



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

**INTERNAL ADMINISTRATION GROUP**  
CENTRAL RECORDS MANAGEMENT DIVISION

February 22, 2019

**The Director**

Office of the National Administrative Register (ONAR)  
UP Law Center Diliman, Quezon City


Sir/Ma'am:

Transmitted are three certified true copies and soft copy (word format in compact disc rewritable) of the following Customs Memorandum Order, to wit:

**CMO 12-2019: PROVISIONAL SAFEGUARD DUTY OF IMPORTED CEMENT CLASSIFIED UNDER AHTN CODES 2523.2990 AND 2523.9000.**

Thank you.

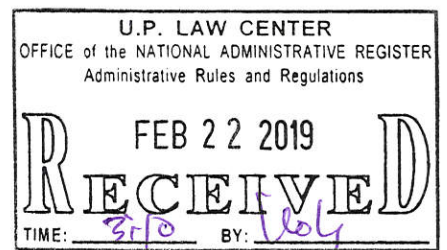
Very truly yours,

  
GLADYS C. CABUGAWAN  
Chief, CRMD

U.P. LAW CENTER	
OFFICE of the NATIONAL ADMINISTRATIVE REGISTER	
Administrative Rules and Regulations	
FEB 22 2019	
RECEIVED	
TIME: 3:10	BY: [Signature]



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



February 14, 2019

**CUSTOMS MEMORANDUM ORDER (CMO)**

No. 12-2019

**SUBJECT : PROVISIONAL SAFEGUARD DUTY OF IMPORTED CEMENT CLASSIFIED UNDER AHTN CODES 2523.2990 AND 2523.9000.**

**INTRODUCTION**

The Department of Trade and Industry (DTI) initiated a preliminary investigation conducted for the period of 2013 to 2017 to determine whether increased imports of cement is causing or threatening to cause serious injury to the domestic industry. The preliminary determination conducted by the Secretary of DTI shows that the market share of locally produced cement was essentially displaced and the significant increase in the volume of imported cement preceded the serious injury to the industry in 2017.

This CMO is implemented to provide the provisional safeguard duty to all imported cement in compliance to the directive of the Secretary of Finance.

**SECTION 1. SCOPE**

- 1.1. This CMO shall cover all importation of cements with HS Code 2523.2990 and 2523.9000 from various countries.
- 1.2. The developing countries listed in Annex A, copy attached, covered by Rule 8.8 of the Implementing Rules and Regulations of RA 8800 are excluded from the imposition of provisional safeguard duty on cements.
- 1.3. The shipments of cement that are in transit prior to the effect of this Order shall be exempted herein.

**SECTION 2. OBJECTIVES**

- 2.1. To provide protection to the domestic cement industry.
- 2.2. To curtail the rising volume of imported cement that causes serious injury to the domestic industry.

**SECTION 3. OPERATIONAL BACKGROUND**

- 3.1. Department Administrative Order No. 19-02, duly signed by Ramon M. Lopez, Secretary, Department of Trade and Industry, in relation to Section 7 RA 8800 (Philippine Safeguard Measures Act), provides that the Secretary shall, on the

**Certified True Copy**

Raquel G. De Jesus  
SVCOO  
CBMD - BOC



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

MANILA 1099

basis of the evidence and submission of the interested parties make a preliminary determination that increased imports of the product under consideration are substantial cause of, or threaten to substantially cause, serious injury to the domestic industry.

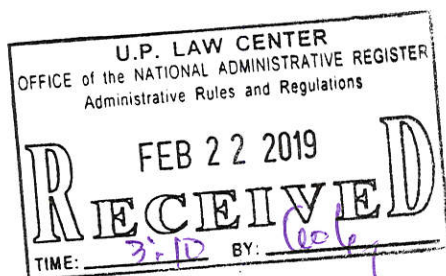
- 3.2. Section 8 of RA 8800 and its Implementing Rules and Regulations provides that the Secretary of Finance shall, within three (3) calendar days from making a decision, issue written instructions to the Commissioner of Customs authorizing the imposition of the provisional safeguard duty.
- 3.3. Memorandum dated January 29, 2019 duly signed by Carlos G. Dominguez, Secretary, Department of Finance, authorized the Commissioner of Customs to issue an Order imposing a provisional safeguard duty in the form of cash bond in the amount of Php 210/MT of imported cement classified under AHTN Codes 2523.2900 and 2523.9000.

