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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

July 31, 2017

**CUSTOMS MEMORANDUM CIRCULAR**  
NO. 112-2017

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

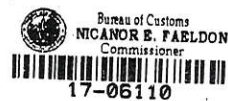
**Subject: Breeding Animals/Zero Duty**

Attached is the letter dated July 13, 2017 of Mr. Ernesto M. Pernia, Secretary of Socioeconomic Planning, National Economic and Development Authority (NEDA), informing that with the zero duty of pure-bred breeding animals per Executive Order No. 20, s. 2017, importers of these articles need no longer request duty exemption from their office.

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



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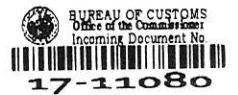
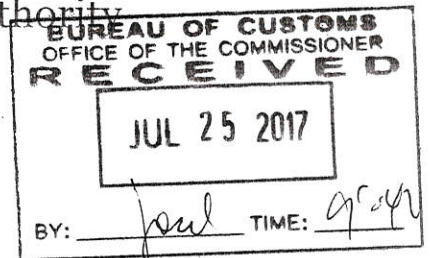
Republic of the Philippines

89-143  
**Internal Admin. Group**  
 Received by: VICKY REYES  
 Date: 07 26 17  
 Time: 1:20

National Economic and Development Authority

13 July 2017

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



Dear Commissioner Faeldon:

Executive Order (EO) 20, s. 2017, which took effect on 17 June 2017, sets the tariff on pure-bred breeding animals of bovine, swine, sheep and goats, poultry, as well as fertilised eggs for incubation for breeding of poultry at zero from 2017-2020. This will facilitate trade and reduce the cost of doing business as well as support the country's objective to improve the productivity of the agriculture sector.

With the zero duty on these items, importers of these articles need no longer request the NEDA for duty exemption pursuant to Section 105 (r) of the Tariff and Customs Code of the Philippines, now Section 800 (s) of the Customs Modernization and Tariff Act (CMTA).

The Trade, Services and Industry Staff of the NEDA met with representatives from the Department of Finance and the Bureau of Animal Industry on 19 June 2017 and informed them of the issuance of EO 20, s. 2017, and the implications of its provisions on the current process for applications for duty-exemption for pure-bred breeding animals and fertilised eggs for incubation for poultry breeding.

Attached is a copy of EO 20, s. 2017, with the specific AHTN headings for live pure-bred animals and hatching eggs for breeding highlighted.

Should your Office have any questions or inquiries, Mr. Joseph Panganiban of the Trade, Services and Industry Staff may be contacted through telefax nos. 631-3739 and 631-3734 or jepanganiban@neda.gov.ph.

Thank you and best regards.

Very truly yours,

*Handwritten signature of Ernesto M. Pernia*

**ERNESTO M. PERNIA**  
 Secretary of Socioeconomic Planning



MALACAÑAN PALACE  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 20

**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**

**WHEREAS**, there is a need to ensure that the high economic growth currently being enjoyed by the country is sustainable and inclusive, and will benefit future generations of Filipinos;

**WHEREAS**, it is the policy of government to create an enabling environment for the growth and international competitiveness of Philippine industries that will create and preserve employment opportunities and increase incomes;

**WHEREAS**, Executive Order (EO) No. 61 (s. 2011) set forth the Most-Favoured-Nation (MFN) tariff schedule for the years 2011 to 2015;

**WHEREAS**, the 2015 tariff rates continued to be applied in 2016, there being no amendment of EO No. 61;

**WHEREAS**, a new multi-year tariff schedule will promote transparency and stability, facilitate trade and enhance consumer welfare;

**WHEREAS**, Section 1608 of Republic Act No. 10863, or the Customs Modernization and Tariff Act (CMTA), empowers the President, upon the recommendation of the National Economic and Development Authority (NEDA), to 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 schedule for 2017 to 2020;

THE PRESIDENT OF THE PHILIPPINES



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**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 under Section 1611 of the CMTA, shall be subject to the MFN rates of import duty in accordance with the schedule indicated opposite each article.

**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 provision 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 thirty (30) days following its publication in the Official Gazette or in a newspaper of general circulation.

