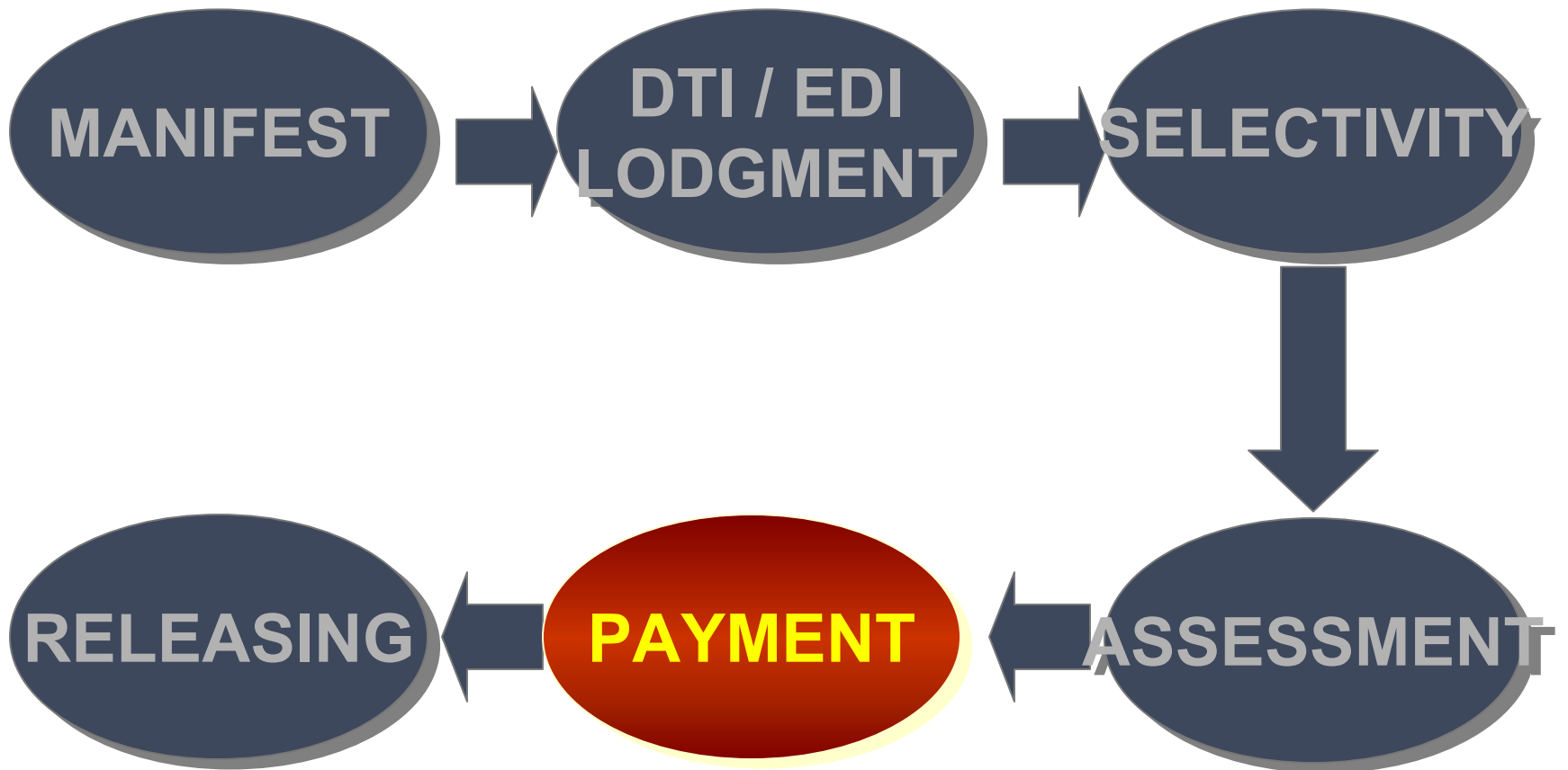
AUTOMATED SELECTIVITY SYSTEM



IMPORT CLEARANCE SYSTEM



IMPORT CLEARANCE SYSTEM



SECURE ELECTRONIC PAYMENT



Banks

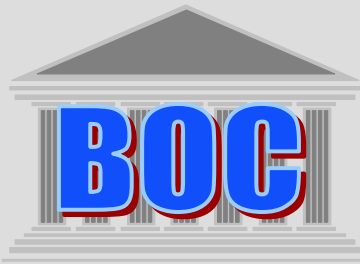
PARTNERS:

- Bankers Assn of Phil
- Phil Clearing House
- Member Banks



PCH

Encrypted Payment



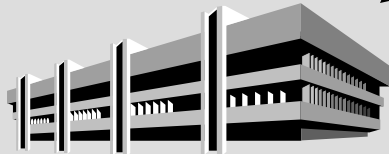
Collection Division

Matching of Payables and Payments



Assessment Division

Remittances



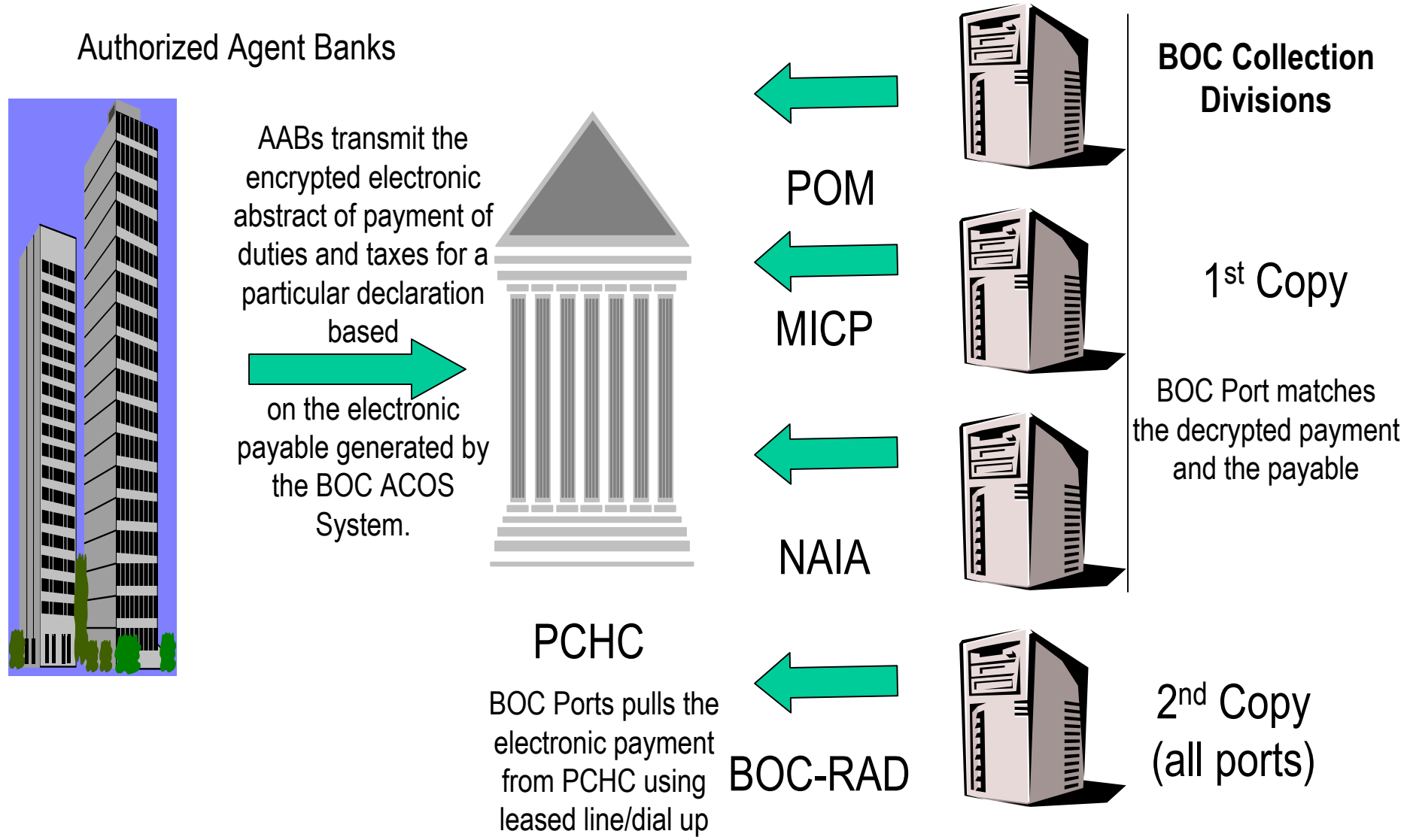
National Treasury

Revenue Reconciliation



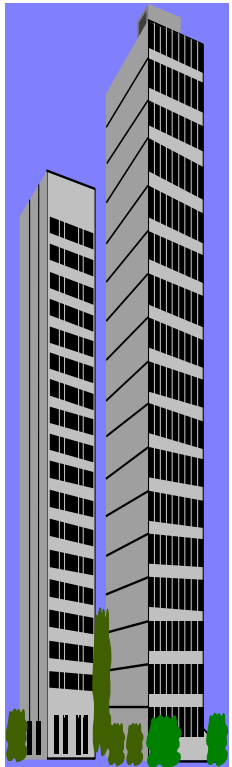
Revenue Accounting Division

Electronic Payment Process Flow via PCHC for Metro Manila Ports



Electronic Payment Process Flow via In-house Banks for Metro Manila Ports

In-House Banks



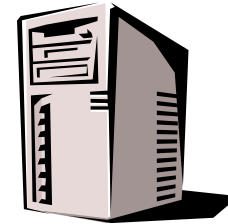
In-house Banks transmit the encrypted electronic abstract of payment of duties and taxes via BOC network for a particular declaration based on the electronic payable generated by the BOC ACOS System.

