03 June 2022

CUSTOMS MEMORANDUM CIRCULAR (CMC)

SUBJECT: EO 171 (SERIES OF 2022) ON "TEMPORARILY MODIFYING THE

RATES OF IMPORT DUTY ON VARIOUS PRODUCTS UNDER SECTION 1611 OF REPUBLIC ACT NO. 10863, OTHERWISE KNOWN

AS THE "CUSTOMS MODERNIZATION AND TARIFF ACT"

In view of the effectivity of Executive Order No. 171 (series of 2022) on "Temporarily Modifying the Rates of Import Duty on Various Products under Section 1611 of Republic Act No. 10863, otherwise known as the "Customs Modernization And Tariff Act" on 15 June 2022, which shall be effective until 31 December 2022, all concerned are informed that all articles specifically listed in Annex A of EO 171 (s. 2022), which are entered into or withdrawn from warehouses in the Philippines for consumption, shall be levied the temporary MFN rates of duty as prescribed therein.

Thus, the Bureau of Customs' Electronic to Mobile (E2M) System is hereto required to reflect the temporary MFN rates of duty pursuant to the said EO.

All District and Sub-Port Collectors, and all others concerned are hereby directed to confirm the dissemination of this Order throughout their offices within five (5) days from receipt thereof for records purposes.

This Order shall take effect on 15 June 2022.

REY LEONARDO B. GUERRERO Commissioner





#### MALACAÑAN PALACE MANILA

#### BY THE PRESIDENT OF THE PHILIPPINES

## **EXECUTIVE ORDER NO. 171**

TEMPORARILY MODIFYING THE RATES OF IMPORT DUTY ON VARIOUS PRODUCTS UNDER SECTION 1611 OF REPUBLIC ACT NO. 10863, OTHERWISE KNOWN AS THE "CUSTOMS MODERNIZATION AND TARIFF ACT"

**WHEREAS**, the conflict between Russia and Ukraine presents economic and trade implications to the country and the Filipino people, as Russia, together with Ukraine, accounts for 30% of global exports of wheat, 20% for corn, mineral fertilizers and natural gas, and 11% for oil;

**WHEREAS**, the crisis between Russia and Ukraine has pushed worldwide prices of these commodities to multi-year highs;

**WHEREAS**, the increase in oil products, corn, and fertilizers generated a corresponding sharp increase in domestic prices of basic commodities and energy, thereby resulting in upward pressures on inflation;

**WHEREAS**, coal is an important raw material in the generation of electricity, contributing to more than half of the power generation in the country in 2020;

**WHEREAS**, corn is likewise used as a raw material in the production of animal feeds, food products, and other industrial-based products, and accounts for more than 50% of the total production cost of large-scale broiler and swine farms;

WHEREAS, Executive Order (EO) No. 134 (s. 2021) temporarily modified and reduced the Most Favoured Nation (MFN) tariff rates on imported fresh, chilled, or frozen meat of swine until 17 May 2022;

WHEREAS, EO No. 135 (s. 2021) temporarily modified and reduced the MFN tariff rates on imported rice until 01 June 2022;

WHEREAS, there is a need to temporarily maintain the reduced tariffs on imported rice and pork products to attain the objectives of EO Nos. 134 and 135, capitalize on the gains already achieved by these measures, all for the purpose of augmenting the supply of these products in the country, diversifying the country's market sources, and maintaining affordable prices, towards ensuring food security;

WHEREAS, in addition to extending the effectivity of the reduced tariff rates under EO Nos. 134 and 135, there is also a need to reduce the tariffs on imported corn and coal to mitigate and stabilize the impact of inflationary pressures brought about by the Ukraine-Russia crisis, by expanding supply sources and reducing the prices of key commodities;

cmc No. 75 - 2022.



WHEREAS, Section 1608 of Republic Act No. 10863 empowers the President, in the interest of general welfare and national security, and upon recommendation of the National Economic and Development Authority (NEDA), to increase, reduce or remove existing rates of import duty; and

WHEREAS, on 06 May 2022, the NEDA Board endorsed ad referendum the temporary modification of the MFN tariff rates on coal and corn, and the extension of the effectivity of the reduced MFN rates provided under EO Nos. 134 and 135 on meat of swine and rice, respectively;

**NOW, THEREFORE, I, RODRIGO ROA DUTERTE,** President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

**SECTION 1. Rates of Import Duty.** The articles specifically listed in Annex A hereof, as classified in compliance with Section 1611 of RA No. 10863, shall be subject to the MFN rates of duty, in accordance with the schedule indicated opposite the article.

Upon the effectivity of this Order, all articles specifically listed in Annex A hereof, which are entered into or withdrawn from warehouses in the Philippines for consumption shall be levied the MFN rates of duty as prescribed therein.