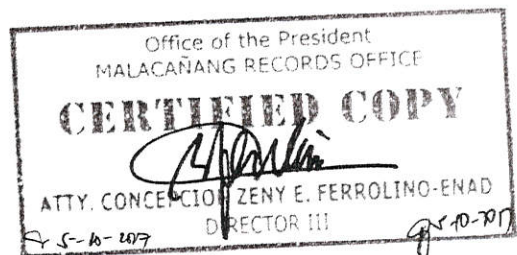
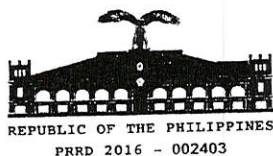
**DONE**, in the City of Manila, this 27<sup>th</sup> day of April in the year of Our Lord, Two Thousand and Seventeen.

*R Duterte*



By the President:

*→*  
**SALVADOR C. MEDIALDEA**  
Executive Secretary *78*



Annex A

Hdg. No.	AHTN Code 2012	Description	Rates of Duty (%)				
			2017	2017	2018	2019	2020
				01 Jul – 31 Dec	Starting 01 Jan		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>01.01</b>		<b>Live horses, asses, mules and hinnies.</b>					
		- Horses:					
	0101.21.00	-- Pure-bred breeding animals	3	3	3	3	3
	0101.29.00	-- Other	7	7	7	7	7
	0101.30	- Asses:					
	0101.30.10	-- Pure-bred breeding animals	5	5	5	5	5
	0101.30.90	-- Other	5	5	5	5	5
	0101.90.00	- Other	5	5	5	5	5
<b>01.02</b>		<b>Live bovine animals.</b>					
		- Cattle:					
	0102.21.00	-- Pure-bred breeding animals	0	0	0	0	0
	0102.29	-- Other:					
	0102.29.10	--- Male cattle (including oxen)	3	3	3	3	3
	0102.29.90	--- Other	3	3	3	3	3
		- Buffalo:					
	0102.31.00	-- Pure-bred breeding animals	0	0	0	0	0
	0102.39.00	-- Other	3	3	3	3	3
	0102.90	- Other:					
	0102.90.10	-- Pure-bred breeding animals	0	0	0	0	0
	0102.90.90	-- Other	3	3	3	3	3
<b>01.03</b>		<b>Live swine.</b>					
	0103.10.00	- Pure-bred breeding animals	0	0	0	0	0
		- Other:					
	0103.91.00	-- Weighing less than 50 kg:					
	0103.91.00A	--- In-Quota	30	30	30	30	30
	0103.91.00B	--- Out-Quota	35	35	35	35	35
	0103.92.00	-- Weighing 50 kg or more:					
	0103.92.00A	--- In-Quota	30	30	30	30	30
	0103.92.00B	--- Out-Quota	35	35	35	35	35

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Annex A

Hdg. No.	AHTN Code 2012	Description	Rates of Duty (%)				
			2017	2017	2018	2019	2020
				01 Jul – 31 Dec	Starting 01 Jan		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>01.04</b>		<b>Live sheep and goats.</b>					
	0104.10	- Sheep:					
	0104.10.10	-- Pure-bred breeding animals	0	0	0	0	0
	0104.10.90	-- Other	0	0	0	0	0
	0104.20	- Goats:					
	0104.20.10	-- Pure-bred breeding animals	0	0	0	0	0
	0104.20.90	-- Other:					
	0104.20.90A	--- In-Quota	30	30	30	30	30
	0104.20.90B	--- Out-Quota	40	40	40	40	40
<b>01.05</b>		<b>Live poultry, that is to say, fowls of the species <i>Gallus domesticus</i>, ducks, geese, turkeys and guinea fowls.</b>					
		- Weighing not more than 185 g:					
	0105.11	-- Fowls of the species <i>Gallus domesticus</i> :					
	0105.11.10	--- Breeding fowls	0	0	0	0	0
	0105.11.90	--- Other:					
	0105.11.90A	---- In-Quota	35	35	35	35	35
	0105.11.90B	---- Out-Quota	35	35	35	35	35
	0105.12	-- Turkeys:					
	0105.12.10	--- Breeding turkeys	0	0	0	0	0
	0105.12.90	--- Other:					
	0105.12.90A	---- In-Quota	35	35	35	35	35
	0105.12.90B	---- Out-Quota	40	40	40	40	40
	0105.13	-- Ducks:					
	0105.13.10	--- Breeding ducklings	0	0	0	0	0
	0105.13.90	--- Other:					
	0105.13.90A	---- In-Quota	35	35	35	35	35
	0105.13.90B	---- Out-Quota	40	40	40	40	40
	0105.14	-- Geese:					
	0105.14.10	--- Breeding goslings	0	0	0	0	0
	0105.14.90	--- Other:					