POM



BOC Collection Divisions

MICP



1st Copy

NAIA



BOC Port matches the decrypted payment and the payable

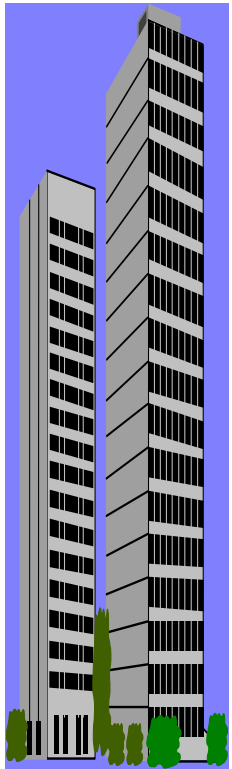
BOC-RAD



2nd Copy (all ports)

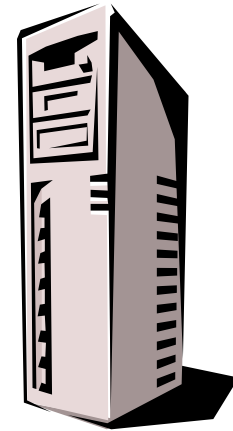
Electronic Payment Process Flow via diskette for Provincial Ports

Authorized Agent Banks



AAB transmits the encrypted electronic abstract of payment of duties and taxes via diskette hand carried by a designated messenger of the AAB for a particular declaration based on the electronic payable generated by the BOC ACOS System.

Provincial
Port

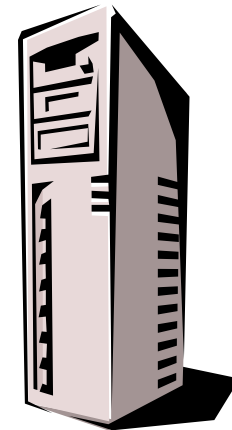


BOC Collection
Divisions

1st Copy

BOC Port matches
the decrypted payment
and the payable

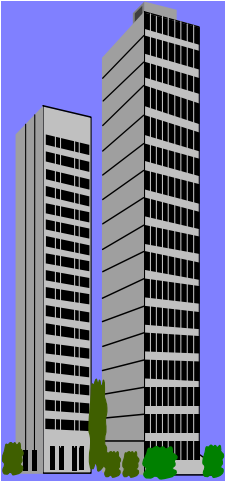
BOC-RAD



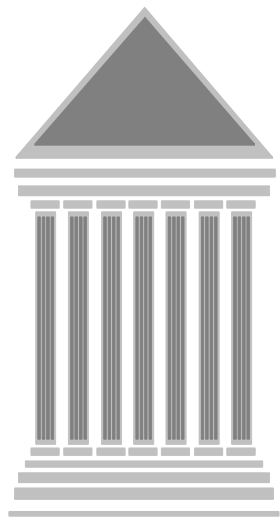
2nd Copy
(all ports)

Electronic Payment Process Flow With Non-Cash component

Authorized Agent Banks

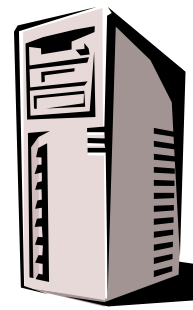
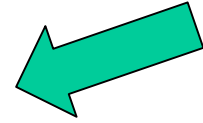


AABs transmit the encrypted electronic abstract of payment of duties and taxes via PCHC

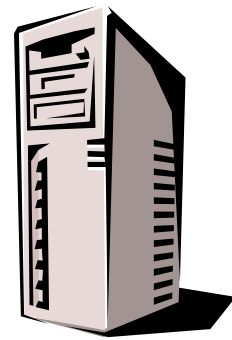
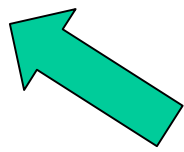


BOC Collection Division

BOC system matches the payment made from the In-house bank+the non-cash component- additional payment vs. payable

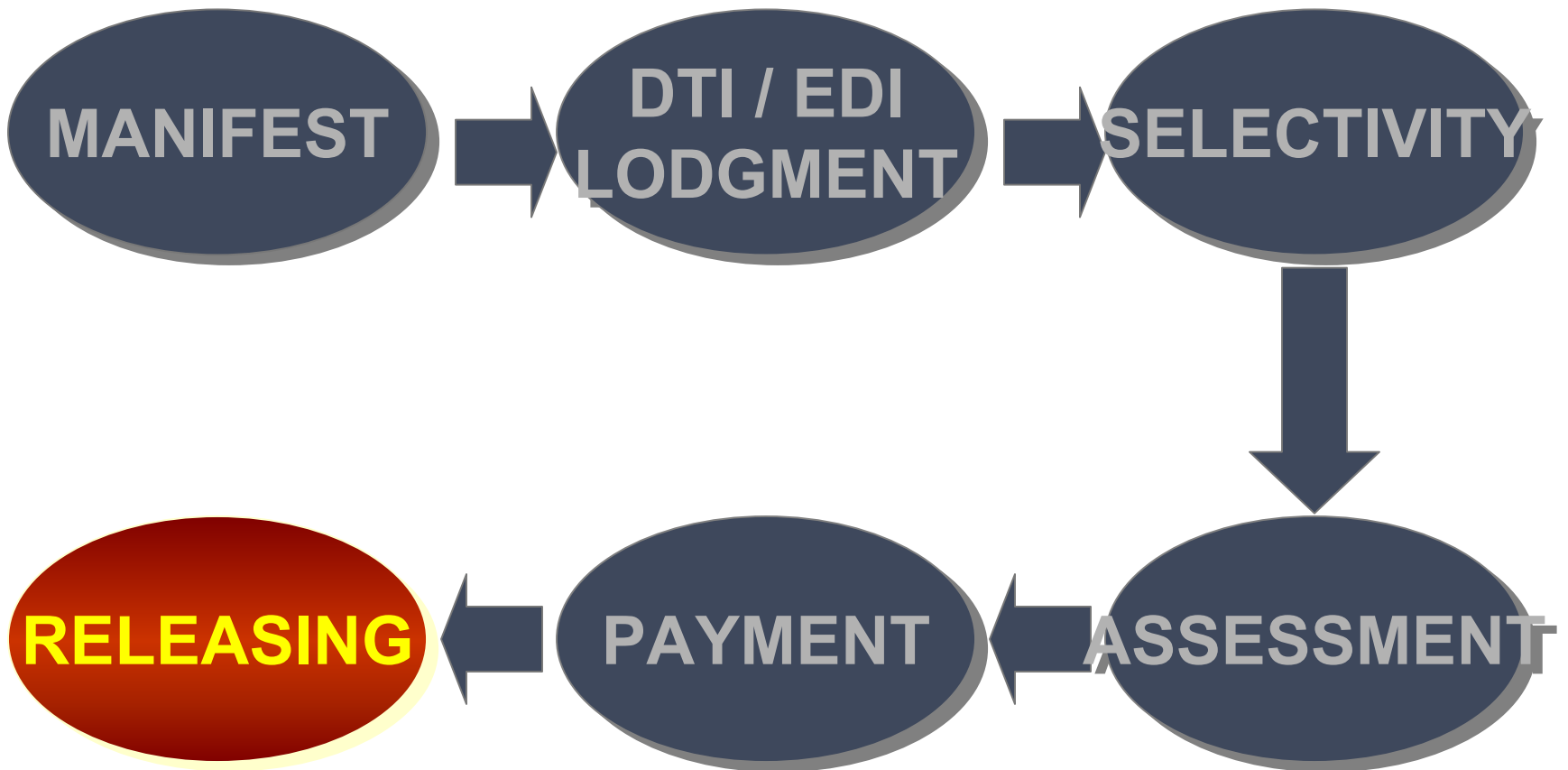


BOC Non-Cash Payment System;
Tax Credit
Tax Exempted
Deferred Payment



BOC Additional Payment System

IMPORT CLEARANCE SYSTEM



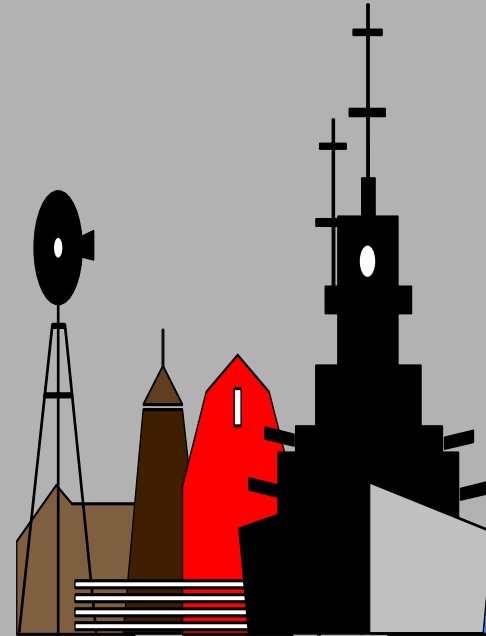
ON-LINE RELEASE SYSTEM (OLRS)



