



Legal Watch

CUSTOMS MEMORANDUM CIRCULAR NO. 158-2026



Photo Credit:
Business World Online

* **Agency Name**
Bureau of Customs (BOC)

* **Issuance Title**
Recognition of Free Ports
Storage and Deferral of Duties
and Taxes on Incoming NCEL
Rice Shipments for Food
Security

* **Issuance Date**
25 June 2026

* **Link**
[https://customs.gov.ph/
wp-content/uploads/2026/07/
2026CMC-158-2026.pdf](https://customs.gov.ph/wp-content/uploads/2026/07/2026CMC-158-2026.pdf)

SUMMARY

The Bureau of Customs issued CMC No. 158-2026 in response to a Department of Agriculture (DA) request to facilitate incoming rice shipments under a government-to-government (G2G) export mechanism via the National Co-operative Exports Limited (NCEL). The circular allows these shipments to be unloaded and temporarily stored in duly authorized Free Ports, which will serve as transshipment points and strategic buffer storage facilities to support the country's food security program. In accordance with Republic Act No. 10863 (Customs Modernization and Tariff Act) and Customs Administrative Order (CAO) No. 11-2019, goods admitted into a Free Zone are not subject to duty and tax. Therefore, duties and taxes on NCEL rice importations are deferred for as long as the shipments remain within the Free Zone.

ACTIONABLE ADVICE

Stakeholders and logistics providers handling NCEL rice shipments under the G2G mechanism should utilize authorized Free Ports for temporary storage to defer duties and taxes. Compliance teams must ensure that all documentary and regulatory requirements for admission into Free Zones are strictly met. Importers must meticulously track their inventory because the duty and tax exemption are only temporary. Importers must be prepared to pay all applicable duties, taxes, and other standard importation charges the moment the rice is withdrawn from the Free Zone for domestic distribution, use, or consumption. Financial and warehouse management systems should be updated to accurately assess and trigger these payments upon domestic withdrawal.