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Annex A

Hdg. No.	AHTN Code 2012	Description	Rates of Duty (%)				
			2017	2017	2018	2019	2020
				01 Jul – 31 Dec	Starting 01 Jan		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	0105.14.90A	---- In-Quota	35	35	35	35	35
	0105.14.90B	---- Out-Quota	40	40	40	40	40
	0105.15	-- Guinea fowls:					
	0105.15.10	--- Breeding guinea fowls:					
	0105.15.10A	---- In-Quota	35	35	35	35	35
	0105.15.10B	---- Out-Quota	40	40	40	40	40
	0105.15.90	--- Other:					
	0105.15.90A	---- In-Quota	35	35	35	35	35
	0105.15.90B	---- Out-Quota	40	40	40	40	40
		- Other:					
	0105.94	-- Fowls of the species <i>Gallus domesticus</i> :					
	0105.94.10	--- Breeding fowls, other than fighting cocks	0	0	0	0	0
	0105.94.40	--- Fighting cocks	7	7	7	7	7
		--- Other:					
	0105.94.91	---- Weighing not more than 2 kg:					
	0105.94.91A	----- In-Quota	35	35	35	35	35
	0105.94.91B	----- Out-Quota	40	40	40	40	40
	0105.94.99	---- Other:					
	0105.94.99A	----- In-Quota	35	35	35	35	35
	0105.94.99B	----- Out-Quota	40	40	40	40	40
	0105.99	-- Other:					
	0105.99.10	--- Breeding ducks:					
	0105.99.10A	---- In-Quota	35	35	35	35	35
	0105.99.10B	---- Out-Quota	40	40	40	40	40
	0105.99.20	--- Other ducks:					
	0105.99.20A	---- In-Quota	35	35	35	35	35
	0105.99.20B	---- Out-Quota	40	40	40	40	40
	0105.99.30	--- Breeding geese, turkeys and guinea fowls:					
	0105.99.30A	---- In-Quota	35	35	35	35	35
	0105.99.30B	---- Out-Quota	40	40	40	40	40
	0105.99.40	--- Other geese, turkeys and guinea fowls:					

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Annex A

Hdg. No.	AHTN Code 2012	Description	Rates of Duty (%)				
			2017	2017	2018	2019	2020
				01 Jul – 31 Dec	Starting 01 Jan		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	0405.20.00	- Dairy spreads	7	7	7	7	7
	0405.90	- Other:					
	0405.90.10	-- Anhydrous butterfat	1	1	1	1	1
	0405.90.20	-- Butter oil	1	1	1	1	1
	0405.90.30	-- Ghee	1	1	1	1	1
	0405.90.90	-- Other	1	1	1	1	1
<b>04.06</b>		<b>Cheese and curd.</b>					
	0406.10	- Fresh (unripened or uncured) cheese, including whey cheese, and curd:					
	0406.10.10	-- Fresh (unripened or uncured) cheese, including whey cheese	3	3	3	3	3
	0406.10.20	-- Curd	3	3	3	3	3
	0406.20	- Grated or powdered cheese, of all kinds:					
	0406.20.10	-- In packages of a gross weight exceeding 20 kg	1	3	3	3	3
	0406.20.90	-- Other	1	7	7	7	7
	0406.30.00	- Processed cheese, not grated or powdered	7	7	7	7	7
	0406.40.00	- Blue-veined cheese and other cheese containing veins produced by <i>Penicillium roqueforti</i>	3	3	3	3	3
	0406.90.00	- Other cheese	7	7	7	7	7
<b>04.07</b>		<b>Birds' eggs, in shell, fresh, preserved or cooked.</b>					
		- Fertilised eggs for incubation:					
	0407.11.00	-- Of fowls of the species <i>Gallus domesticus</i> :					
	0407.11.00A	--- For breeding	0	0	0	0	0
	0407.11.00B	--- Other	10	10	10	10	10
	0407.19	-- Other:					
	0407.19.10	---- Of ducks:					
	0407.19.10A	---- For breeding	0	0	0	0	0
	0407.19.10B	---- Other	10	10	10	10	10
	0407.19.90	---- Other:					