BOC

**Automates
transmission of
release instruction to
the Arrastre.**

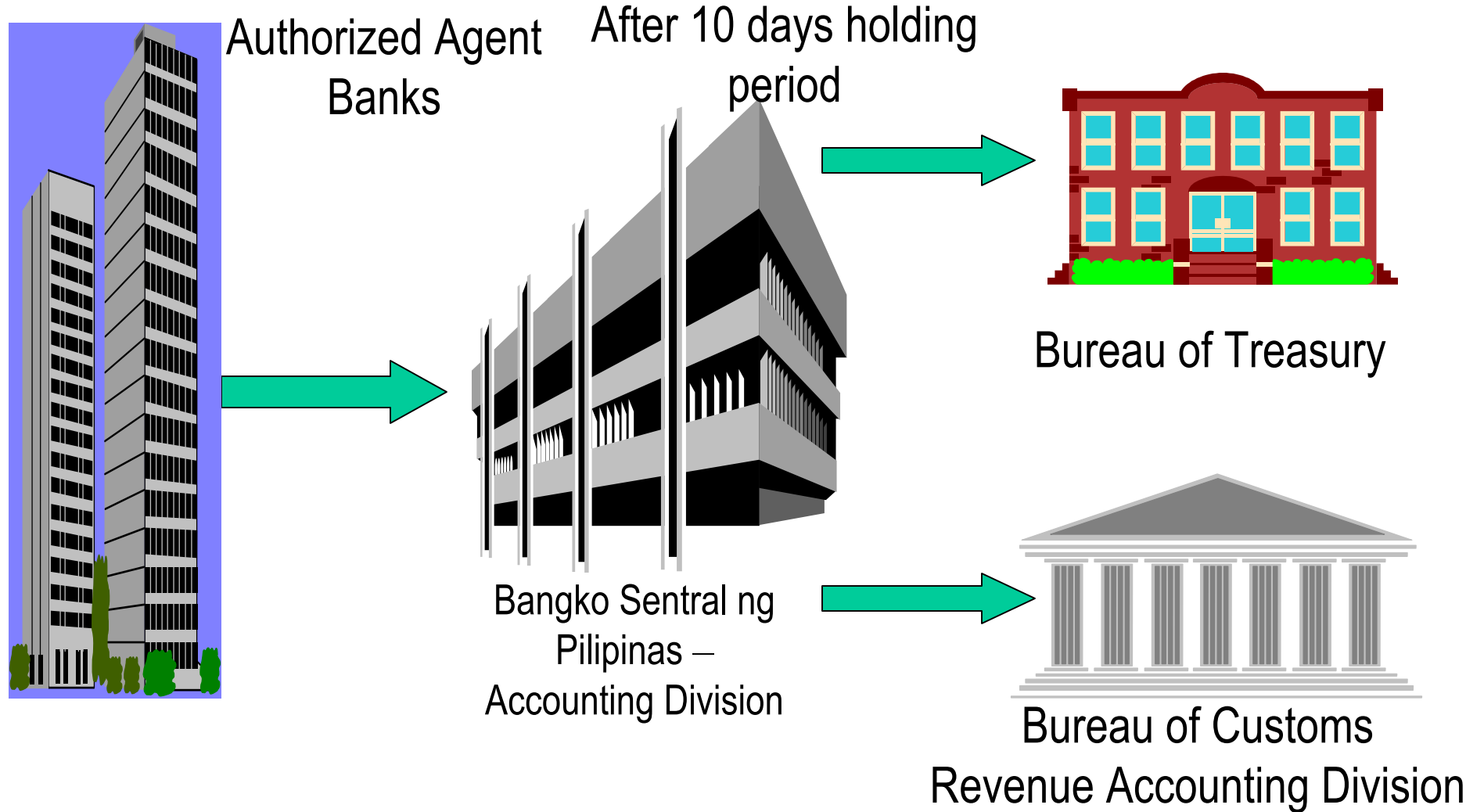
**Automates the
receiving of feedback
from the Arrastre.**



PARTNERS:

Arrastre Operators

Electronic Remittance Process Flow

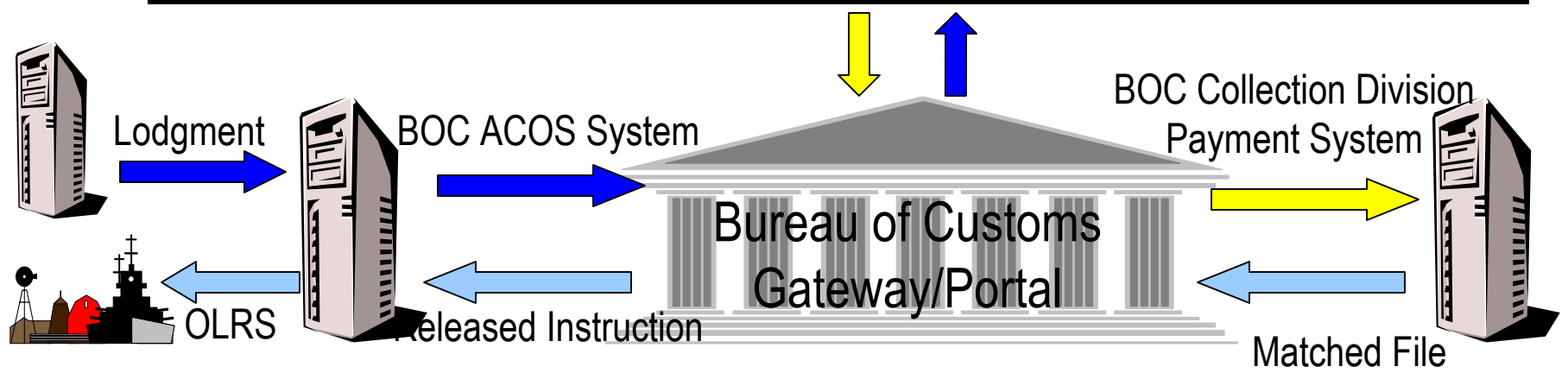
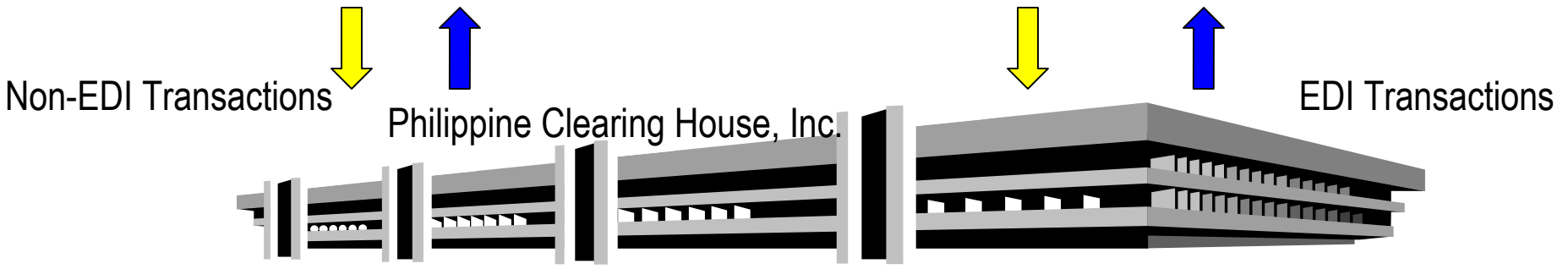
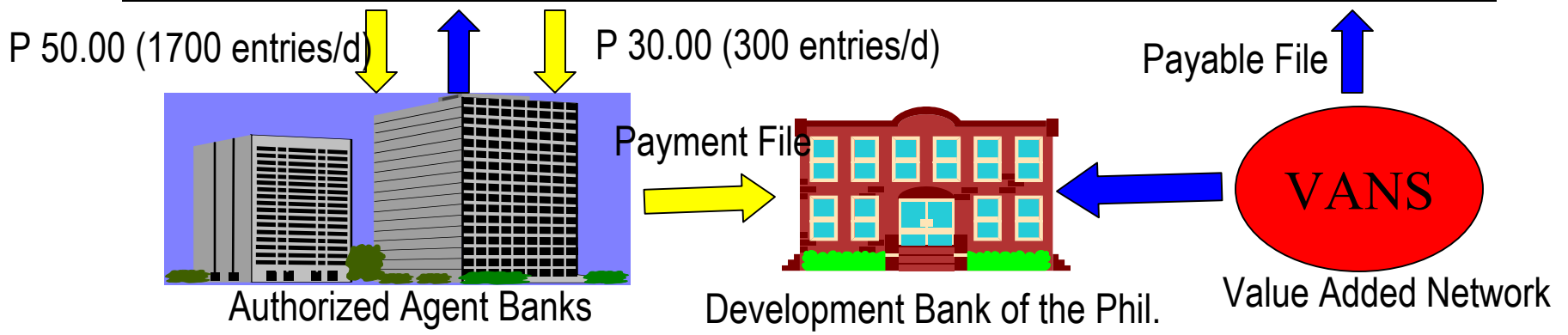


