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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

November 13, 2015

CUSTOMS MEMORANDUM CIRCULAR
NO. 164-2015

TO: All Deputy Commissioners
All Directors / District and Port Collectors
All Chiefs of Divisions Concerned

SUBJECT: *Executive Order No. 191 / Modifying the MFN Rates of Duty / Waiver To Special Treatment For Rice Of The Philippines / Phil.'s ASEAN-ANZFTA*

Attached is the letter dated November 11, 2015 of Director Marianito M. Dimaandal, Malacañang Records Office endorsing a certified copy of Executive Order No. 191 entitled: **"MODIFYING RATES OF DUTY ON CERTAIN AGRICULTURAL PRODUCTS UNDER EXECUTIVE ORDER NO. 851 (S. 2009) IN ORDER TO IMPLEMENT THE PHILIPPINES' ASEAN-AUSTRALIA-NEW ZEALAND FREE TRADE AREA (AANZFTA) TARIFF COMMITMENTS RELATING TO THE WORLD TRADE ORGANIZATION DECISION ON WAIVER RELATING TO SPECIAL TREATMENT FOR RICE OF THE PHILIPPINES."**

Be informed that this Executive Order was published in the Manila Bulletin November 12, 2015 issue.

For your guidance.

Please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.


ALBERTO D. LINA
Commissioner



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MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 191

MODIFYING THE RATES OF DUTY ON CERTAIN AGRICULTURAL PRODUCTS UNDER EXECUTIVE ORDER NO. 851 (S. 2009) IN ORDER TO IMPLEMENT THE PHILIPPINES' ASEAN-AUSTRALIA-NEW ZEALAND FREE TRADE AREA (AANZFTA) TARIFF COMMITMENTS RELATING TO THE WORLD TRADE ORGANIZATION (WTO) DECISION ON WAIVER RELATING TO SPECIAL TREATMENT FOR RICE OF THE PHILIPPINES

WHEREAS, the World Trade Organization (WTO) Agreement on Agriculture ("Agreement") embodies the multilateral trading rules governing "agriculture";

WHEREAS, the Philippine government secured "Special Treatment" for rice under Article 4.2 and Section B of Annex 5 of the Agreement which temporarily permitted the country to impose quantitative restrictions in the importation of rice;

WHEREAS, the Special Treatment expired on 30 June 2012 as scheduled in the Rectification and Modification of Schedule LXXV – Republic of the Philippines contained in the WTO documents G/MA/TAR/RS/99/Rev.1 dated 27 September 2006 and WT/Let/562 on 08 February 2007;

WHEREAS, the Special Treatment has been reinstated up to 30 June 2017 by virtue of the WTO Decision on Waiver Relating to Special Treatment for Rice of the Philippines ("Waiver") contained in WTO document WT/L/42 dated 24 July 2014;

WHEREAS, the Philippine government under Executive Order (EO) No. 851 (s. 2009) committed to accelerate the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) rates of duty on certain agricultural products as concession for the requested Waiver Relating to Special Treatment for Rice;

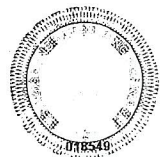
WHEREAS, Section 402 of the Tariff and Customs Code of the Philippines (TCCP), as amended, authorizes the President of the Philippines, upon the recommendation of the National Economic and Development Authority (NEDA), to modify import duties (including any necessary change in classification) and other import restrictions, as required or as appropriate to carry out and promote foreign trade with other countries; and

WHEREAS, the NEDA Board, during its meeting on 16 February 2015 approved the tariff reduction schedule on certain agricultural products.

NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:



THE PRESIDENT OF THE PHILIPPINES



SECTION 1. Modification of AANZFTA Rates. The articles specifically listed in Annex A hereof, as classified under Section 104 of the TCCP, as amended, shall be subject to the AANZFTA rates of import duty indicated in Columns 4 and 5 of Annex A.

SECTION 2. Rates for Articles in Annex A are Subject to Rules of Origin. From the date of effectivity of this Executive Order, all articles listed in Annex A which are entered or withdrawn from warehouses in the Philippines for consumption shall be imposed the rates of duty therein prescribed, provided that articles in Annex A shall comply with the Rules of Origin as provided for in Chapter 3 of the AANZFTA Agreement.

SECTION 3. Rates for Articles in Annex A upon the Expiration of the Waiver. The concession entered by the Philippine government shall continue to apply upon the expiration of the Waiver.

