



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

JAN 14 2005

CUSTOMS MEMORANDUM ORDER
NO. 3-2005

TO: All District Collectors
All Service and Division Chiefs
All Others Concerned

Subject: Extension of General Safeguard Measure imposed against Ceramic Floor and Wall Tiles importations

Pursuant to the ORDER (Safeguard Case No. 01-2004) of Department of Trade and Industry, the corresponding directive of the Department of Finance dated January 07, 2004, and Customs Memorandum Circular No. 10-2005 in accordance with Section 13 of RA 8800, the following are hereby issued:

1. The imposition of the definitive general safeguard measure shall be extended for another three (3) years and the amount for 2004, which stands at P3.50/kg., shall be reduced by 20%. Thus, the definitive safeguard measure of P2.80/kg. shall be imposed on the first year of the extension period. The amount of the measure shall be subject to an annual review for the purpose of liberalizing or reducing its intensity as provided under Rule 15.6 of the IRR of RA 8800. The first year of the implementation of the extended definitive general safeguard measure shall start on January 12, 2005.
2. The imported ceramic tiles, however, from Japan and the member states of the European Union, which cannot be considered "like product or directly competitive product" as defined in Section 4 of RA 8800, are excluded from the imposition of the extended definitive general safeguard measure.
3. Pursuant to Section 13 of RA 8800 and Rule 13.1.d of its IRR, "a general safeguard measure shall not be applied to a product originating from a developing country if its share to total Philippine imports of the said product is less than three percent (3%): Provided, however, that developing countries with less than three percent (3%) share collectively account for not more than

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nine percent (9%) of the total Philippine imports of the product concerned." The following countries are therefore excluded from the imposition of the extended definitive general safeguard measure on ceramic floor and wall tiles:

SEE ATTACHED LISTING OF COUNTRIES AS ANNEX A

The composition of the developing countries on the *de minimis* list may change depending on the most recent data available during the period of annual review which will be conducted by DTI during the extension period.


The notification and consultation requirements of Article 12 of the WTO Safeguards Agreement and Section 17 of RA 8800 and its IRR shall be complied with.

Imports originating from ASEAN Member states shall be governed by the provisions of Articles 6 and 8 of the Agreement on the CEPT Scheme.

The application of the extended definitive general safeguard measure shall be monitored and reviewed in accordance with Section 15 and 16 of RA 8800.

Any Order not consistent therewith is hereby repealed or modified accordingly.

For compliance.


GEORGE M. JEREOS
Commissioner 