



BUREAU OF CUSTOMS

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PROFESSIONALISM INTEGRITY ACCOUNTABILITY

4 April 2021

CUSTOMS MEMORANDUM CIRCULAR

NO. 72-2021

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

SUBJECT: Implementing Rules and Regulations of Executive Order No. 148 (S.2013)

Attached is a copy of the Implementing Rules and Regulation of Executive Order No. 148 (S. 2013) entitled:

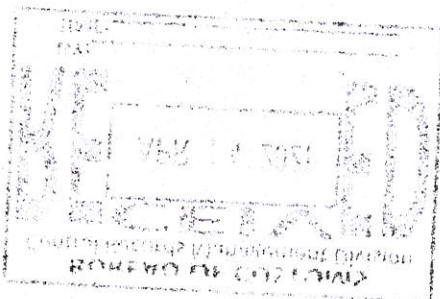
“Amending Section 1 of Executive Order No. 214 (S.2003) and Imposing the Applicable Tariff Rates under the ASEAN Trade in Goods Agreement on Qualified Imports from Special Economic and/or Freeport Zones”

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

REY LEONARDO B. GUERRERO
Commissioner 81 APR 13 2021



BOC-01-04870



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A Modernized and Credible Customs Administration That is Among the World's Best

IMPLEMENTING RULES AND REGULATIONS OF EXECUTIVE ORDER NO. 148 (S. 2013) ENTITLED "AMENDING SECTION 1 OF EXECUTIVE ORDER NO. 214 (S. 2003) AND IMPOSING THE APPLICABLE TARIFF RATES UNDER THE ASEAN TRADE IN GOODS AGREEMENT ON QUALIFIED IMPORTS FROM SPECIAL ECONOMIC AND/OR FREEPORT ZONES"

Pursuant to Section 2 of Executive Order No. 148, s. 2013, the following rules and regulations are hereby promulgated and adopted:

**ARTICLE I
DEFINITION OF TERMS**

Section 1. For purposes of these Rules and Regulations, the following terms shall be defined as:

- a) **Special Economic and/or Freeport Zones** shall refer to specific areas created and delineated as such and treated as separate customs territory pursuant to law, including Republic Act (RA) No. 7227 (*Bases Conversion and Development Act of 1992*), as amended by RA No. 9400, RA No. 7916 (*Special Economic Zone Act of 1995*), as amended by RA No. 8748, RA No. 7903 (*Zamboanga City Special Economic Zone Act of 1995*), RA No. 7922 (*Cagayan Special Economic Zone Act of 1995*), RA No. 9728 (*Bataan Special Economic Zone Act*), RA No. 9490 (*An Act Establishing the Aurora Special Economic Zone in the Province of Aurora*) as amended by RA No. 10083.
- b) **Philippine Customs Territory** shall refer to areas in the Philippines where customs and tariff laws may be enforced and are outside of the proclaimed boundaries of the special economic and/or freeport zones.
- c) **Special Economic and/or Freeport Zone Locators** shall refer to enterprises engaged in the manufacture, processing or assembly of goods that are operating inside the special economic and/or freeport zones treated as separate customs territory pursuant to law, and duly registered with the Philippine Economic Zone Authority, Subic Bay Metropolitan Authority, Clark Development Corporation, Zamboanga City Special Economic Zone Authority, Cagayan Economic Zone Authority, Authority of the Freeport Area of Bataan, Aurora Pacific Economic Zone Authority, or other similar entities subject to applicable provisions of the laws creating such entities.
- d) **Qualified Articles** shall mean products manufactured, produced, processed, or assembled in special economic and/or freeport zones that enter the Philippine Customs Territory and qualify under the applicable rules of the ASEAN Trade in Goods Agreement – Rules of Origin (ATIGA-ROO), subject to the applicable provisions of the laws governing such special economic and/or freeport zones).





- e) **ASEAN Member State** shall mean any of the following: Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam.
- f) **ATIGA Rates** shall mean the preferential tariffs set out in Article 19 of the ATIGA to be applied to the raw materials of qualified articles.
- g) **Certificate of Origin** shall refer to the ATIGA Form D attesting to the origin of goods for purposes of claiming preferential tariff rates under the ATIGA.
- h) **Origin Declaration** means a declaration as to the origin of the goods exported made by a certified exporter on an invoice, or any other acceptable commercial documents under ATIGA.

ARTICLE II DOMESTIC SALES

Section 2. The ATIGA rates shall apply to imported raw materials, regardless of origin, used in qualified articles, subject to the requirements under Section 3.

Section 3. For purposes of these Rules and Regulations, a qualified article shall be covered by either a Certificate of Origin (CO) Form D issued by the concerned special economic and/or freeport zone authority¹, or an Origin Declaration made by a Certified Exporter authorized by the Bureau of Customs, subject to the restrictions as may be prescribed by the laws governing the special economic and/or freeport zones. Locally procured raw materials produced by established licensed manufacturers within the Philippine customs territory, in compliance with domestic regulations, shall be deemed to have fulfilled the origin requirement under the ATIGA.

ARTICLE III REPEALING, EFFECTIVITY, AND SEPARABILITY CLAUSES

Section 4. All other rules and regulations or parts thereof inconsistent with the foregoing Rules and Regulations are hereby repealed, amended or modified accordingly.

Section 5. These Rules and Regulations shall take effect fifteen (15) days upon publication in a newspaper of general circulation.

¹ Concerned special economic and/or freeport zone authority may only issue CO upon concurrence of the Bureau of Customs.

[Handwritten signatures]

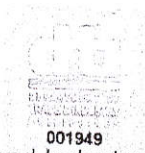
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Section 6. If, for any reason, any section or provision of these Rules and Regulations is declared unconstitutional or invalid, such other sections or provisions not affected thereby shall remain in full force and effect.

Approved, 27 November 2019, Makati City, Philippines.



RAMON M. LOPEZ
Secretary
Department of Trade and Industry



CARLOS G. DOMINGUEZ III
Secretary
Department of Finance
NOV 28 2019

