



BUREAU OF CUSTOMS

MAKABAGONG ADUANA, MATATAG NA EKONOMIYA



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September 13, 2021

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CUSTOMS MEMORANDUM CIRCULAR
NO. 189-2021

To: All Deputy Commissioners
All Service Directors
All District/Port Collectors
All Others Concerned

SUBJECT: SECOND ROUND OF MINIMUM ACCESS VOLUME (MAV) PLUS APPLICATIONS FOR IMPORTERS WITH EXISTING MAV PLUS LICENSE FOR THE DISTRIBUTION PERIOD OF JULY TO OCTOBER 2021

With reference to the attached letter dated 31 August 2021 from Secretary William D. Dar, Department of Agriculture (DA), please be informed that the DA is allowing the second (2nd) round of Minimum Access Volume (MAV) Plus applications for importers with existing MAV Plus license for the distribution period of July to October 2021.

In view thereof, you are hereby directed to process the MAVPIC of the 2nd MAV Plus application of importers that were granted and approved by the MAV Secretariat. For question and clarification, contact the DA MAV Secretariat at mavsecretariat@yahoo.com.

For appropriate action.

For record purposes, please confirm the dissemination of this Circular throughout your offices within fifteen (15) days from receipt.


REY LEONARDO B. GUERRERO
Commissioner



BOC-09-24306



CMC 189-2021 P-2

Republic of the Philippines
OFFICE OF THE SECRETARY
Elliptical Road, Diliman
1100 Quezon City

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OFFICE OF THE DIRECTOR

RECEIVED
By: *[Signature]*
Date: 9/7
Time: 9:35

31 August 2021



REY LEONARDO B. GUERRERO
Commissioner, Bureau of Customs
Office of the Commissioner
G/F OCOM Building, 16th Street
South Harbor, Port Area, Manila

BUREAU OF CUSTOMS
MESSAGE CENTER
RECEIVED
SEP 03 2021
BY: RONALD JAMES T. RUIZO TIME: 1336

Dear **Commissioner Guerrero**,

Greetings from the Department of Agriculture!

This letter is to respectfully inform your good office that the Department of Agriculture is allowing the second (2nd) round of Minimum Access Volume (MAV) Plus applications for importers with existing MAV Plus license for the distribution period of July-October 2021.

It is important to note that the intent of the MAV Plus scheme is to augment the supply of pork in Metro Manila. However, according to the current MAV Plus data, there is a considerably slow increase in the number of MAV Plus applications, and MAV Plus utilization rate.

Based on the above circumstances, and as per **MAV Management Committee (MMC) Resolution No. 1.4** which states that **certain flexibility based on historical data and importation experiences of BAI and NMIS shall be applied to facilitate full utilization of the additional volume within the MAV year**, Instructions were given to the MAV Secretariat to allow the 2nd round of MAV Plus applications to importers with previously approved MAV Plus application/license (1,250 MT per application) and granted allocation for the first tranche, given that the importer has surpassed the 70% utilization rate.

To avoid any unnecessary trade disruption, the DA kindly requests that the BOC process the MAV Plus Import Clearance (MAVPIC) of the 2nd MAV Plus application of importers that were granted and approved by the MAV Secretariat.

I appreciate your usual cooperation on this matter. Please do not hesitate to contact the Department of Agriculture MAV Secretariat at mavsecretariat@yahoo.com should you have any questions or clarification.

Thank you and my best regards.

Very truly yours,

[Signature]
WILLIAM D. DAR, Ph.D
Secretary
Department of Agriculture

DEPARTMENT OF AGRICULTURE
in replying pls cite this code :
For Signature: S-09-21-0006
Received : 09/01/2021 08:29 AM

REPUBLIC OF THE PHILIPPINES
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OFFICE OF THE DEPUTY COMMISSIONER
ASSESSMENT & OPERATIONS COORDINATING GROUP
RECEIVED
BY: *[Signature]*
DATE: 9/9/21
TIME: 10:14

Attachment:
1) MMC Resolution No. 1 s. 2021



CMC 189-2021 P-3



MMC RESOLUTION No. 01
Series of 2021

**MINIMUM ACCESS VOLUME (MAV) MANAGEMENT
COMMITTEE APPROVAL OF THE MECHANISM FOR THE
IMPLEMENTATION OF EXECUTIVE ORDER NO. 133 FOR
MAV YEAR 2021**

