



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

August 10, 2015

CUSTOMS MEMORANDUM ORDER
NO. 26-2015

**TO: All District/Port Collectors
And Others Concerned**

**SUBJECT: FINAL EXTENSION OF THE DEFINITIVE GENERAL SAFEGUARD
MEASURE AGAINST THE IMPORTATION OF STEEL ANGLE
BARS FROM VARIOUS COUNTRIES (AHTN Codes 7216.21.00
and 7216.50.10)**

Pursuant to the Department Order which was issued 16 July 2015 by the Department of Trade and Industry pursuant to RA 8800, it is hereby directed that all importation of Steel Angle Bars with HS Code 7216.2100 and 7216.5010 from all countries shall be imposed an additional Safeguard Duty in the amount of ₱3,345.00/MT for the first year, ₱3,178.00/MT for the second year, ₱3,019.00/MT for the third year and ₱2,868.00/MT for the fourth year of the extension period. Moreover, covered shipments entered into/withdrawn from warehouses in the Philippines for consumption shall, in addition to the regular Customs duties due thereon, be subjected to the aforesated safeguard duty, on a per shipment to shipment basis.

Lastly, 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 nine percent (9%) of the total Philippine imports of the product concerned*". The countries and separate customs territories listed in Annex A, copy attached, are therefore excluded from the imposition of the definitive general safeguard measure on steel angle bars.

This Order shall take effect fifteen (15) days after publication and shall remain in force until the extension period stated expires.

Please be guided accordingly.


ALBERTO D. LINA
Commissioner



AUG 14 2015



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

OFFICE OF THE COMMISSIONER

1st Indorsement
29 July 2015

BUREAU OF CUSTOMS
ASSESSMENT AND OPERATIONS COORDINATING GROUP

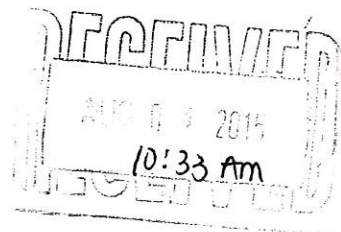
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DATE/TIME: 07-31-2015 4:30 PM

Respectfully forwarded to the Deputy Commissioner, Assessments and Operations Coordinating Group (Attention: Director, Import Assessment Service), for appropriate action, the herein letter from the Honorable Secretary Gregory L. Domingo, Department of Trade & Industry (DTI) addressed to the Honorable Secretary Cesar V. Purisima dated 16 July 2015, furnishing this Bureau a copy of the DTI's Order extending the definitive general safeguard measures against the importation of steel angle bars from various countries classified under the AHTN Codes 7216.21.00 and 7216.50.10 for four (4) years.

With reference to the attached DTI Order, emphasis is made on the instructions to collect the appropriate amount of the general safeguard duty on imported steel angle bars covered by the said Order and compliance for the issuance of Customs Memorandum Order for publication and general circulation is hereby directed.

SILVERIO F. MONTALBO
Office of the Commissioner



Encl.:a/s
15-08838
DTI/anglebars/07.29.2015

16 July 2015

Hon. Cesar V. Purisima
Secretary
Department of Finance
BSP Complex, Roxas Boulevard
Manila



Dear Secretary Purisima:

We are furnishing you a copy of the Department of Trade and Industry's Order extending the definitive general safeguard measures against the importation of steel angle bars from various countries classified under AHTN Codes 7216.21.00 and 7216.50.10 for four (4) years.

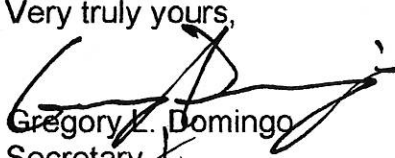
As provided under Section 13 of RA 8800 and its IRR, the Secretary shall within three (3) calendar days from making a decision, issue through the Secretary of Finance, written instructions to the Commissioner of Customs authorizing the imposition of the definitive general safeguard measure in the amount of P3,345.00/MT for the first year, P3,178.00/MT for the second year, P3,019.00/MT for the third year and P2,868.00/MT for the fourth year of the extension period.

The Order shall take effect upon the issuance of the relevant Customs Memorandum Order or fifteen (15) days after the publication of the Order in two (2) newspapers of general circulation, whichever comes earlier.

We would like to request your Office to direct the Commissioner of the Bureau of Customs to collect the appropriate amount of the general safeguard duty on imported steel angle bars covered by the said DTI Order.