Proposed NEW PASS

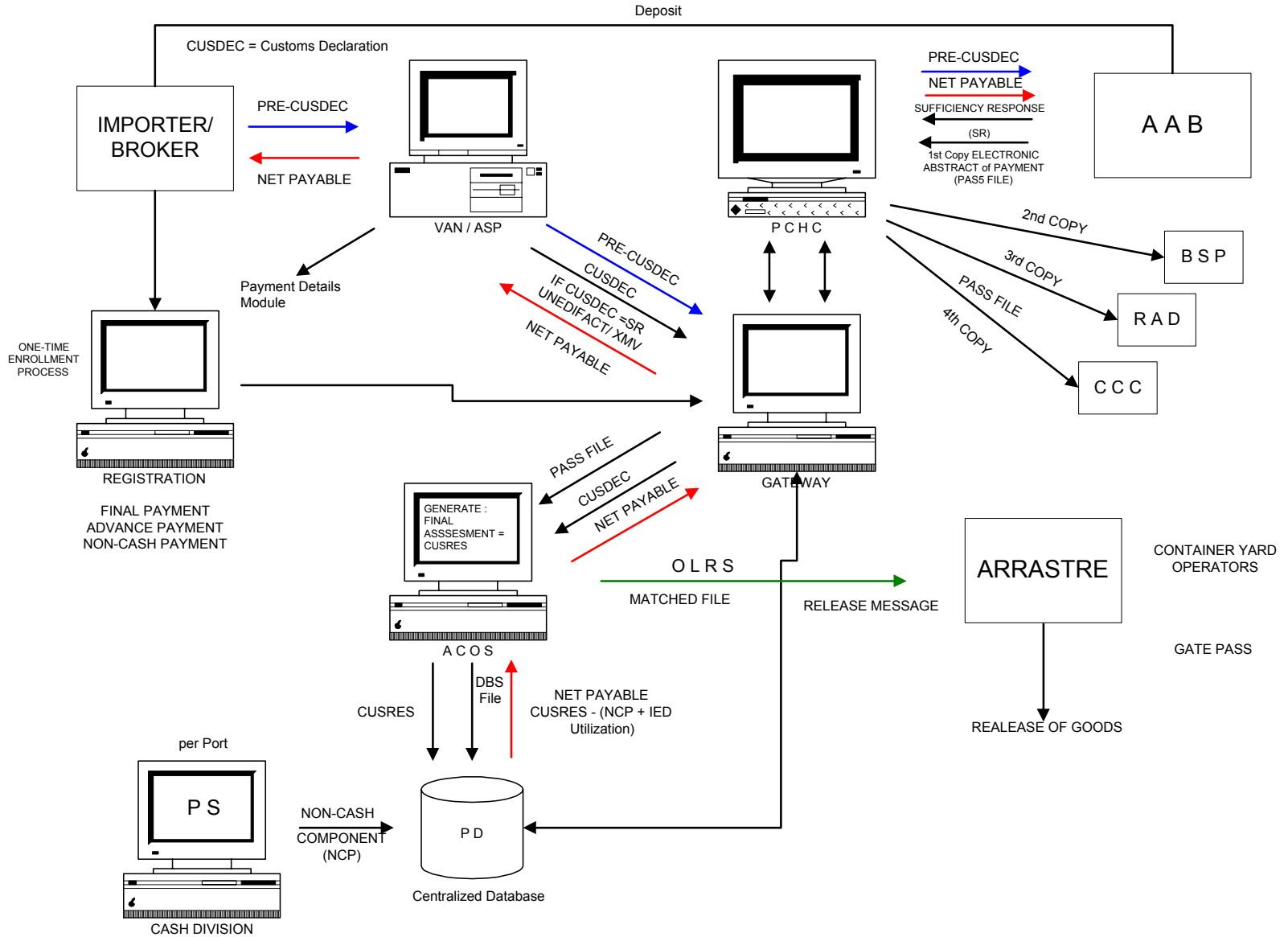


NEW PAYMENT (PASS) SYSTEM

Importer / Broker

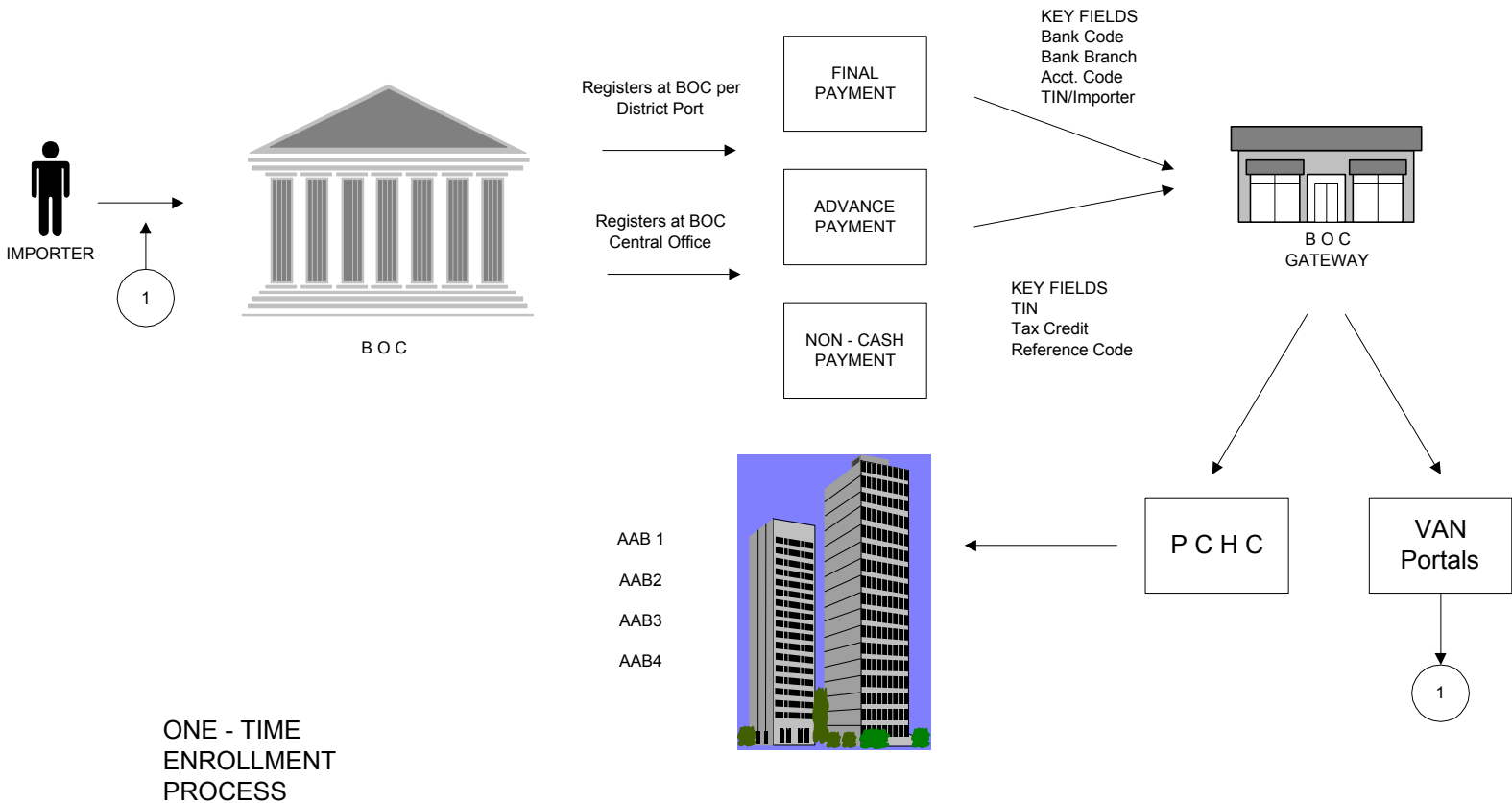


PASS 5 System Flowchart

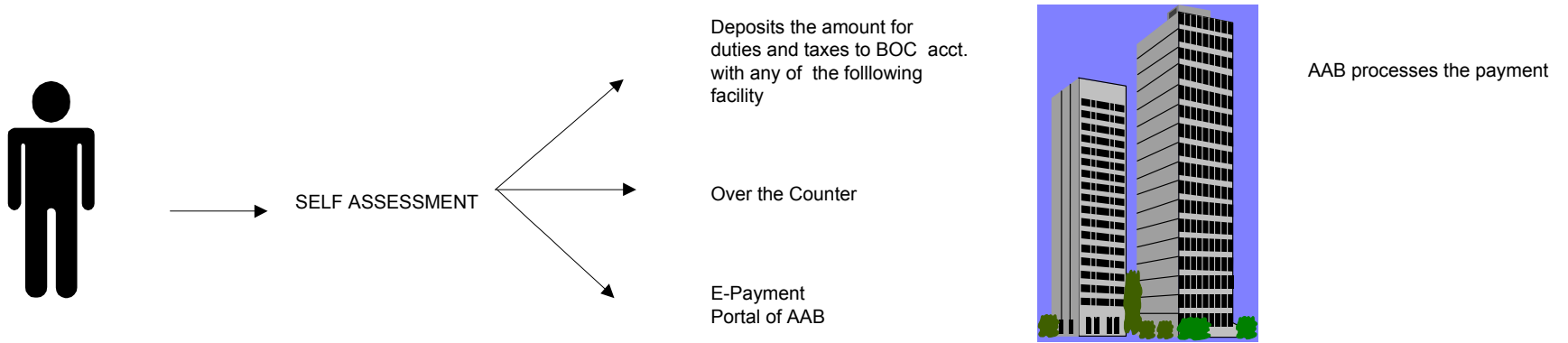


PASS 5 FLOWCHART

STEP 1 : ENROLLMENT / REGISTRATION OF AAB



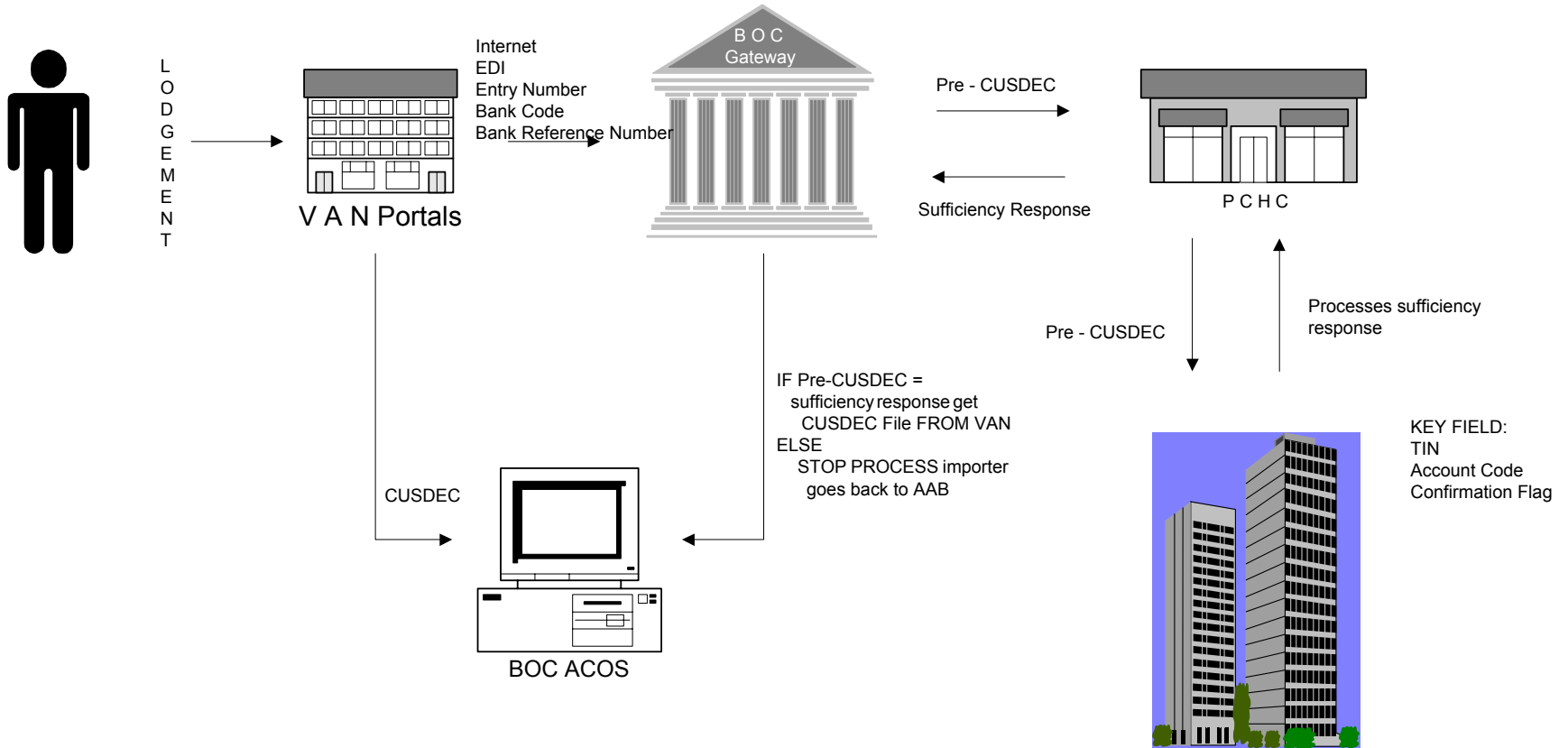
