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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

June 28, 2017

CUSTOMS MEMORANDUM CIRCULAR
NO. 92-2017

To: All Deputy Commissioners
All Directors and Division Chiefs
All District/Port Collectors
And Others Concerned

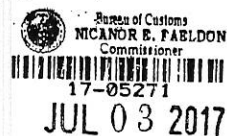
Subject: Executive Order No. 21/Rates of Import Duty on Certain Information Technology Products

Attached is the letter dated June 21, 2017 of Atty. Concepcion Zeny E. Ferrolino-Enad, Director III, Malacañang Records Office (MRO) endorsing a certified copy of Executive Order No. 21 dated April 27, 2017 entitled: ***"Modifying the Nomenclature and Rates of Import Duty on Certain Information Technology Products Under 1611 of the Customs Modernization and Tariff Act, in order to Implement the Philippines' Tariff Commitments Under the World Trade Organization – Information Technology Agreement."***

For your information and guidance.

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


NICANOR E. FAELDON
Commissioner





MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO.21

MODIFYING THE NOMENCLATURE AND THE RATES OF IMPORT DUTY ON CERTAIN INFORMATION TECHNOLOGY PRODUCTS UNDER SECTION 1611 OF THE CUSTOMS MODERNIZATION AND TARIFF ACT, IN ORDER TO IMPLEMENT THE PHILIPPINES' TARIFF COMMITMENTS UNDER THE WORLD TRADE ORGANIZATION - INFORMATION TECHNOLOGY AGREEMENT

WHEREAS, on 13 December 1996, fourteen economies signed in Singapore a Ministerial Declaration on Trade in Information Technology (IT) Products providing for the elimination/binding of Most-Favored Nation (MFN) tariffs on certain IT products beginning 01 July 1997 and ending on 01 January 2000 with extended staging of tariff reductions up to the year 2005 for developing countries;

WHEREAS, the Philippines formally signed the Information Technology Agreement (ITA) on 01 April 1997 and the Senate of the Philippines concurred with the ratification of the ITA on 03 December 1998;

WHEREAS, in a meeting of the World Trade Organization (WTO) in Geneva, Switzerland on 24 July 2015, ITA Participants agreed to expand the original ITA product landscape to include new generation IT products;

WHEREAS, on 8 December 2015, Participants approved the Philippine ITA Expansion Schedule where bound tariffs will be eliminated starting 01 July 2017, with flexibility on some products until 01 July 2023;

WHEREAS, on 16 December 2015, twenty-four (24) WTO Members including the Philippines approved in Nairobi, Kenya a Ministerial Declaration on the Expansion of Trade in Information Technology Products;

WHEREAS, Section 1608 of Republic Act 10863, or the Customs Modernization and Tariff Act (CMTA), empowers the President, upon the recommendation of the National Economic and Development Authority (NEDA), to

THE PRESIDENT OF THE PHILIPPINES

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increase, reduce or remove existing rates of import duty, including any necessary change in classification;

WHEREAS, on 20 February 2017, the NEDA Board approved the MFN tariff reduction and elimination schedule on certain IT products to implement the Philippine ITA Expansion Schedule;

NOW, THEREFORE, I, RODRIGO ROA DUTERTE, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

SECTION 1. Rates of Import Duty. The articles specifically listed in Annex A hereof, as classified in compliance with Section 1611 of the CMTA, shall be subject to the MFN rates of import duty in accordance with the schedule indicated opposite each article. The rates of import duty on tariff headings and subheadings which are not enumerated, and those which are listed but represented by "X X X", shall remain in force and effect.

SECTION 2. Levy on Articles. Upon the effectivity of this Order, all articles which are specifically listed in the aforesaid Annex and are entered into, or withdrawn from warehouses in the Philippines for consumption, shall be levied the MFN rates of duty as therein prescribed.

SECTION 3. Repeal. All issuances, orders, rules, and regulations, or parts thereof, which are inconsistent with any of the provisions of this Order are hereby repealed or modified accordingly.

SECTION 4. Separability. Should any provisions of this Order be declared invalid or unconstitutional, the other provisions unaffected thereby shall remain valid and subsisting.

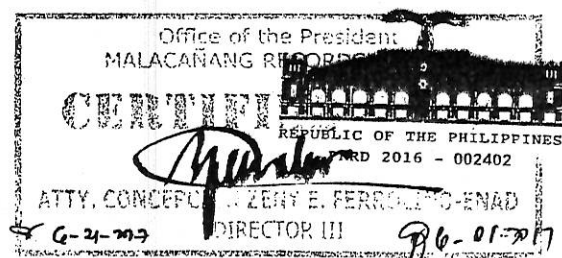
SECTION 5. Effectivity. This Order shall take effect immediately after its publication in the Official Gazette or in a newspaper of general circulation.

DONE, in the City of Manila, this 27th day of April in the year of Our Lord, Two Thousand and Seventeen.

By the President:

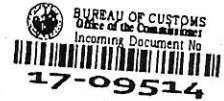
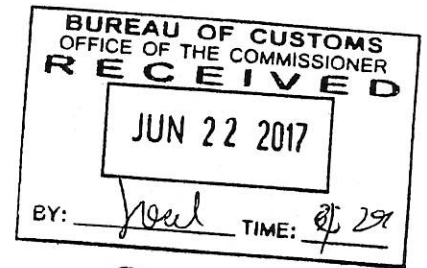



SALVADOR C. MEDIALDEA
Executive Secretary



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Office of the President
of the Philippines
Malacañang



MALACAÑANG RECORDS OFFICE

Manila, June 21, 2017

COMMISSIONER NICANOR E. FAELDON
Bureau of Customs
Port Area, Manila

Sir:

This is to transmit for your information, certified copies of the following Executive Orders:

1. Executive Order No. 20 dated April 27, 2017 entitled "**MODIFYING THE NOMENCLATURE AND RATES OF IMPORT DUTY ON VARIOUS PRODUCTS UNDER SECTION 1611 OF REPUBLIC ACT NO. 10863 OTHERWISE KNOWN AS THE CUSTOMS MODERNIZATION AND TARIFF ACT**".
2. Executive Order No. 21 dated April 27, 2017 entitled "**MODIFYING THE NOMENCLATURE AND THE RATES OF IMPORT DUTY ON CERTAIN INFORMATION TECHNOLOGY PRODUCTS UNDER SECTION 1611 OF THE CUSTOMS MODERNIZATION AND TARIFF ACT, IN ORDER TO IMPLEMENT THE PHILIPPINES' TARIFF COMMITMENTS UNDER THE WORLD TRADE ORGANIZATION - INFORMATION TECHNOLOGY AGREEMENT**".
3. Executive Order No. 22 dated April 28, 2017 entitled "**REDUCING THE RATES OF DUTY ON CAPITAL EQUIPMENT, SPARE PARTS AND ACCESSORIES IMPORTED BY BOARD OF INVESTMENTS - REGISTERED NEW AND EXPANDING ENTERPRISES**".

Please be informed that the above-mentioned Executive Orders were published in the Manila Bulletin last May 18, 2017.

Thank you.

Very truly yours,


ATTY. CONCEPCION ZENY E. FERROLINO-ENAD
Director III

M- 128 Mabini Hall, Malacañang, Manila, Trunkline 784-4286 loc. 4184/ 4008/ 4717