WHEREAS, to immediately address the supply gap in pork meat, to provide consumers with adequate and affordable food, and to lower inflation, President Rodrigo Roa Duterte approved on May 10, 2021 Executive Order (EO) 133 that increases the 2021 MAV for pork meat from 54,210 metric tons (MT) to 254,210 MT, or an additional 200,000MT;

WHEREAS, Section 1 of the EO 133 states that the "MAV of pork meat for the MAV Year 2021 of 54,210 MT is hereby increased to 254,210 MT, provided that any unavailable balance at the end of 2021 shall not be carried over to 2022";

WHEREAS, Section 2 of the EO 133 states that the "MAV Management Committee is hereby directed to ensure that the allocation of the volume importation is fair and open to all qualified importers of pork meat, and in accordance with existing rules and regulations for the implementation of the agricultural MAVs, and other pertinent laws and regulations";

WHEREAS, on May 12, 2021, a DA Inter-Agency Technical Working Group (TWG) was created and approved by Secretary William D. Dar to craft the Mechanics on the Implementation of the EO 133 or the Guidelines for the Distribution of the additional 200,000 MT for MAV Year 2021;

WHEREAS, the DA Inter-Agency TWG recommended a calibrated distribution of 55% or 110,000 MT for July-September and 45% or 90,000 MT for October-January 2022 and to be apportioned as follows:

- Existing MAV Licensee - 25%;
- Pork Producers - 25%; and
- Other Importers/New Entrant - 50%.

WHEREAS, on May 19, 2021, the MAV Advisory Council was convened and the Proposed Guidelines for the Distribution of the additional 200,000 MT for MAV Year 2021 was presented and discussed;

WHEREAS, the MAV Advisory Council Resolution is to spread the volume evenly for 12 months or 16,667 per month and requested for the amendment of EO 133 to cover a period of one (1) year implementation in order to distribute the additional 200,000 MT equally every month;

WHEREAS, results of the review of the DA Legal Services on the MAV Advisory Council Resolution to distribute the additional MAV allocation over twelve months (way beyond the MAV year) reveals that the resolution has legal infirmities and runs counter to the real intent and purpose of EO 133 and therefore not acceptable and invalid;

WHEREAS, the MAV Management Committee convened on June 16, 2021 to discuss and approve the guidelines for the implementation of EO 133;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that being deeply concerned with the inflation that may continue due to the late arrival of small volume of the additional MAV for pork meat, and to ensure compliance and attain the real intent and purpose of EO 133 of immediately addressing the current supply gap in pork meat, and to provide consumers with adequate and affordable food and to lower inflation, the MAV Management Committee hereby unanimously approves the following:

1. Calibrated Distribution of 70%, or 140, 000 MT, for July-October and 30%, or 60,000 MT, for November-January 2022 shall be open to all interested importers at a **FIRST-COME FIRST-SERVED** basis;
2. A maximum limit of 50 Full Container Load (FCL), approximately equivalent to 1,250 MT, shall be allowed per application per importer;
3. Other importers / new entrants are given equal opportunity subject to the agreed manner of distribution; and
4. Certain flexibility based on historical data and importation experiences of BAI and NMIS shall be applied to facilitate the full utilization of the additional volume within the MAV year.

All other existing MAV guidelines shall be observed in the implementation of EO 133.

WILLIAM D. DAR
Department of Agriculture

CARLOS G. DOMINGUEZ III
Department of Finance

KARL KENDRICK CHUA
National Economic
Development Authority

RAMON M. LOPEZ
Department of Trade and Industry

FORTUNATO T. DELA PENA
Department of Science and
Technology

JOHN R. CASTRICIONES
Department of Agrarian Reform

DEPARTMENT OF AGRICULTURE
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Diliman, Quezon City
Approved: 00172021 (2021) (2)

Department of Agrarian Reform
1100 Quezon City
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Republic of the Philippines
OFFICE OF THE SECRETARY
Elliptical Road, Diliman
1100 Quezon City

31 August 2021

WILLIAM D. DAR, Ph.D
Secretary
Department of Agriculture

Dear **Secretary Dar**,

On behalf of Usec. William Medrano, the Minimum Access Volume (MAV) Administrator, we would like to inform your good office regarding the status of the MAV Plus application of meat importers and the current challenges that we are confronted with.