STEP 2 : Payment at AAB for Customs duties and Taxes based on self assessment by importer.



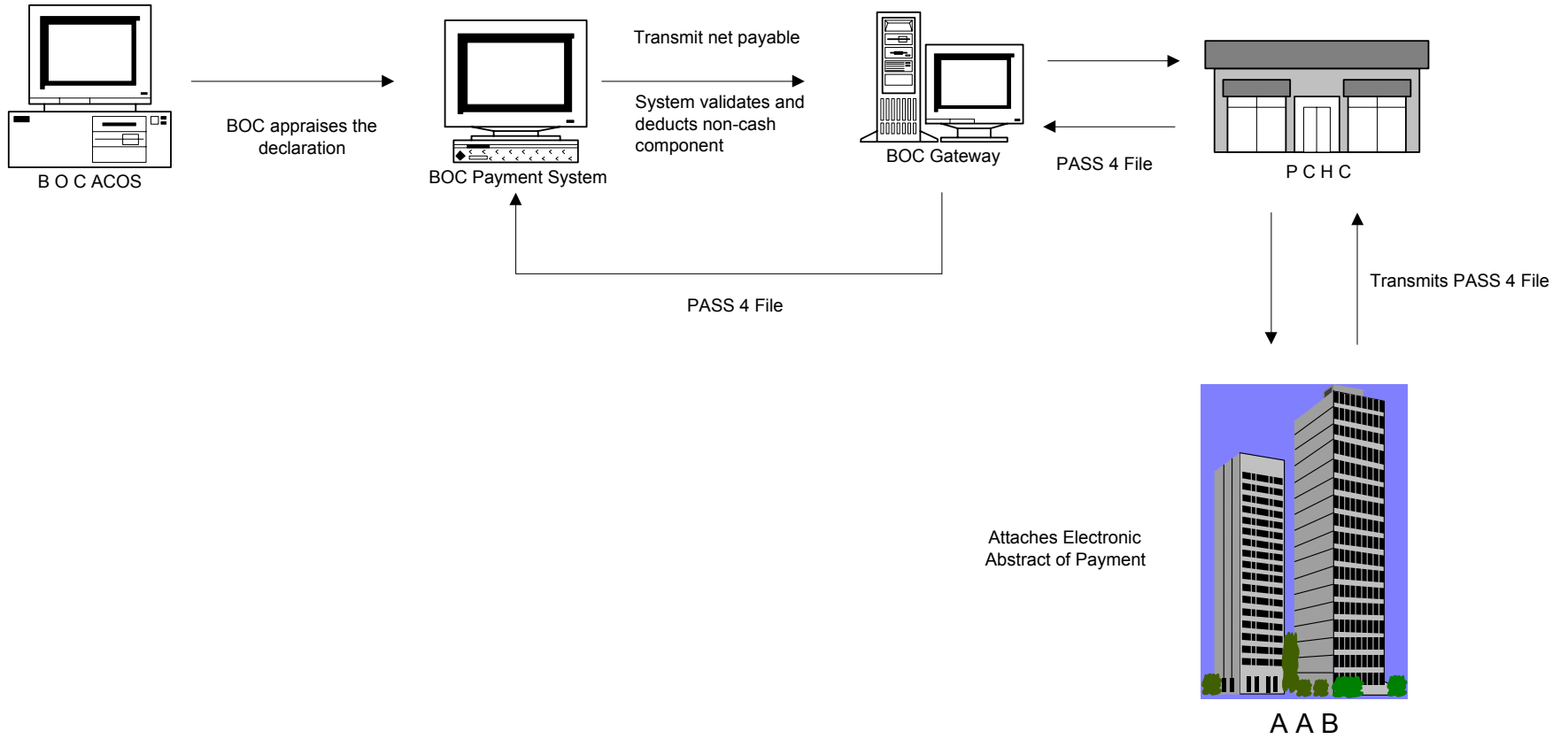
Note: No encoding shall take place at the AAB side. Mode of payment of importer is not limited to CASA debit. Scheme of payment is importer's prerogative as arranged with AAB.

Reference Code: TIN
Account Code (assigned in the enrollment process)

