



BUREAU OF CUSTOMS

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March 23, 2021

CUSTOMS MEMORANDUM CIRCULAR

NO. 68-2021

To: All District Collectors
All Deputy Collector for Assessment
All Chiefs, Formal Entry Division or Equivalent Unit
All Other Concerned

SUBJECT: Modification of the Previously Issued Advance Tariff Classification Ruling

Attached herewith is a written notice from Marilou P. Mendoza, Chairperson, Tariff Commission, dated March 18, 2021, modifying the previously issued Advance Ruling on Tariff Classification for "Orafti P95 (Fructo Oligosac Oligofructose) (25kg)" with **TCC (AR) No. 18-411** dated September 10, 2018 to 100% oligofructose (a short chain polymer of fructose) under subheading 39139090 under **TCC (AR) No. 20-197** issued on March 16, 2021.

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.


REY LEONARDO B. GUERRERO

Commissioner
MAR 30 2021



BOC-09-19912



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CMC No. 68- 2021

REPUBLIC OF THE PHILIPPINES
TARIFF COMMISSION

REPUBLIC OF THE PHILIPPINES
BUREAU OF CUSTOMS
OFFICE OF THE DIRECTOR
ASSESSMENT OPERATIONS

BY: [Signature]
DATE: 3/19/2021
TIME: 4:15

TCC (AR) No. 20-197

18 March 2021

MS. ALELIE B. LONTOC
 Import Specialist
 Nestle Philippines Inc.
 Bo. Niugan, Cabuyao, Laguna
 Email: Alelie.Lontoc1@ph.nestle.com

BUREAU OF CUSTOMS
MESSAGE CENTER
RECEIVED

MAR 19 2021

BY: [Signature] TIME: 9:57



BOC-09-19912

OFFICE OF THE DIRECTOR
IAS

RECEIVED

By: [Signature]
Date: 3/22/21
Time: 1:10

Dear **Ms. Lontoc**:

This is with reference to the Advance Ruling on Tariff Classification (AR) for “**Orafti® P95 (Fructo Oligosac Oligofructose) (25 kg)**”, with **TCC (AR) No. 18-411**, issued by this Commission on 10 September 2018 to Nestle Philippines, Inc. Said product was classified by this Commission under ASEAN Harmonized Tariff Nomenclature (AHTN) 2017 subheading 1702.60.10 (with 2018 Most Favoured Nation (MFN) rate of duty of 7% *ad valorem*) based on the production process diagram, technical information (product composition and detailed information about the production facilities and process of Beneo), purchasing specifications (e.g., general description, intended use, composition, sensory requirements), and sample, which you submitted to us during application.

On 09 October 2020, DPO Philippines (DPO) filed an application for AR for Beneo Orafti® P95, the same product as Orafti® P95 (Fructo Oligosac Oligofructose). Based on the more comprehensive submissions of DPO about said product (i.e., brochure, manufacturing process flowchart, product composition, technical analysis of reducing sugar content, chemical characteristics, technical details (form, taste, and odor of the product and clarification on whether the product is a natural sugar), uses, and packaging information), the Commission determined that subject article is 100% oligofructose (CAS No. 308066-66-2), a short chain polymer of fructose, in the form of a white to slightly yellow powder. With said findings, the Commission classified subject article under subheading 3913.90.90, with 2021 MFN rate of duty of 3% *ad valorem* (see attached TCC (AR) No. 20-197).

Subsection 4.12 of Commission Order No. 2017-01 provides that “*In case a Ruling is revoked or modified, the Commission shall give a written notice to the Applicant or issue a public notice setting out the relevant facts and the basis for the revocation or modification*”. In compliance thereto and in view of the foregoing explanations, this Commission formally informs you that the previously issued TCC (AR) No. 18-411 has been modified by TCC (AR) No. 20-197, issued on 16 March 2021.