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Hdg. No.	AHTN Code 2012	Description	Rates of Duty (%)				
			2017	2017	2018	2019	2020
				01 Jul – 31 Dec	Starting 01 Jan		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	0407.19.90A	---- For breeding	0	0	0	0	0
	0407.19.90B	---- Other	10	10	10	10	10
		- Other fresh eggs:					
	0407.21.00	-- Of fowls of the species <i>Gallus domesticus</i>	10	10	10	10	10
	0407.29	-- Other:					
	0407.29.10	--- Of ducks	10	10	10	10	10
	0407.29.90	--- Other	10	10	10	10	10
	0407.90	- Other:					
	0407.90.10	-- Of fowls of the species <i>Gallus domesticus</i>	10	10	10	10	10
	0407.90.20	-- Of ducks	10	10	10	10	10
	0407.90.90	-- Other	10	10	10	10	10
<b>04.08</b>		<b>Birds' eggs, not in shell, and egg yolks, fresh, dried, cooked by steaming or by boiling in water, moulded, frozen or otherwise preserved, whether or not containing added sugar or other sweetening matter.</b>					
		- Egg yolks:					
	0408.11.00	-- Dried	3	3	3	3	3
	0408.19.00	-- Other	3	3	3	3	3
		- Other:					
	0408.91.00	-- Dried	3	3	3	3	3
	0408.99.00	-- Other	3	3	3	3	3
<b>04.09</b>	0409.00.00	<b>Natural honey.</b>	7	7	7	7	7
<b>04.10</b>		<b>Edible products of animal origin, not elsewhere specified or included.</b>					
	0410.00.10	- Birds' nests	3	3	3	3	3
	0410.00.90	- Other	3	3	3	3	3
<b>05.01</b>	0501.00.00	<b>Human hair, unworked, whether or not washed or scoured; waste of human hair.</b>	3	3	3	3	3

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Annex A

Hdg. No.	AHTN Code 2012	Description	Rates of Duty (%)				
			2017	2017	2018	2019	2020
				01 Jul – 31 Dec	Starting 01 Jan		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		- Other:					
	0511.91.00	-- Products of fish or crustaceans, molluscs or other aquatic invertebrates; dead animals of Chapter 3	0	0	0	0	0
	0511.99	-- Other:					
	0511.99.10	--- Domestic animal semen	0	0	0	0	0
	0511.99.20	--- Silk worm egg	0	0	0	0	0
	0511.99.30	--- Natural sponges	3	3	3	3	3
	0511.99.90	--- Other	3	3	3	3	3
<b>06.01</b>		<b>Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant, in growth or in flower; chicory plants and roots other than roots of heading 12.12.</b>					
	0601.10.00	- Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant	0	0	0	0	0
	0601.20	- Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, in growth or in flower; chicory plants and roots:					
	0601.20.10	-- Chicory plants	1	1	1	1	1
	0601.20.20	-- Chicory roots	1	1	1	1	1
	0601.20.90	-- Other	0	0	0	0	0
<b>06.02</b>		<b>Other live plants (including their roots), cuttings and slips; mushroom spawn.</b>					
	0602.10	- Unrooted cuttings and slips:					
	0602.10.10	-- Of orchids	1	1	1	1	1
	0602.10.20	-- Of rubber trees	1	1	1	1	1
	0602.10.90	-- Other	1	1	1	1	1
	0602.20.00	- Trees, shrubs and bushes, grafted or not, of kinds which bear edible fruit or nuts	1	1	1	1	1
	0602.30.00	- Rhododendrons and azaleas, grafted or not	1	1	1	1	1
	0602.40.00	- Roses, grafted or not	1	1	1	1	1

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