CUSTOMS MEMORANDUM ORDER (CMO)
NO. 39-2021

SUBJECT: IMPOSITION OF DEFINITIVE GENERAL SAFEGUARD DUTY ON IMPORTED CEMENT FROM COVERED COUNTRIES FOR THE THIRD YEAR PURSUANT TO DAO NO. 19-13 (SERIES OF 2019)

Pursuant to the Letter dated 26 November from the Department of Trade and Industry (DTI) and in view of the directive dated 16 December 2021 from the Secretary of Finance, the previously determined definitive safeguard duty of P200/MT or P8.00/40 kg bag under DTI DAO No. 19-13 for the third, and last year of implementation of the safeguard duty on imported cement, classified under AHTN Codes 2523.29.90 and 2523.90.00 from covered countries starting October 22, 2021 is hereby imposed.

Importers of cement originating from the countries excluded from the imposition of the definitive safeguard duty shall submit a Certificate of Country of Origin (CO) issued by the authorized agency/office in the country of manufacture subject to affixation of “Apostille” to the document or authenticated by the Philippine Embassy/Consulate general, as applicable.

Furthermore, all other provisions of DAO 19-13 shall remain in force and effect, except as expressly modified under DAO 20-08 (as implemented under CMO No. 29-2020) and DAO 21-02 (as implemented under CMO No. 11-2021).

This Order shall take effect immediately.

REY LEONARDO B. GUERRERO
Commissioner

U.P. LAW CENTER
OFFICE OF THE NATIONAL ADMINISTRATIVE REGISTER
Administrative Rules and Regulations

RECEIVED
DEC 22 2021
TIME 3:38PM
BY M. N. GUIDRIZ

Bureau of Customs
CENTRAL RECORDS MGT. DIVISION
CERTIFIED TRUE COPY
OF THE ORIGINAL
MARGARET G. MANALAYSAY
Administrative Officer V

A Modernized and Credible Customs Administration That is Among the World’s Best
South Harbor, Gate 3, Port Area, Manila 1099
HON. REY LEONARDO B. GUERRERO
Commissioner
Bureau of Customs
Port Area
Manila

SUBJECT: Issuance of Relevant Customs Memorandum Order for the Imposition of the Definitive Safeguard Measure on the Importation of Cement from Various Countries

Dear Commissioner Guerrero:

We write to you concerning the imposition of a definitive safeguard measure on the importation of cement (AHTN 2523.29.90 and 2523.90.00) from various countries, pursuant to Department of Trade and Industry (DTI) Department Administrative Order (DAO) No. 19-13, series of 2019.

Under the said DAO, the amount of the safeguard duty to be imposed are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Duty Description</th>
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<tbody>
<tr>
<td>First Year</td>
<td>PhP 250.00/MT or 10.00 per 40kg bag</td>
</tr>
<tr>
<td>Second Year</td>
<td>PhP 225.00/MT or 9.00 per 40kg bag</td>
</tr>
<tr>
<td>Third Year</td>
<td>PhP 200.00/MT or PhP 8.00 per 40kg bag</td>
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However, it can be recalled that, under DTI DAO No. 20-08, series of 2020, the DTI modified the definitive safeguard duty for the second year of implementation from PhP 9.00 per 40kg bag as specific in DAO 19-13 to PhP 9.80 per 40kg bag.

Subsequently, in its Final Monitoring Report dated 13 April 2021, the Tariff Commission noted that the Philippine cement industry has substantially complied with its commitments to make a positive adjustment to import
competition. The Commission noted further that the adjustment measures implemented by the cement industry helped cushion the adverse economic effects of the pandemic and is now heading toward increased competitiveness.

Thus, pursuant to Section 13 of Republic Act (RA) No. 8800, otherwise known as the "Safeguard Measures Act," the DTI, in its letter to the Department of Finance dated 26 November 2021, reiterates the imposition of the previously determined definitive safeguard duty of PhP 200/MT or 8.00 per 40kg bag under DTI DAO 19-13 for the third and last year of implementation of the safeguard duty on cement starting 22 October 2021.

In view of this, the Commissioner of Customs is hereby directed to issue a Customs Memorandum Order (CMO) for the imposition of the subject definitive safeguard duty on imported cement.

Thank you.

Very truly yours,

CARLOS G. D. DOMINGUEZ
Secretary of Finance
DEC. 16 2021

CC: SECRETARY RAMON M. LOPEZ
Department of Trade and Industry
26 November 2021

HON. CARLOS G. DOMINGUEZ III
Secretary
Department of Finance
DOF Building, BSP Complex,
Roxas Blvd., Manila

Dear Secretary Dominguez:

This is to advise your office of the Department of Trade and Industry’s (DTI) imposition of the definitive safeguard duty on imported cement for the third year, as specified under DTI DAO No. 19-13.

DTI DAO No. 19-13, series of 2019, imposed the definitive safeguard duty on imported cement as follows: First Year - P250/MT or P10.00/40 kg bag, Second Year - P225/MT or P9.00/40 kg bag, and Third Year - P200/MT or P8.00/40 kg bag.

Under DTI DAO No. 20-08, series of 2020, the definitive safeguard duty was modified to P9.80 per 40 kg bag for the second year of implementation, on the ground that despite the imposition of the definitive safeguard duty there was a significant increase in the imports of cement, and that the pandemic aggravated the overall situation of the cement industry in 2020, which resulted to the slowing down and closure of operations and the delay in the implementation of the scheduled adjustment plans because of the lockdowns.

Based however, on Tariff Commission’s final monitoring report dated 13 April 2021, the Philippine Cement industry has substantially complied with its commitments to make a positive adjustment to import competition. The report further stated that, the adjustment measures implemented by the cement industry helped cushion the adverse economic effects of the unexpected pandemic and, is now heading toward increased competitiveness.

In view of the foregoing, and pursuant to Section 13 of RA 8800, we hereby reiterate the imposition of the previously determined definitive safeguard duty of P200/MT or P8.00/40 kg bag under DTI DAO No. 19-13 for the third and last year of implementation of the safeguard duty on cement starting October 22, 2021.
Accordingly, we are hereby requesting the Secretary to forward written instructions to the Commissioner of Customs to issue the appropriate Order imposing the subject definitive safeguard duty on imported cement for the third year of implementation.

Thank you.

Very truly yours,

[Signature]

RAMON M. LOPEZ
Secretary

[Signature]

Copy furnished:

Commissioner Rey Leonardo Guerrero
Bureau of Customs