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For clarifications, Ms. Ruth A. Polo or Ms. Diana Hope M. Castro, both of the Commodities Studies Division, may be reached at email address TC.Assist@mail.tariffcommission.gov.ph.

Thank you.

Very truly yours,

Digitally signed


MARILOU P. MENDOZA
Chairperson

Attachment: as stated

cc: **SECRETARY CARLOS G. DOMINGUEZ III**
Department of Finance
DOF Building, BSP Complex
Roxas Boulevard, Metro Manila
Email: secfin@dof.gov.ph

COMMISSIONER REY LEONARDO B. GUERRERO
Bureau of Customs
Office of the Commissioner
G/F OCOM Building, 16th Street
South Harbor, Port Area, Manila
Email: boc.ocom@customs.gov.ph

Cmc No. 68-2021



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REPUBLIC OF THE PHILIPPINES
TARIFF COMMISSION

ADVANCE RULING ON TARIFF CLASSIFICATION

Pursuant to Section 1100 of RA 10863 (CMTA)

1	AHTN 2017 CODE AND 2021 RATE/S OF IMPORT DUTY	2	TCC (AR) NO.
	AHTN 3913.90.90 MFN - 3% ad valorem		20-197
		3	DATE ISSUED
			16 March 2021

4 DESCRIPTION OF GOOD

"BENE ORAFTI® P95"

Based on the brochure, manufacturing process flowchart, product composition, technical analysis of reducing sugar content, chemical characteristics, technical details, uses, and packaging information submitted, subject article is 100% oligofructose (CAS No. 308066-66-2), a short chain polymer of fructose, in the form of a white to slightly yellow powder. It consists of a mixture of molecules of fructose chains (F_n) and fructose chains with terminal glucose units (GF_n) where "n" ranges from 2 to 8. Subject article is produced by partial enzymatic hydrolysis of raw inulin (extracted from chicory roots), followed by subsequent refining, then spray drying. Packed in 25-kg bags, subject article is a non-digestible carbohydrate that is used as an ingredient in various food applications, such as milk powder, infant and child formula, and bakery products, to improve their nutritional and technological profiles.

5 REASONS FOR CLASSIFICATION

The General Explanatory Notes to Chapter 39 of the ASEAN Harmonized Tariff Nomenclature (AHTN) 2017 state that polymers consist of molecules which are characterised by the repetition of one or more types of monomer units.

Furthermore, Note 6(b) to Chapter 39 states that in headings 39.01 to 39.14, the expression "primary forms" applies only to blocks of irregular shape, lumps, powders (including moulding powders), granules, flakes and similar bulk forms.

Heading 39.13 of the AHTN 2017 covers natural polymers (for example, alginic acid) and modified natural polymers (for example, hardened proteins, chemical derivatives of natural rubber), not elsewhere specified or included, in primary forms. The pertinent Harmonized System (HS) Explanatory Notes (EN) state that this heading also includes isolated amylopectin and isolated amylose obtained by the fractionation of starch.

In view thereof, subject article is classified under AHTN 2017 subheading 3913.90.90, with a Most Favoured Nation (MFN) rate of duty of 3% ad valorem.

This ruling modifies TCC (AR) No. 18-411 issued on 10 September 2018.

This ruling shall be valid for five (5) years from the date of issuance and shall continue to apply unless the law, facts, or circumstances supporting this ruling have changed.

FOR THE COMMISSION

Digitally signed

MARILOU P. MENDOZA
Chairperson

Note: In view of the Commission's adoption of a Work-From-Home Scheme in compliance with the Memorandum from the Office of the President (Community Quarantine over the Entire Luzon and Further Guidelines for the Management of the Coronavirus Disease 2019 (COVID-19) Situation) issued on 16 March 2020, this Advance Ruling is being issued without a dry seal, barcode, and hologram sticker. A COPY OF THIS RULING IS ALSO UPLOADED IN THE TARIFF COMMISSION WEBSITE.