**SECTION 2. Repeal.** All other issuances, administrative rules and regulations, or parts thereof, which are inconsistent with this Order are hereby repealed or modified accordingly.

**SECTION 3. Separability**. If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

**SECTION 4. Effectivity.** This Order shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation, and shall be effective until 31 December 2022.

**DONE**, in the City of Manila, this  $\frac{21}{2}$  day of Lord, Two Thousand and Twenty-Two.

, in the year of Our

By the President:

SALVADOR C. MEDIALDEAN
Executive Secretary

Office of the President
MALACANANG RECORDS OFFICE
CERTIFICATION
CORPETON ZERV. FERROLIPO-ENAD
MANASONAL DIRECTOR IV





### Annex A

Hdg. No.	AHTN 2017 Code	Description	MFN Rate of Duty (%)	
			Until 31 December 2022	Starting 01 January 2023
(1)	(2)	(3)	(4)	(5)
02.03		Meat of swine, fresh, chilled or frozen.		
		- Fresh or chilled :		
	0203.11.00	Carcasses and half-carcasses :		
	0203.11.00A	In-Quota	15	30
	0203.11.00B	Out-Quota	25	40
	0203.12.00	Hams, shoulders and cuts thereof, with bone in :		
	0203.12.00A	In-Quota	15	30
	0203.12.00B	Out-Quota	25	40
	0203.19.00	Other:		
	0203.19.00A	In-Quota	15	30
	0203.19.00B	Out-Quota	25	40
		- Frozen :		
	0203.21.00	Carcasses and half-carcasses :		
	0203.21.00A	In-Quota	15	30
	0203.21.00B	Out-Quota	25	40
	0203.22.00	Hams, shoulders and cuts thereof, with bone in :		
	0203.22.00A	In-Quota	15	30
	0203.22.00B	Out-Quota	25	40
	0203.29.00	Other:	-	
	0203.29.00A	In-Quota	15	30
	0203.29.00B	Out-Quota	25	40
10.05		Maize (corn).		
	1005.10.00	-XXX		
	1005.90	- Other :		
	1005.90.10	XXX		
	1005.90.90	Other :	*	-
	1005.90.90A	In-Quota	5	35

cnc No. 75-2022

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Hdg. No.	AHTN 2017 Code	Description	MFN Rate of Duty (%)	
			Until 31 December 2022	Starting 01 January 2023
(1)	(2)	(3)	(4)	(5)
	1005.90.90B	Out-Quota	15	50
10.06		Rice.		
	1006.10	- Rice in the husk (paddy or rough) :		
-	1006.10.10	XXX		
	1006.10.90	Other:		
	1006.10.90A	In-Quota	35	40
	1006.10.90B	Out-Quota	35	50
	1006.20	- Husked (brown) rice :		
	1006.20.10	Hom Mali rice :		
	1006.20.10A	In-Quota	35	40
	1006.20.10B	Out-Quota	35	50
	1006.20.90	Other:		
	1006.20.90A	In-Quota	35	40
	1006.20.90B	Out-Quota	35	50
	1006.30	- Semi-milled or wholly milled rice, whether or not polished or glazed :		
	1006.30.30	Glutinous rice :		
	1006.30.30A	In-Quota	35	40
	1006.30.30B	Out-Quota	35	50
	1006.30.40	Hom Mali rice :		
	1006.30.40A	In-Quota	35	40
	1006.30.40B	Out-Quota	35	50
		Other:		
	1006.30.91	Parboiled rice :		
	1006.30.91A	In-Quota	35	40
	1006.30.91B	Out-Quota	35	50
	1006.30.99	Other:		
	1006.30.99A	In-Quota	35	40
	1006.30.99B	Out-Quota	35	50
	1006.40	- Broken rice :		
	1006.40.10	Of a kind used for animal feed :		



Hdg. No.	AHTN 2017 Code	Description	MFN Rate of Duty (%)	
			Until 31 December 2022	Starting 01 January 2023
(1)	(2)	(3)	(4)	(5)
	1006.40.10A	In-Quota	35	40
	1006.40.10B	Out-Quota	35	50
	1006.40.90	Other:		
	1006.40.90A	In-Quota	35	40
	1006.40.90B	Out-Quota	35	50
27.01		Coal; briquettes, ovoids and similar solid fuels manufactured from coal.		£
		- Coal, whether or not pulverised, but not agglomerated :		
	2701.11.00	Anthracite	0	1
	2701.12	Bituminous coal :		
	2701.12.10	Coking coal	0	7
	2701.12.90	Other	0	7
	2701.19.00	Other coal	0	7
	2701.20.00	-XXX		