



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

09 January 2002

CUSTOMS MEMORANDUM ORDER  
NO. 4-2002

All District Collectors  
Others Concerned

SUBJECT : **Safeguard Measures vs. Importations  
Ceramic Floor and Wall Tiles**

Pursuant to instructions contained in the 1st<sup>st</sup> Indorsement, dated 11 December 2001 and received by this Office on 08 January 2002, issued by Sec. JOSE ISIDRO N. CAMACHO, Department of Finance, relative to the DFI Order in Safeguard Case No. 01-2001 Re: IN THE MATTER OF THE PRELIMINARY DETERMINATION OF THE SAFEGUARD MEASURES CASE AGAINST THE IMPORTATION OF CERAMIC FLOOR AND WALL TILES FROM VARIOUS COUNTRIES, with information that proper notifications have been issued to the WTO Safeguards Committee and the ASEAN member countries in compliance with Articles 6.3 and 8 of the ASEAN-CEPT Agreement;

It is hereby directed that all importations of ceramic floor and wall tiles, glazed and unglazed, classified under HS Codes 6907.9000 and 6908.9000 from all countries, except those from Thailand, India, Sri Lanka and Iran, shall be imposed, in addition to taxes and duties and other charges, a cash bond amounting to P5.40 per kg.

Upon the effectivity of this Order, covered shipments entered in or withdrawn from warehouses in the Philippines for consumption shall be subject to the aforestated safeguard measure.

This Order shall take effect starting 09 January 2002 and shall remain in force for the next 200 days.

For compliance.

  
TITUS B. VILLANUEVA CESO I  
Commissioner

Enclosures:

1<sup>st</sup> Indorsement of DoF, 12/11/01  
DFI Letter, 11/28/01

Cc: Sec. Jose Isidro N. Camacho, DoF  
Sec. Mar Roxas III, DFI



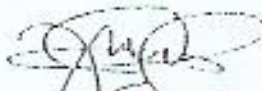
Republic of the Philippines  
**DEPARTMENT OF FINANCE**  
Roxas Boulevard Corner Pablo Ocampo, Sr. Street  
Manila 1004



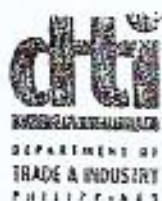
**1<sup>st</sup> Indorsement**  
December 11, 2001

Respectfully referred to the Commissioner of Customs TITUS B. VILLANUEVA for immediate implementation and appropriate action pursuant to Section 8 of Republic Act No. 8800 is the herein Order dated November 26, 2001 of the Secretary of the Department of Trade and Industry in Safeguard Case No. 01-2001 Re: **IN THE MATTER OF THE PRELIMINARY DETERMINATION OF THE SAFEGUARD MEASURES CASE AGAINST THE IMPORTATION OF CERAMIC FLOOR AND WALL TILES FROM VARIOUS COUNTRIES** with the information that proper notifications have been issued to the WTO Safeguards Committee and the ASEAN member countries.

Please give this matter your preferential attention.

  
**JOSE SIDRO N. CAMACHO**  
Secretary  
11/26 - 08/04 - 06/1/2001





CMO-4.02

3.

**IN THE MATTER OF THE PRELIMINARY DETERMINATION  
OF THE SAFEGUARD MEASURES CASE AGAINST THE  
IMPORTATION OF CERAMIC FLOOR AND WALL TILES  
FROM VARIOUS COUNTRIES (SAFEGUARD CASE NO. 01-2001)**

**ORDER**

The Philippine ceramic tiles industry, represented by Mariwasa Siam Ceramics and Lezanto (Guoco) Ceramics, filed a safeguard measures protest against the free importation of ceramic floor and wall tiles, glazed and unglazed, from various countries. The protest alleged that ceramic floor and wall tiles are being imported in increased quantities and that as a result thereof causes serious injury to the domestic industry.

The period of investigation covered imports from 1996 to 2000. For injury determination, the Department considered relevant information for the same period.