As of 30 August 2021, the current status of applications for MAV Plus allocated for July-October 2021 is 87,500 MT out of 140,000 MT (62.50%). MAV Plus Import Clearance (MAVPIC) issued or utilization rate is 21,355.54 MT out of 140,000 MT (15.25%). The slow increase in the number of applications received and the low utilization rate of MAV Plus contradicts the intent of augmenting the supply of pork in Metro Manila. As per the **MAV Management Committee (MMC) Resolution No. 1.4** which states **certain flexibility based on historical data and importation experiences of BAI and NMIS shall be applied to facilitate full utilization of the additional volume within the MAV year**, the undersigned gave instructions to the MAV Secretariat to allow the second (2nd) round of MAVPIC applications of importers with existing MAV Plus application/license (1,250 MT per application), given that the importer has surpassed the 70% utilization rate. However, the Bureau of Customs (BOC) refused to process the MAVPIC of the 2nd MAV Plus application of importers, on the grounds that the importers had already previously applied and were granted allocation for the first tranche.

Thus, the undersigned would like to request from your good office for the approval and signature of the attached draft letter addressed to BOC Commissioner informing on this certain flexibility applied to facilitate full utilization of MAV Plus.

For your kind consideration, Sir.

Very truly yours,


JOCELYN A. SALVADOR, DVM, MPM
MAV Executive Director

Attachments:

- 1) Draft letter to BOC Commissioner
- 2) MMC Resolution No. 1 s. 2021





Republic of the Philippines
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Elliptical Road, Diliman
1100 Quezon City

31 August 2021

REY LEONARDO B. GUERRERO
Commissioner, Bureau of Customs
Office of the Commissioner
G/F OCOM Building, 16th Street
South Harbor, Port Area, Manila

Dear **Commissioner Guerrero**,

Greetings from the Department of Agriculture!

This letter is to respectfully inform your good office that the Department of Agriculture is allowing the second (2nd) round of Minimum Access Volume (MAV) Plus applications for importers with existing MAV Plus license for the distribution period of July-October 2021.

It is important to note that the intent of the MAV Plus scheme is to augment the supply of pork in Metro Manila. However, according to the current MAV Plus data, there is a considerably slow increase in the number of MAV Plus applications, and MAV Plus utilization rate.

Based on the above circumstances, and as per **MAV Management Committee (MMC) Resolution No. 1.4** which states that **certain flexibility based on historical data and importation experiences of BAI and NMIS shall be applied to facilitate full utilization of the additional volume within the MAV year**, Instructions were given to the MAV Secretariat to allow the 2nd round of MAV Plus applications, to importers with previously approved MAV Plus application/license (1,250 MT per application) and granted allocation for the first tranche, given that the importer has surpassed the 70% utilization rate.

To avoid any unnecessary trade disruption, the DA kindly requests that the BOC process the MAV Plus Import Clearance (MAVPIC) of the 2nd MAV Plus application of importers that were granted and approved by the MAV Secretariat.

I appreciate your usual cooperation on this matter. Please do not hesitate to contact the Department of Agriculture MAV Secretariat at mavsecretariat@yahoo.com should you have any questions or clarification.

Thank you and my best regards.

Very truly yours,

WILLIAM D. DAR, Ph.D
Secretary
Department of Agriculture

Attachment:

- 1) MMC Resolution No. 1 s. 2021





Republic of the Philippines
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Elliptical Road, Diliman
1100 Quezon City

BRIEFER FOR THE DEPARTMENT OF AGRICULTURE SECRETARY

A. SUBJECT:

Draft letter to Bureau of Customs (BOC) Commissioner Rey Leonardo B. Guerrero dated 24 August 2021

B. BACKGROUND/RATIONALE:

The BOC is not processing the second round applications of Minimum Access Volume Import Clearance (MAVIC) of importers with existing MAV Plus license.

Attached herewith is the draft letter for the consideration and approval of the good Secretary.

C. ACTION REQUESTED:

Approval and signature on the attached draft letter.

D. CONTACT DETAILS:

Name: **MARIEL R. REBOSURA, DVM**
Office: **National Meat Inspection Service**
Tel. No.: **(02) 8924-7980 local 102 or 103**

E. NAME AND SIGNATURE OF THE SENDER


JOCELYN A. SALVADOR, DVM, MPM
MAV Executive Director