SECTION 4. Articles represented with X X X. The Nomenclature and the rates of import duty on tariff headings not enumerated and those listed but represented by the symbol X X X shall remain in force and in effect.

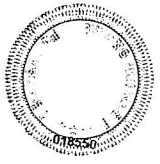
SECTION 5. Right of Recourse. Nothing in this Executive Order shall preclude the Philippines from invoking its right of recourse to all trade remedy measures provided for in its laws, the AANZFTA Trade in Goods Agreement and other relevant international agreements, as an effective device against import surges.

SECTION 6. Repeal. All other Presidential issuances, administrative rules and regulations, or parts thereof, which are inconsistent with this Executive Order are hereby revoked or modified accordingly.

SECTION 7. Separability. If any provision of this Executive Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

SECTION 8. Effectivity. This Executive Order shall take effect immediately following its complete publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

DONE, in the City of Manila, this 5th day of November in the year of Our Lord, Two Thousand and Fifteen.

[Handwritten Signature]


By the President:

[Handwritten Signature]
PAQUITO N. OCHOA, JR.
Executive Secretary



CERTIFIED COPY:
[Handwritten Signature]
MARIANTO M. DIMAANDAL
DIRECTOR IV
MALACANANG RECORDS OFFICE

Annex "A"

Modification of the AANZFTA Tariff Rates on Agricultural Products

Hdg. No.	AHTN Code 2012	Description	AANZFTA Rate of Duty (%)	
			2014-2016	2017-2020 and thereafter
(1)	(2)	(3)	(4)	(5)
04.01		Milk and cream, not concentrated nor containing added sugar or other sweetening matter.		
	0401.10	- Of a fat content, by weight, not exceeding 1%:		
	0401.10.10	-- In liquid form	2	0
	0401.10.90	-- Other	2	0
	0401.20			
	to			
	0401.50.90	-- X X X		
04.03		Buttermilk, curdled milk and cream, yogurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa.		
	0403.10	- Yogurt:		
	0403.10.20	-- In liquid form, whether or not condensed	3	3
	0403.10.90			
	to			
	0403.90.90	-- X X X		
04.05		Butter and other fats and oils derived from milk; dairy spreads.		
	0405.10.00	- Butter	3	0
	0405.20.00			
	to			
	0405.90.90	-- X X X		
04.06		Cheese and curd.		
	0406.10			
	to			
	0406.20.90	-- X X X		
	0406.30.00	- Processed cheese, not grated or powdered	0	0
	0406.40.00			
	to			
	0406.90.00	- X X X		
18.06		Chocolate and other food preparations containing cocoa.		
	1806.10.00	-- X X X		
	to			
	1806.20.90			
		- Other, in blocks, slabs or bars:		
	1806.31	-- Filled:		
	1806.31.10	--- Chocolate confectionery	0	0
	1806.31.90	--- Other	0	0
	1806.32	-- Not filled:		
	1806.32.10	--- Chocolate confectionery	0	0
	1806.32.90	--- Other	0	0
	1806.90	-- X X X		

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Hdg. No.	AHTN Code 2012	Description	AANZFTA Rate of Duty (%)	
			2014-2016	2017-2020 and thereafter
(1)	(2)	(3)	(4)	(5)
	to 1806.90.90			
19.01		Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of		
	1901.10 to 1901.20.40	-- X X X		
	1901.90	- Other		
	1901.90.11 to 1901.90.20	-- X X X		
		-- Other, of goods of heading 04.01 to 04.04:		
	1901.90.31	--- Filled milk	3	0
	1901.90.32	--- X X X		
	to 1901.90.99			
22.04		Wine of fresh grapes, including fortified wines; grape must other than that of heading 20.09.		
	2204.10.00	- X X X - Other wine; grape must with fermentation prevented or arrested by the addition of alcohol:		
	2204.21	-- In containers holding 2 l or less: --- Wine:		
	2204.21.11	---- Of an alcoholic strength by volume not exceeding 15% vol	0	0
	2204.21.13	---- Of an alcoholic strength by volume exceeding 15% vol but not exceeding 23% vol	0	0
	2204.21.14	---- Of an alcoholic strength by volume exceeding 23% vol --- Grape must with fermentation prevented or arrested by the addition of alcohol:	0	0
	2204.21.21	---- Of an alcoholic strength by volume not exceeding 15% vol	0	0
	2204.21.22	---- Of an alcoholic strength by volume exceeding 15% vol	0	0
	2204.29 to 2204.30.20	-- X X X		

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