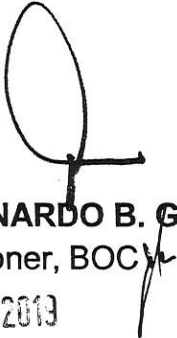
**Section 4. Imposition of Provisional Safeguard Duty.** The provisional safeguard duty in the form of cash bond amounting to ₱210/MT is hereby imposed for all importation of cements with HS code 2523.2990 and 2523.9000 for a period of 200 days from the date of effectivity of this CMO.

**Section 5. Repealing Clause.** This CMO repeals all previously issued customs rules and regulations which are inconsistent hereof.

**Section 6. Separability Clause.** If any or part of this Order is declared unconstitutional or contrary to existing laws, the other parts not so declared shall remain in full force and effect.

**Section 7.** This Order shall take effect immediately until revoked.

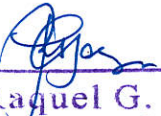


  
**REY LEONARDO B. GUERRERO**  
Commissioner, BOC

FEB 21 2019



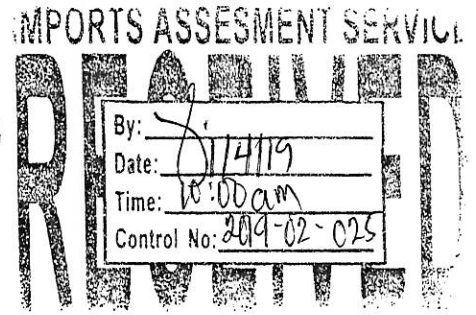
**Certified True Copy**

  
**Raquel G. De Jesus**  
SVCOO  
CRMD - BOC





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



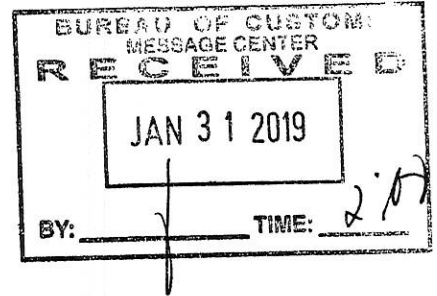
**MEMORANDUM**

**TO :** REY LEONARDO B. GUERRERO  
 Commissioner, Bureau of Customs

**CC :** RAMON M. LOPEZ  
 Secretary of Trade and Industry

**FROM :** CARLOS G. DOMINGUEZ  
 Secretary of Finance

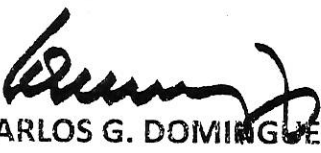
**SUBJECT :** PROVISIONAL SAFEGUARD DUTY OF IMPORTED CEMENT  
 CLASSIFIED UNDER AHTN 2523.2990 AND 2523.9000

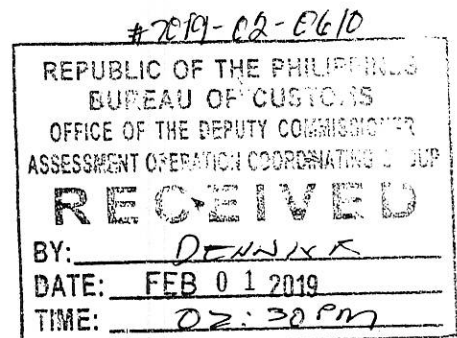


Pursuant to Section 8 of R.A. 8800 (The Philippine Safeguard Measures Act) and its IRR, the Commissioner of Customs is hereby authorized to implement the decision of the Secretary of the Department of Trade and Industry contained in DTI Department Administrative Order No. 19-02 Series of 2019, imposing a provisional safeguard duty in the form of a cash bond in the amount of Php 210/MT of imported cement classified under AHTN Codes 2523.2990 and 2523.9000 for a period of 200 days.

