



# ASSESSMENT AND OPERATIONS COORDINATING GROUP

## **MEMORANDUM**

:

TO

All District/Subport Collectors

**All Deputy Collectors for Assessment** 

All Chief, Assessment Divisions

FROM

ATTY, EDWARD JAMES A. DY BUCO

Deputy Commissioner, AOCG

Concurrent Director, Port Operations Service

SUBJECT

Request for validation of Import Entries of Black Iron and

**Galvanized Iron Pipes** 

Date

February 5, 2018

# BACKGROUND

# 1. Reference:

a. Letter request with attachment from Mauro R. Arce, President of Philippine Association of Black Iron and Galvanized Iron Pipes and Tubes Manufacturers Association, dated 24 January 2018;

## DISCUSSION

- 2. The said letter seeks for the revalidation of import entries of Black Iron and Galvanized Iron Pipes (BI-GI Pipes) wherein there are only nineteen (19) applications for Import Commodity Clearance (ICC) in Bureau of Philippine Standards (BPS) compared to the list of Bureau of Customs which is three hundred and twenty one (321) import entries;
- 3. In this regard, the Philippine Association of Black Iron and Galvanized Iron Pipes and Tubes Manufacturers Association is requesting the revalidation of the 321





import entries on whether or not their importers applied for ICC Certifications thru the BPS;

#### RECOMMENDATION

- 4. You are hereby directed to revalidate the list of import entries of Black Iron and Galvanized Iron Pipes in your respective Ports and verify compliance of the ICC Certifications;
- 5. Further, you are directed to submit report relative to these importations.

For strict compliance.



PHILIPPINE ASSOCIATION OF BLACK IRON AND GALVANIZED IRON PIPES AND TUBES MANUFACTURERS, INC.



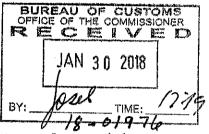
January 24, 2018

#### MS. ALEGRIA SIBAL-LIMJOCO

President, Philippine Chamber of Commerce & Industry 3F, Commerce & Industry Plaza, 1030 Campus Ave. cor. Park Ave. McKinley Town Center, Fort Bonifacio, Taguig City

Dear Ms. Limjoco:

### Greetings!



The Philippine Association of BI-GI Pipes and Tubes Manufacturers, Inc., an industry association member of the Philippine Chamber of Commerce & Industry (PCCI) extends its warmest congratulations to you as the newly elected president of the country's most illustrious business and industry organization. I am very optimistic that with you on top could be able to sustain and strengthen the mandates of the PCCI given the changes that we are now experiencing in the administration of President Rodrigo Roa Duterte.

Our Association is steadfast in promoting consumer protection in cooperation with Regional and Provincial offices of the Department of Trade & Industry (DTI). Our members are the Philippines' biggest manufacturers of BI-GI steel pipes though seriously affected by technical smuggling and the continued proliferation of cheap, uncertified and substandard imported BI-GI steel pipes. It is in this regard that I decided to seek your kind support.

The unabated proliferation of uncertified or substandard BI-GI steel pipes in the market should worry us because we are all consumers and users of the said products. All through the years that our Association conducted a joint market monitoring with the Enforcement Teams of DTI in different parts of the country, this same problem persists.

The Info Campaign Program via seminars on product standards and conformance is aimed at educating the public on the use of safe and quality BI-GI steel pipes, the existence of Philippine laws on standards and other DTI issuances. The majority of our attendees to the seminars that we organized in close collaboration with DTI Regional and Provincial Offices included the following: hardware store owners, contractors and LGUs especially those involved in the processing of building permits, among others. The Association has covered major cities and provinces in Regions 1 to 13, nationwide. An Industry Awareness Program (IAP) was also conducted in major ports of the Bureau of Customs, nationwide. Though we succeeded in our info campaign program, however, problems are still there.

BI-GI steel pipes are used for water line, gas line, steam line and air line and are covered under Mandatory Product Certification Scheme of the BPS simply because the materials, if not used properly, can cause destruction to public properties or even death of people, hence, their inclusion in the Product Mandatory Certification Scheme of the BPS.

Our Association had attended several meetings in the past with Usec. Atty. Teodoro Pascua, Asec. Atty. Ernesto Perez and other BPS officials which enabled us to discuss the issue of importers not supporting their shipments of BI-GI steel pipes with the requisite ICC or Certificate of Exemption.