Thank you in advance for your prompt action on the matter.

Very truly yours,


Gregory L. Domingo
Secretary

cc: BOC Commissioner Alberto D. Lina



**IN THE MATTER OF THE FINAL EXTENSION OF THE
DEFINITIVE GENERAL SAFEGUARD MEASURE AGAINST
THE IMPORTATION OF STEEL ANGLE BARS FROM
VARIOUS COUNTRIES (AHTN CODES 7216.21.00 AND
7216.50.10)
(Safeguard Investigation No. 01-2009)**

Philippine Steel Angle Bar Industry
Petitioner

ORDER

On 14 August 2014, Steel Angles, Shapes and Section Manufacturers Association of the Philippines (SASSMAPI), represented by Lunar Steel, Cathay Metal, Maxima Steel and 21st Century, filed with the DTI a petition for the final extension of the imposition of the safeguard measure against the importation of steel angle bars. SASSMAPI claimed that the extension of the safeguard measures on steel angle bar is necessary to prevent or remedy the serious injury caused by imported steel angle bars to the domestic industry and to continue its positive adjustment to import competition.

Section 19 (2) of RA 8800 (Safeguard Measures Act) provides that ***“the petitioner may appeal to the Secretary at least ninety (90) days before the expiration of the measure for an extension of the period by stating concrete reasons for the need thereof and a description of the industry’s adjustment performance and future plan. The Secretary shall immediately refer the request to the Commission. Following the procedures required under Section 9, the Commission shall then submit a report to the Secretary not later than sixty (60) days from its receipt of the request. Within seven (7) days from receipt of the report, the Secretary shall issue an order granting or denying the petition. In case an extension is granted, the same shall be more liberal than the initial application.*”**

On 09 September 2014, pursuant to Section 19(2) of RA 8800, DTI referred to the Tariff Commission, the request of the Steel Angle Bar industry for an extension of the definitive general safeguard measure on imported steel angle bars.

On 02 February 2015, DTI received a copy of the Commission’s Report of Findings on the said petition for extension. The Commission concluded that:

1. The collective output of the applicant companies constitutes a major proportion of the total domestic production of steel angle bars.
2. The domestic industry has undertaken serious efforts to comply with its adjustment plan and there is evidence that the industry is making positive adjustment to import competition. The positive impact of the efficiency measures

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undertaken by the domestic industry to lower production cost translated to reduced prices.

3. There was a significant increase in the volume of imports for the last two (2) years.
4. Even with the safeguard measure in place, the threat of increased imports remains. Discontinuance of the imposition of the safeguard measure will likely lead to the recurrence of imports in increased quantities that would cause serious injury to the domestic industry. With the excess production capacities in China and other Asian countries, the Philippines will continue to be a target export market.
5. The termination of the safeguard duty will make it difficult for the domestic industry to price its products at a competitive level.
6. Without the safeguard measure, the positive gains made by the domestic industry will be negated as the industry still needs time to fully put in place its commitments in the adjustment plan and effectively face import competition.

The Commission recommended that the imposition of the safeguard measure be extended for another four (4) years for the industry to continue with the implementation of its adjustment plan. The recommended extension will allow time for the domestic steel angle bar industry to fully implement its adjustment plan to positively adjust to import competition.

Accordingly, the DTI has reviewed the Commission's findings and recommendations and has established that the extension of the definitive general safeguard measure shall be in the public interest. The positive impact of the efficiency measures undertaken by the domestic industry to lower production cost translated to reduced prices. However, the threat of increased imports remains considering the current over supply of steel in major Asian producers, particularly the People's Republic of China. Foreign manufacturers, apart from China, are facing depressed prices in their home countries and consider the Philippines as a preferred export destination due to its proximity and established trade relation.

IN VIEW THEREOF, and in accordance with Section 19 (2) of RA 8800, the following is hereby issued:

1. The imposition of the definitive general safeguard measure shall be extended for another four (4) years with an annual rate of reduction of 5%. Thus, a definitive general safeguard duty in the amount of ₱3,345/MT shall be imposed for the first year (16 March 2015 to 17 March 2016), ₱3,178/MT for the second year (18 March 2016 to 19 March 2017), ₱3,019/MT for the third year (20 March 2017 to 21 March 2018) and ₱2,868/MT for the fourth year (22 March 2018 to 23 March 2019) on steel angle bars imported from various countries. The amount of the measure shall be subject to regular review to give DTI the opportunity to modify the amount of the duty if necessary.