Please furnish this Department and the Department of Trade and Industry - Office of the Secretary with the Order implementing this decision.

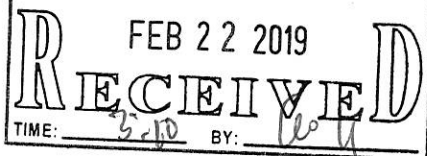
Thank you.

  
**CARLOS G. DOMINGUEZ**  
 Secretary of Finance  
 JAN 29 2019



Provisional Safeguard Duty of Imported Cement under AHTN 2523.2990 and 2523.9000

OFFICE of the NATIONAL ADMINISTRATIVE REGISTER  
 Administrative Rules and Regulations



U.P. LAW CENTER  
OFFICE of the NATIONAL ADMINISTRATIVE REGISTER  
Administrative Rules and Regulations  
**RECEIVED**  
FEB 22 2019  
TIME: 3:10 BY: [Signature]



17 January 2019

**SEC. CARLOS G. DOMINGUEZ**  
Department of Finance  
DOF Building, BSP Complex  
Roxas Blvd., Manila

DEPT. OF FINANCE  
**RECEIVED**  
23 JAN 2019  
OFFICE OF THE SECRETARY

Dear **Secretary Dominguez**,

This is to respectfully furnish your good office with copies of the **Department of Trade and Industry's Order and Report (Non-Confidential version)** of its preliminary determination that increased importation of cement is a substantial cause of serious injury to the domestic cement industry.

Pursuant to **Section 8 of R.A. 8800 (The Philippine Safeguard Measures Act)** 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 **provisional safeguard duty** in the form of a **cash bond** in the amount of **₱210/MT of imported cement** classified under **AHTN Codes 2523.2990 and 2523.9000** for a period of **200 days**. The Order shall take effect upon the issuance of the relevant Customs Memorandum Order or fifteen (15) days after the publication of the DTI Order in two (2) newspapers of general circulation, whichever comes earlier.

May we therefore request your office to direct the Commissioner of Customs to issue the Customs Memorandum Order and collect the appropriate amount of the provisional safeguard duty on imported cement covered by the DTI Order.

Thank you for your cooperation.

Very truly yours,

[Signature of Ramon M. Lopez]

**RAMON M. LOPEZ**  
Secretary



DEPARTMENT OF FINANCE  
Office of the Undersecretary  
**RECEIVED**  
24 JAN 2019  
REVENUE OPERATIONS GROUP

DEPT. OF FINANCE  
**RECEIVED**  
Denms 9:53am  
28 JAN 2019  
OFFICE OF THE SECRETARY

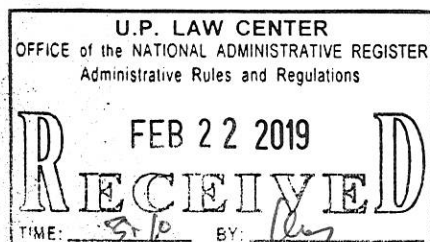
DEPARTMENT OF FINANCE  
**RECEIVED**  
12:04p  
JAN 23 2019  
CENTRAL RECORDS MGMT. DIVISION

cc: **Commissioner Rey Leonardo Guerrero**  
**Bureau of Customs**



Department Administrative Order No. **19-02**  
Series of 2019

**IN THE MATTER OF THE PRELIMINARY  
DETERMINATION OF THE SAFEGUARD  
MEASURES CASE AGAINST THE IMPORTATION  
OF CEMENT FROM VARIOUS COUNTRIES  
(AHN Codes 2523.2990 and 2523.9000)  
(Safeguard Measures Case No. 01-2018)**



**ORDER**

The Department of Trade and Industry (DTI) initiated, *motu proprio*, a preliminary investigation to determine whether increased imports of cement is causing or threatening to cause serious injury to the domestic industry. The cement covered by the investigation is classified under AHTN Codes 2523.2990 and 2523.9000. The period covered by the investigation (POI) are the years 2013 to 2017.