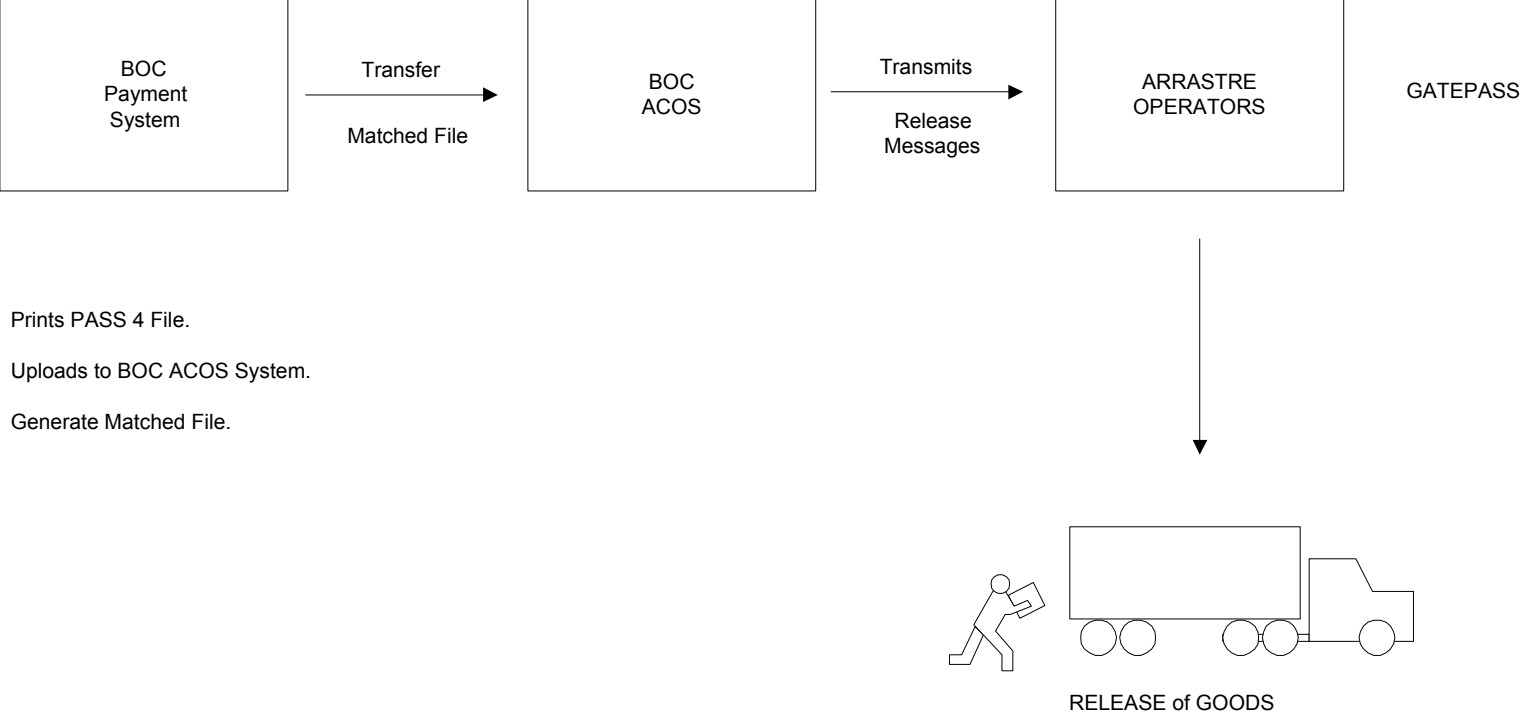
STEP 3 : Pre-lodgement (Replacement for Checkwriting)



STEP 4 : Final Assessment (CUSRES) and PASS 4 File



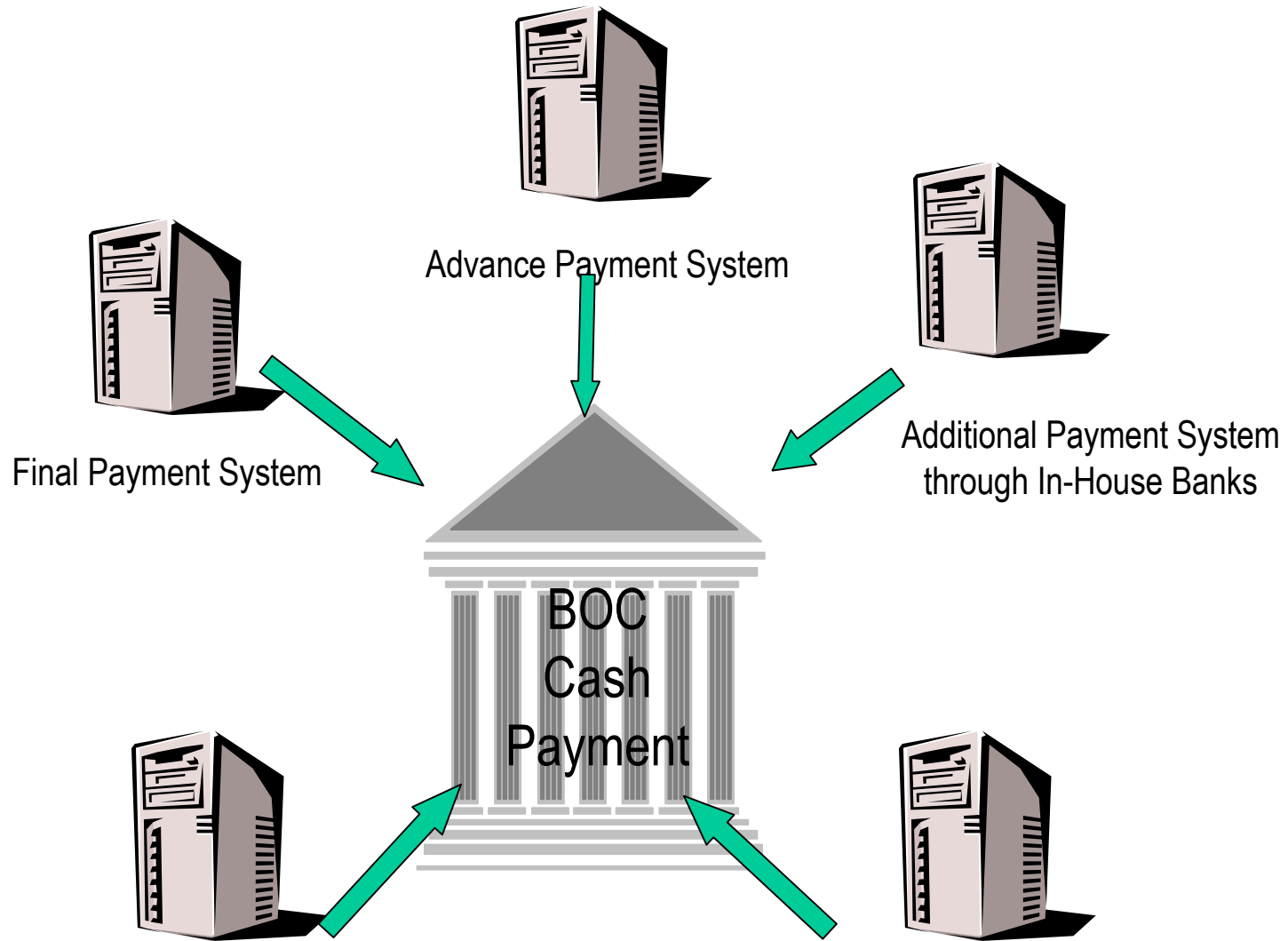
STEP 5 : Printing of PASS 4 File and release message



Front-End & Middleware Application Development (Nationwide)

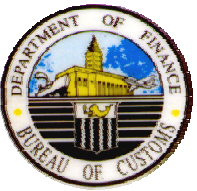
- 1. New PASS Data Entry Screen for AABs**
 - Final Payment**
 - Advance Payment**
- 2. Data Capture of Payable (Cusres file)**
- 3. Encryption of Electronic Payment File**
 - Final Payment**
 - Advance Payment**
- 4. BOC Data Capture of Electronic Payment file from PCHC**
- 5. BOC Decryption of Electronic File**
 - Final Payment**
 - Advance Payment**

AAB (Cash) Payment System Model



Collecting Officer's Duties & Taxes System

Other Cash Payment System (over-the counter (<P5,000.00))



AAB Final & Advance Payment System Process Flow

Authorized Agent Banks

AABs transmit the encrypted electronic abstract of payment of duties and taxes for a particular declaration.

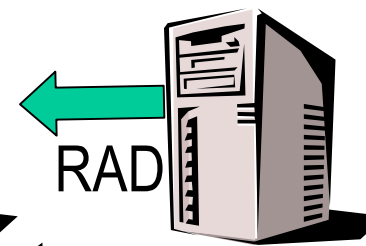
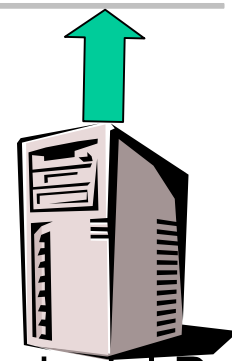
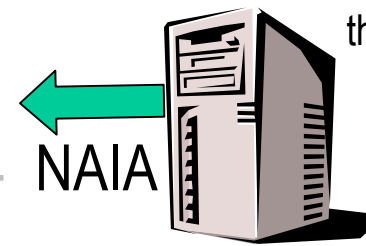
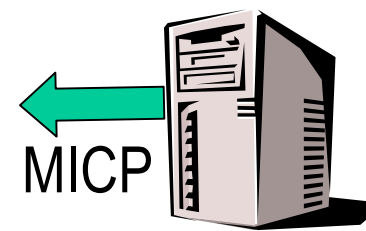
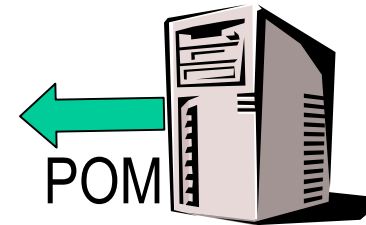
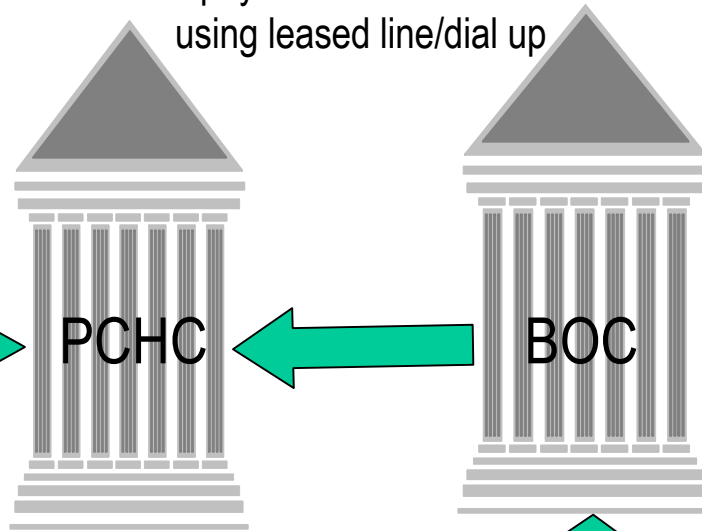
Final Payment

Tin Number
Serial Number
Port Code

Advance Payment

Tin Number
L/C No.
IED No.