2. Unequal leg angle bars are included since they have the same application and are directly competitive to domestically produced products. However, marine grade steel angle bars are excluded from the imposition of the 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 nine percent (9%) of the total Philippine imports of the product concerned”***. The countries and separate customs territories listed in Annex A are therefore excluded from the imposition of the definitive general safeguard measure on steel angle bars.

Importers of steel angle bars originating from a country that is exempt from the safeguard duty, shall submit a Certificate of Country of Origin (CO) issued by the authorized agency/office in the source country of manufacture authenticated by the Philippine Embassy/Consulate thereat.

The notification and consultation requirements under 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 11 and 23 of the ASEAN Trade and Goods Agreement (ATIGA).

This Order shall take effect upon the issuance of the relevant Memorandum Order by the Bureau of Customs or 15 days after the publication of this Order in two (2) newspapers of general circulation, whichever comes earlier.

Let this Order be published in two (2) newspapers of general circulation and let individual notices be sent to all interested parties including the country members concerned.

SO ORDERED.

16 July 2015


GREGORY L. DOMINGO
Secretary

ANNEX A**List of Developing Countries and Separate Customs Territories Excluded from the Imposition of Definitive Safeguard Measure on Steel Angle Bars**

East & Southern Africa	West Africa	North Africa	South Asia
Angola Botswana Burundi Comoros Congo. Dem. Rep. Djibouti Eritrea Ethiopia Kenya Lesotho Madagascar Malawi Mauritius Mozambique Namibia Reunion Rwanda Seychelles Somalia South Africa Sudan Swaziland Tanzania Uganda Zambia Zimbabwe	Benin Burkina Faso Cameroon Cape Verde Central African Rep. Chad Congo, Rep. Cote d' Ivoire Equatorial Guinea Gabon Gambia, The Ghana Guinea Guinea, Bissau Liberia Mali Mauritania Niger Nigeria Sao Tome & Principe Senegal Sierra Leone Togo	Algeria Egypt, Arab Rep. Libya Morocco Tunisia	Afghanistan Bangladesh Bhutan British Indian Ocean Territory East Timor India Maldives Nepal Pakistan Sri Lanka

Europe & Central Asia	Middle East	Americas	East Asia & Pacific
Albania Armenia Azerbaijan Belarus Bosnia & Herzegovina Bulgaria Croatia Cyprus Czech Republic Estonia Georgia Greenland Hungary Kazakhstan Kyrgyz Republic Latvia Lithuania Macedonia, FYR Malta Moldova Poland Romania Russian Federation Slovakia Slovenia Tajikistan Turkey Turkmenistan Ukraine Uzbekistan Yugoslavia, Fed. Rep.	Bahrain Iran, Islamic Rep. Iraq Israel Jordan Kuwait Lebanon Oman Qatar Saudi Arabia Syrian Arab Rep. United Arab Emirates West Bank & Gaza Yemen, Rep.	Anguilla Antigua & Barbuda Argentina Aruba Bahamas Barbados Belize Bermuda Bolivia Brazil British Virgin Is. Cayman Is. Chile Colombia Costa Rica Cuba Dominica Dominican Rep. Ecuador El Salvador Falkland Is. (Malvinas) French Guiana Grenada Guadeloupe Guatemala Guyana Haiti Honduras Jamaica Martinique Mexico Montserrat Netherland Antilles Nicaragua Norfolk Is. Panama Paraguay Peru Puerto Rico St. Helena St. Kitts & Navis St. Lucia St. Pierre & Miquelon St. Vincent & the Grenadines Suriname Trinidad & Tobago Turks & Caicos Is. Uruguay US Virgin Is. Venezuela	American Samoa Brunei Darussalam Cambodia Chinese Taipei Christmas Is. Cocos (Keeling) Is. Cook Is. Fiji French Polynesia Guam Hong Kong, China Indonesia Johnston Is. Kiribati Korea, Dem. Rep. Lao PDR Macau, China Malaysia Marshall Islands Micronesia, Fed. Sts. Midway Is. Mongolia Myanmar Nauru New Caledonia Niue Northern Marianas Is. Palau Pitcairn Is. Papua New Guinea Samoa Singapore Solomon Islands Thailand Tokelau Tonga Tuvalu Vanuatu Vietnam Wake Is. Wallis & Futuna Is.