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Telefax: (02) 961-7753 Email: bigipipes@yahoo.cdm.ph 547 CF - OUP DATE TIME:

# 2018 - 61 -Suite 8-U, Future Point Plaza 3, #111 Panay Avenue, South Triangle, Quezon City Future Maning Philippines IPPINES



The letter-reply of the honorable Assistant Secretary, Atty. Ernesto V. Perez attaching thereto a summary list of nineteen (19) applications for ICC that his office received from seven (7) importers of BI-GI steel pipes for the months of July to September 2017 (Annex A) versus our list of importers of same products for the same period with 321 import entries (Annex B). This means, the market has been flooded with uncertified imported BI-GI steel pipes and did not undergo testing.

It is in this regard that our Association is respectfully requesting for your kind intervention to have the list of 321 import entries validated as to whether their importers applied or not for ICC certifications thru the BPS. The PCCI-designated ICE for steel pipes could be of help in validating the entries in the list provided:

- a. BPS records indicated 19 import entries of seven importers who applied for the requisite ICC certifications; the BOC records of importations indicated 321 import entries and I suspect their importers failed to apply for ICC certifications:
  - The PCCI-designated ICE for steel pipes should have seen, received or processed for clearance all import entries of BI-GI steel pipes and should have recommended, if covered, that their importers should support their shipments with the requisite ICC certifications or Certificate of Exemptions;
  - The PCCI-designated ICE should have, and kept/filed accomplished ICE Report Forms for imported steel pipes; these documents should serve as basis for validating our findings using the given import data for steel pipes; and,
  - The PCCI-designated ICE should provide our Association with copies of all entries
    that he has processed covering the same period as indicated above for us to do the
    validation in case he does not have the luxury of time to do it; and,
- b. Our Association is arranging thru the BPS a meeting of all concerned with the Bureau of Customs and PCCI, especially the PCCI-designated ICE to discuss the above and in order to enlighten us whether the importers mentioned in the list have complied with the BPS requirements.

I have a strong feeling that this same situation is also happening with other industries and, in the interest of pursuing a more vigorous campaign to protect the general public from using uncertified or substandard imported products and in protecting government revenues, this exercise will help us all in ensuring that all imported BI-GI steel pipes or any other construction materials are indeed with quality and safe to use. Thank you very much.

Very truly yours,

WYURO R. ARCE

President

Encl.: Import data for BI-GI Pipes, July-September 2017

cc.: Hon. Assistant Secretary, Atty. Ernesto V. Perez DTI-Consumer Protection Group

Hon. Isidro Lapeña Commissioner, Bureau of Customs



MARTER COPY
Recoved by:
Roderick 18 lands
12-14-17

29 November 2017

ANNEX A

MR. MAURO R. ARCE

President
PHILIPPINE ASSOCIATION OF BLACK IRON AND
GALVANIZED IRON PIPES AND TUBES MANUFACTURERS, INC.
Suite 8-U, Future Point Plaza 3,
111 Panay Avenue, South Triangle
Quezon City

Dear Mr. Arce:

This has reference to your letter submitting a list of importers of BI-GI steel pipes specifically categorized under HS Code 7306.

Based on BPS records, please be informed that the following companies applied for Import Commodity Clearance (ICC) for the importation of BI-GI steel pipes:

Company	Bill of Lading No.	Date of ICC Application
Kirin Resources Inc.	COAU7021312740	July 17,2017
	HDMUXGP3810394E	July 19,2017
	579123781	September 11,2017
	579123827	September 11,2017
	579123656	September 18,2017
Mayer Steel Pipe Corp.	0678XG007	August 11,2017
	0678XG005	August 11,2017
	0678XG006	August 11,2017
	OATJMNL15	September 13,2017
	0707XG027	September 13,2017
Valerie Products Manufacturing Inc.	GMAN(N)BJ1707363	August 4,2017
	GMANNLELIU1708388	August 24,2017
Roberts Automotive & Industrial	SNKO160170700247	August 17,2017
Global Nexus Corp.	588389683	August 14,2017
	588389694	August 24,2017
	588389716	August 30,2017
Multiplex Metal Inc.	588382485	September 29,2017
K.U.S. Structural	579123856	August 30,2017
Components, Inc.	OOLU2025204610	September 4,2017

Enabling Business, Empowering Consumers



Likewise, kindly be informed that BPS can only monitor those with PS licenses and with pending applications for PS or ICC. Enforcement and monitoring of the rest is under Fair Trade Enforcement Bureau (FTEB) or DTI Regional/Provincial Office.

Please be guided accordingly.

Sincerely,

ASSISTANT SECETARY ERNESTO V. PEREZ Officer-in-Charge

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