BOC Cash Payment Server pulls the electronic payment from PCHC using leased line/dial up



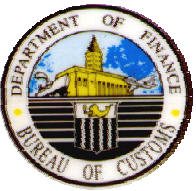
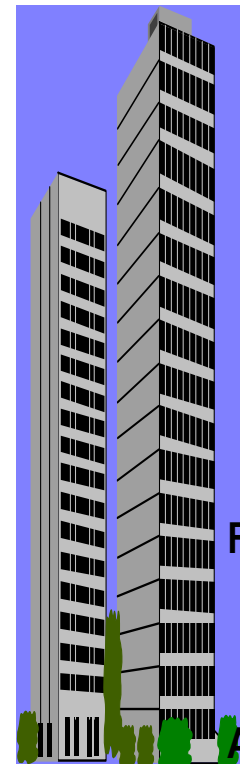
BOC Collection Divisions

1st Copy

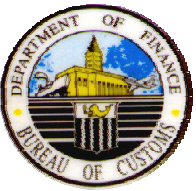
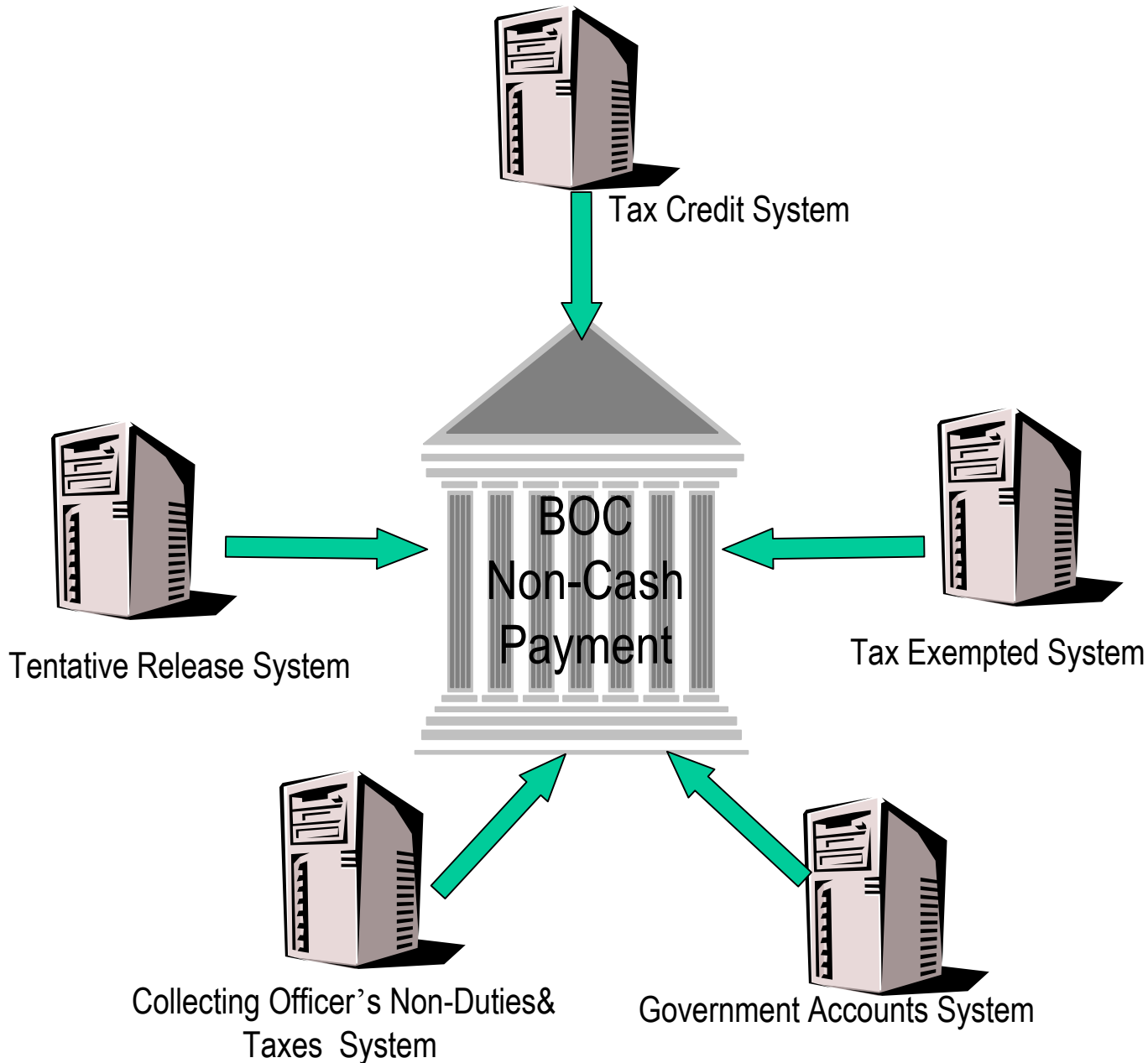
BOC Port matches the decrypted payment and the payable

2nd Copy (all ports)

Provincial Ports

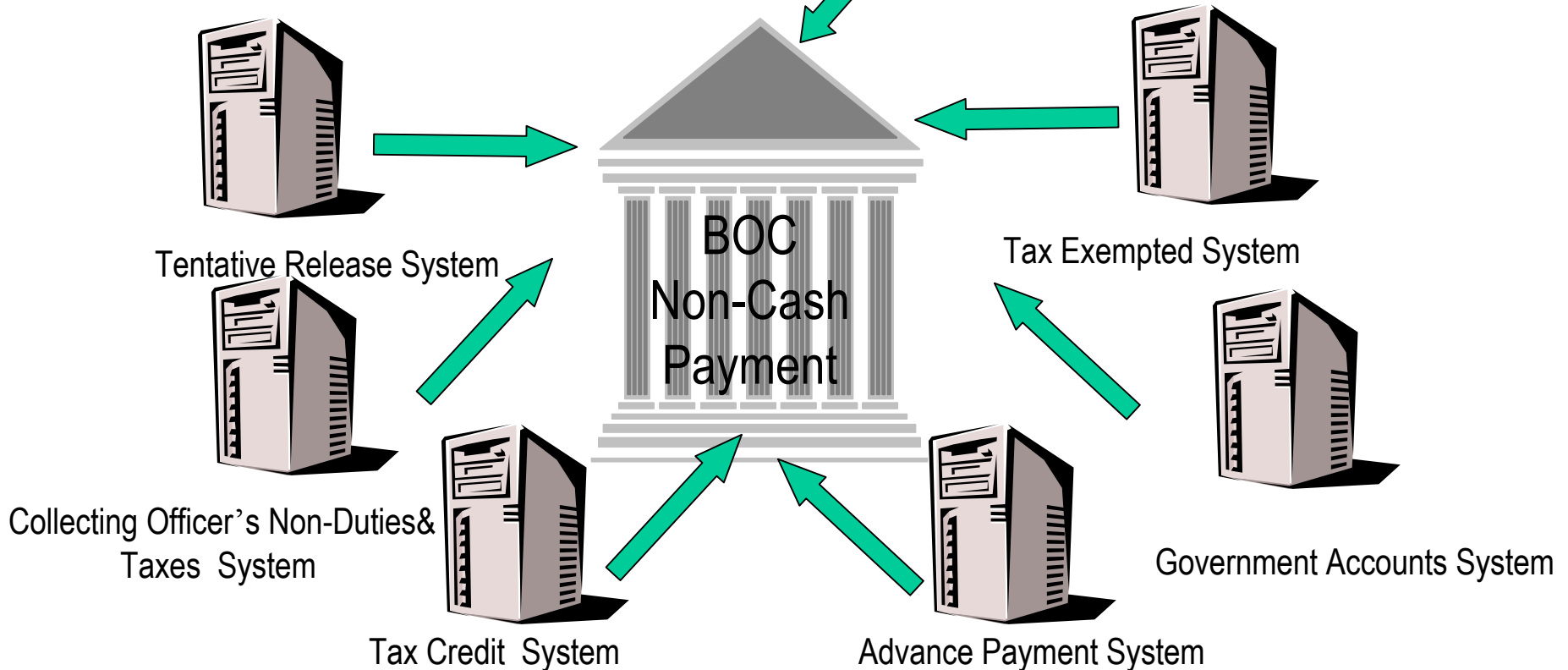
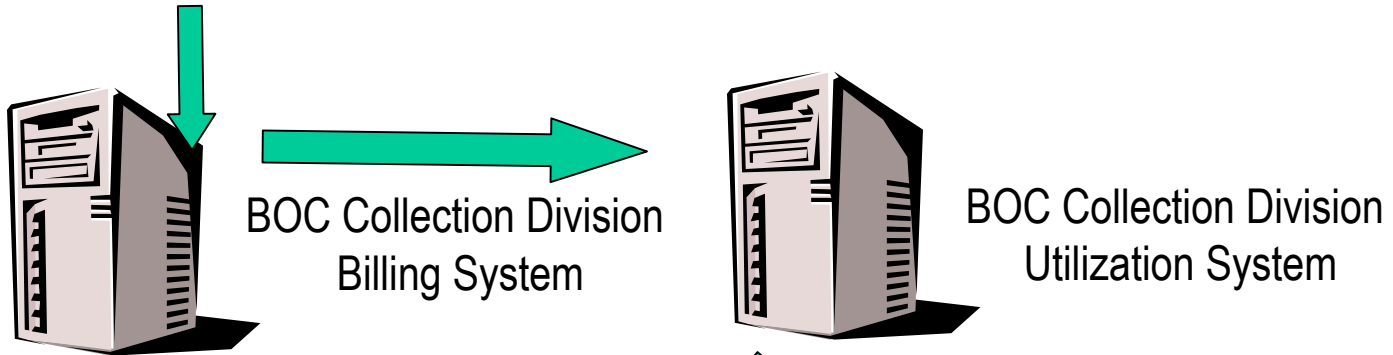