WHEREFORE, IN VIEW THEREOF, the Department of Trade and Industry, acting under Section 7 of RA 8800, the "Safeguard Measures Act", found after preliminary determination, an affirmative finding that increased imports of the product under consideration have caused serious injury to the domestic industry, particularly in terms of declining market share, domestic sales and gross profits, increasing finished goods inventory and underutilization of production capacity leading to plant closure.

Pursuant to Section 8 of RA 8800 which provides that "in critical circumstances where a delay would cause damage which would be difficult to repair, and pursuant to a preliminary determination that increased imports are a substantial cause of, serious injury to the domestic industry" the imposition of a provisional measure in the form of a cash bond amounting to P5.46 per sq. shall be imposed for a period not exceeding 200 days from the date of the issuance by the Bureau of Customs of the relevant Customs Memorandum Order (CMO) on all importations of ceramic floor and wall tiles, glazed and unglazed, classified under HS Codes 6907.90.00 and 6908.90.00. However, the provisional duty shall not be applied to imports sourced from those countries which are already deemed exempted by virtue of the "developing country rule" as provided in the subsequent paragraph of this Order.

CED - 4. 2001

4.

Considering that imports from Thailand, India, Sri Lanka and Iran are less than 3% of the total Philippine imports during the period of investigation, imports from these countries are, therefore, exempted from the application of provisional safeguard measures as provided in Rule 8.8 of the IRRs of RA 8800 (developing country rule).

Considering further that ceramic tiles is one of the products covered by the ASEAN-CEPT Agreement, as provided under Articles 6 and 8 of the said Agreement the Philippines is required to notify the Ministerial Level Council and to accord adequate opportunity for consultations with the governments of the ASEAN countries concerned i.e. Indonesia, Malaysia and Singapore, which may be affected by the application of provisional measures on imports sourced from ASEAN countries. Thus, for imports originating from ASEAN countries the provisional safeguard measure shall be imposed upon compliance with Articles 6.3 and 8 of the ASEAN-CEPT Agreement.

The case records will be transmitted to the Tariff Commission for formal investigation to determine whether or not there is a need to impose a definitive safeguard measure.

Let this Order be published immediately in two (2) newspapers of general circulation.

This Order shall take effect immediately.

SO ORDERED.

26 November 2001

  
MAR ROXAS  
Secretary

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0000 - 4. 2001

4.

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Considering further that ceramic tiles is one of the products covered by the ASEAN-CEPT Agreement, as provided under Articles 6 and 8 of the said Agreement the Philippines is required to notify the Ministerial Level Council and to accord adequate opportunity for consultations with the governments of the ASEAN countries concerned i.e. Indonesia, Malaysia and Singapore, which may be affected by the application of provisional measures on imports sourced from ASEAN countries. Thus, for imports originating from ASEAN countries the provisional safeguard measure shall be imposed upon compliance with Articles 6.3 and 8 of the ASEAN-CEPT Agreement.

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MAR ROXAS  
Secretary

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CNO-4-2002



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

ASSESSMENT & OPERATIONS COORDINATING GROUP

15 February 2002

MEMORANDUM to :

All District Collectors of Customs  
And All Others Concerned

SUBJECT : Safeguard Measures vs. Importations of Ceramic Floor  
and Wall Tiles

In relation to the Order dated 26 November 2001 of the Secretary, Department of Trade and Industry as transmitted in a 1<sup>st</sup> Indorsement by the Secretary, Department of Finance, you are hereby directed to require the submission of the Certificate of Country of Origin for all importations of ceramic floor and wall tiles in order to determine whether the importation is subject to the safeguard duty of P5.40/kg.

For strict compliance.

  
TITUS B. VILLANUEVA  
Commissioner



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

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CMO-4-2002

February 18, 2002

**Memorandum to**

**All District Collectors  
And All Others Concerned**

**SUBJECT:** Submission of monthly report on cement and ceramic tiles importations.

In order to fully monitor the importation of cement and ceramic tiles and compliance with CMO 4-2002 on imposition of cash bond on the said articles, you are hereby directed to submit a monthly report on cement and ceramic importation to the Deputy Commissioner, Assessment and Operations Group.

For strict compliance.



**TITUS B. VILLANUEVA, CESO I**  
Commissioner