Pursuant to Section 7 of the Safeguard Measures Act (RA 8800), "~~x x x the Secretary shall, on the basis of the evidence and submission of the interested parties, make a preliminary determination that increased imports of the product under consideration are a substantial cause of, or threaten to substantially cause, serious injury to the domestic industry. x x x~~"

A review of the evidence made available to DTI shows:

1. that the volume of cement imports
  - in absolute terms, increased continuously from 2013 to 2017, the period of investigation (POI);
  - the increases compared with the previous years are: in 2014 - 70%, in 2015 - 4,401%, in 2016 - 550%, in 2017 - 72%.
  - in relative terms, the share of imports also increased during the POI, from 0.02% in 2013 to 15% in 2017.
2. that the domestic industry has suffered serious injury caused by increased imports based on the following:
  - during the POI, despite significant increases in market size, the market share of domestic manufacturers declined;
  - from having a small share in the domestic market from 2013 to 2015, the share of imported cement grew to 8% and 13% in 2016 and 2017, respectively;
  - while the domestic industry's sales revenues increased from 2013 to 2016, it went down by P11.1 billion in 2017, a decline of 12% over the previous year;
  - as earnings before interest and taxes increased from 2013 to 2016 by 6%, 15%, and 8%, respectively, the industry experienced a sharp decline in earnings of 49% in 2017;
  - the weighted average landed cost of imports is lower than the average selling price of the domestic product indicating a price undercutting of 14%;
  - cement manufacturers have been forced to reduce prices by almost 10% to compete with lower-priced imported cement.

*Enabling Business, Empowering Consumers*

**OFFICE OF THE SECRETARY**  
5/F, Industry and Investments Building, 385 Sen. Gil J. Puyat Avenue, 1200 Makati City, Philippines  
Telephone: (+632) 899.7450 • Telefax: (+632) 896-1166 • E-mail: secretary@dti.gov.ph  
www.dti.gov.ph

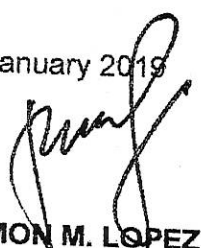
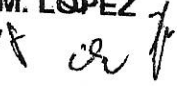
The notification and consultation requirements under Article 12 of the WTO Safeguards Agreement and Section 17 of RA 8800 and its IRR shall be complied with. Imports originating from ASEAN member states shall be governed by the provisions of Articles 11 and 23 of the ASEAN Trade in Goods Agreement (ATIGA).

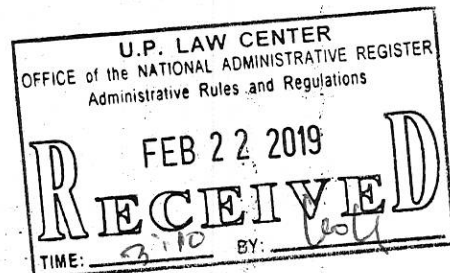
Let this Order be published in two (2) newspapers of general circulation and let individual notices be sent to all interested parties including the country members concerned.

This Order shall take effect fifteen (15) days after publication or from the date of the issuance of relevant BOC-CMO, whichever comes earlier.

SO ORDERED.

17 January 2019

  
**RAMON M. LOPEZ**  
Secretary 



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 & Nevis 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 Christmas Is. Cocos (Keeling) Is. Cook Is. Fiji French Polynesia Guam Hong Kong, China Indonesia Johnston Is. Kiribati Korea, Dem. Rep. Korea, Rep. Lao PDR Macau, China Malaysia Marshall Islands Micronesia, Fed. Sts. Midway Is. Mongolia Myanmar Nauru New Caledonia Niue Northern Marianas Is. Palau Papua New Guinea Pitcairn Is. Samoa Singapore Solomon Islands Taiwan, (R.O.C.) Tokelau Tonga Tuvalu Vanuatu Wake Is. Wallis & Futuna Is.

U.P. LAW CENTER  
OFFICE of the NATIONAL ADMINISTRATIVE REGISTER  
Administrative Rules and Regulations

**RECEIVED**

FEB 22 2019

TIME: 3:10 BY: [Signature]