Non-Cash Payment System Model



Indirect Payment Process Flow

Importer / Broker



Back-End Payment System Application Development

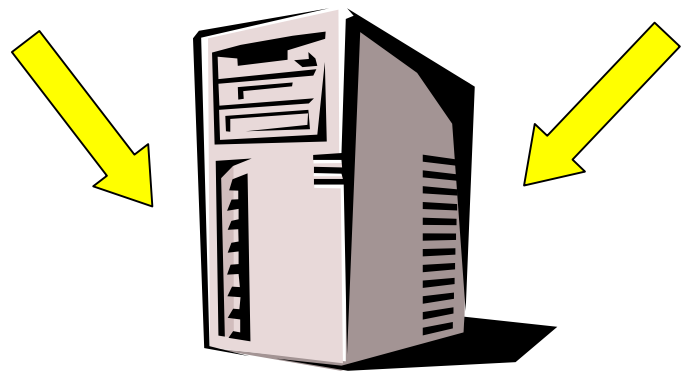
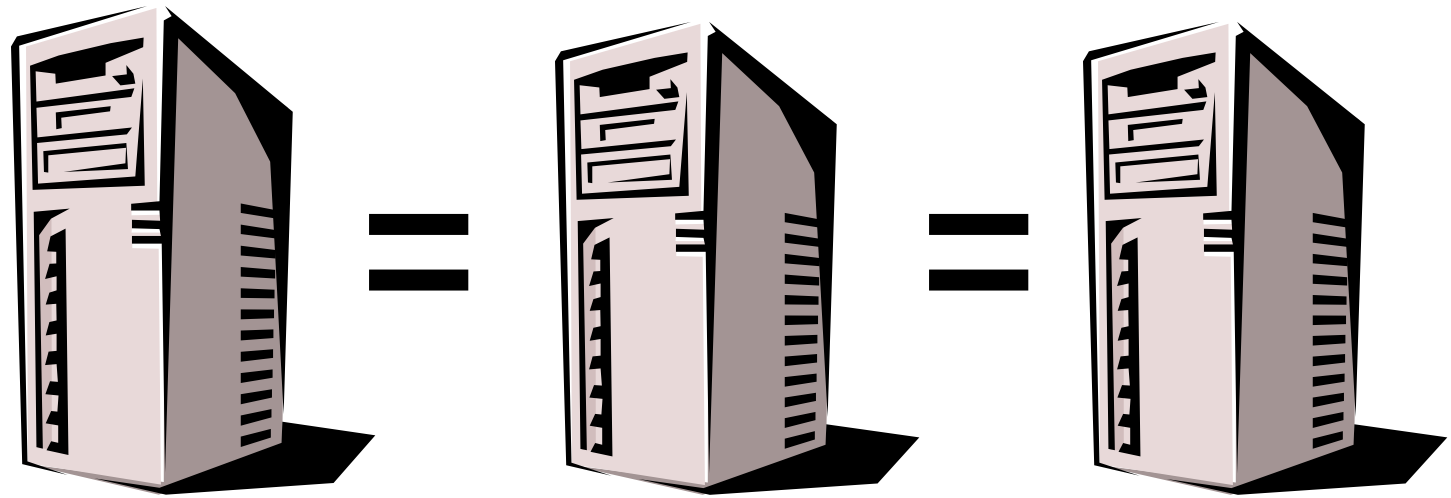
- 1. Final Payment**
- 2. Advance Payment Utilization Slip**
- 3. Additional Payment**
- 4. Collecting Officer's Duties & Taxes**
- 5. Other Cash Payment**
- 6. Tax Credit**
- 7. Government Accounts**
- 8. Tax Exempted**
- 9. Tentative Release**
- 10. Collecting Officer's Non-Duties & Taxes**
- 11. Revenue Reconciliation System**

Revenue Reconciliation Model

Assessment

Payment

Remittance



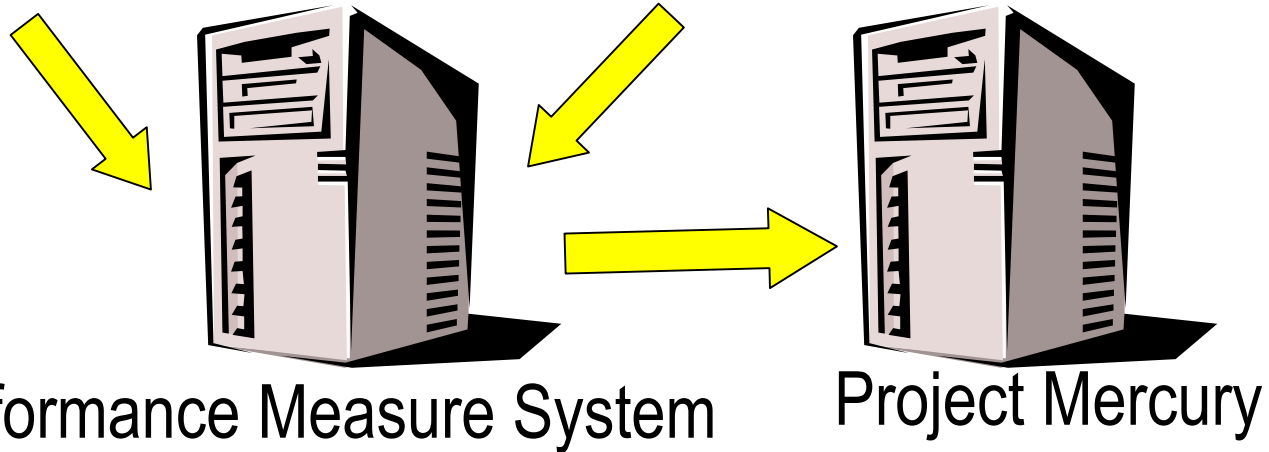
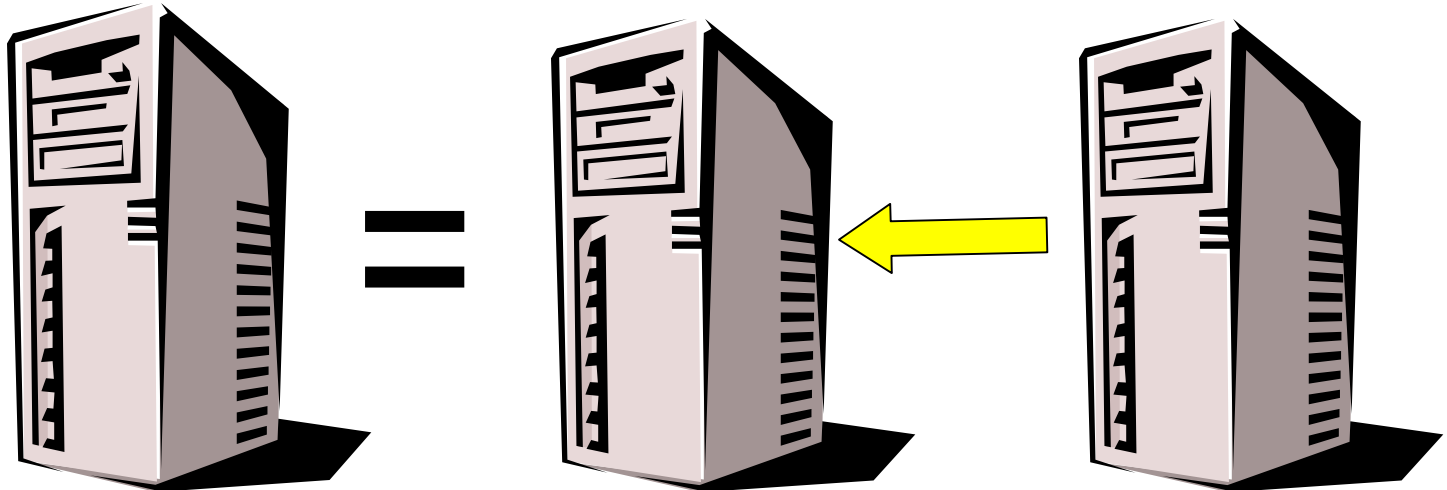
Nationwide Revenue Reconciliation System

Performance Measure Model

Assessment

Payment

District Targets Database



Payment System Business Model

Assumptions: 250 Working Days / annum

2000 Cash Payment Trans./Day

800 Non-Cash Payment Trans /Day

Type	Entries/Day	Fee	Amount
Non-EDI	1700	50	P21,250,000
EDI	300	30	2,250,000
Tax Credit	200	20	1,000,000
Additional	400	20	2,000,000
Others	200	20	2,000,000
Total			P28,500,000

