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07 April 2016

CUSTOMS MEMORANDUM CIRCULAR

NO. 52 - 2016

TO:

All District/Port Collectors

And All Others Concerned

SUBJECT:

Additional Procedure Code in the E2M System to exempt the Importations of Newsprint classified under AHTN Codes 4801.0010 and 4801.0090 from Duty, VAT, and the definitive General Safeguard

Measure (SGD) under the provision of CMC No. 64-2015

Attached is the Memorandum dated 01 March 2016 of Ms. Liberty B. Plana, Acting Chief, System Development Division, MISTG, regarding the inclusion in Bureau's E2M System of the following additional codes, relative to the importations of Studio Graphics Corp. which are exempted from Duty and VAT and SGD under the provision of CMC No. 64-2015:

Additional Code	Description
L18	RA 8047, Book Publishing Act, CMC 64-2015,
	Duty, VAT & SGD Exempt
1 1 1 1 1 1 1	RA 8047, Book Publishing Act, CMC 64-2015,
	Duty, VAT & SGD Exempt Shipside

For your information and guidance.

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

ALBERTO D. LIN

Commissioner



APR 12 2016



REPUBLIC OF THE PHILIPPINES Department of Finance **BUREAU OF CUSTOMS**

Manila 1099

Management Information System and Technology Group Telephone: (63-2) 705-6082 / 705-6083

TIME: # 28/6-02-0226

March 01, 2016

Memorandum for: Deputy Commissioner, AOCG

Please be informed that this Office has assigned the following additional codes to the Bureau's e2m system to exempt from DUTY & VAT under the provision of R.A. 8047- Book Publishing Act and to exempt from the definitive general safeguard measure(SGD) under the provision of CMC No. 64-2015, in compliance with the recommendation from your Office:

Additional Code

Description

L18

RA 8047, Book Publishing Act, CMC 64-2015

Duty, VAT & SGD Exempt

L19

RA 8047, Book Publishing Act, CMC 64-2015

Duty, VAT & SGD Exempt Shipside

Acting Chief, SDD

DENNIS B. REYES, Ph.D.

Deputy Commissioner, MISTG

cc: Mr. Mario R. Veloso, Studio Graphics Corporation



Republic of the Philippines

DEPARTMENT OF FINANCE

Roxas Boulevard Corner Pablo Ocampo, Sr. Street Manila 1004

TABUHAY LANE

2nd Indorsement

February 02, 2016

Respectfully returned to the Executive Director, National Book Development Board, Unit 2401 Prestige Tower, F. Ortigas Jr. Road [formerly Emerald Avenue], Ortigas Center, Pasig City with the information that this Department interposes no objection to the request of STUDIO GRAPHICS CORPORATION to import raw materials which will be used exclusively for book publication, consisting of:

Commodity Name:

NEWSPRINT

Quantity

1,500 MT [+/-10% seller's option]

Basis Weight

48.8 GSM

Roll Width Roll Diameter

34" [863.6 mm] 40.35" [1025 mm]

I.D. Core

3" [76 mm]

In this connection, please be informed that said request may be allowed tax and duty-free exemption pursuant to Section 13 of Republic Act No. 8047, as implemented by Section 1, Rule III of the Guidelines on the Tax and Duty-free Importation and Monitoring of the Utilization of Raw Materials for Book Publishing, subject to the following conditions:

> 1. That the papers are not locally available in sufficient quantity, comparable quality and reasonable price;

2. That the imposted papers will be used exclusively for the printing of textbooks, parily Hi children

printing of textbooks, fruits the submitted

3. Periodic reports as to the usage of papers should be submitted

Upon arrival of the aforementioned importation, a formal request for duty and taxfree exemption should be filed with this Department together with the supporting documents, i.e., the bill of lading/airwaybill, commercial invoice and duly notarized affidavit stating that the shipment consists of papers only, for processing and issuance of release authority thereof to the Bureau of Customs.

MOREOVER, if any manifestation or representation made in any of the underlying documents submitted for the obtention of the tax/duty exemption herein requested is false, fraudulent, misleading, faulty, inaccurate or not in accord with the findings of an audit that we may conduct post importation, the exemption embodied herein shall be deemed nullified and voided, without prejudice to any legal action that this Department may pursue against the persons responsible for such misrepresentation.

By authority of the Secretary:

Director IV

Revenue Office

OF RECORD ON



Ms. Juvy Danofrata
Deputy Commissioner, AOCG
Port of Manila

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ASSESMENT TO THE COMMISSIONER
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BY! DINO
DATE: FEB 1 2 2016
TIME: 1:41 PM
#2116-117-6001

Subject: Request for Additional Procedure Code to avail exempion on Safeguard Duty, Customs Duty and Tax of Imported Newsprint under CMC 64-2015

Dear Madam,

We, STUDIO GRAPHICS CORPORATION, as per inquiry from MISTG would like to request for the procedure code to avail exemption of Safeguard duty, Customs duty and Tax for imported Newsprint. As an accredited printer of Department of Education (DepEd) we are Safeguard duty exempt under CMC 64-2015. Moreover, we have secured Customs and Tax exemption from National Book Development Board (NBDB) with the approval of Department of Finance.

We have an incoming shipments of approximately 1,200 Metric tons of Newsprint from South Korea to be used exclusively for the printing of textbooks.

Attached are copies of DepEd certification, DOF 2nd endorsement and CMC 64-2015 for your easy reference.

Hoping for your prompt attention on this matter.

Thank you very much,

Respectfully yours,

Mario K. Veloso Vice President



Republic of the Philippines

Department of Education

2016-22966

Tanggapan ng Pangalawang Kalihim
Office of the Undersecretary

JESSICA J. PINTON

29 Jan 2016 3024

January 18, 2016

CERTIFICATION.

This is to certify that **Studio Graphics Corporation** is under contract with the Department of Education (DepEd) to print and deliver *Kindergarten Activity Sheets, Grade 1 English Activity Sheet,* and *Teacher's Guide (TGs)* under Contract No. 2015-10-IMCS (073,075&079)-BI-CB-026-C046.

Pursuant to Safeguard Measures Case No. 01-2013 of Department of Trade and Industry and Custom Memorandum Circular No. 64-2015 (attached for reference), this Certification is issued by DepEd to **Studio Graphics Corporation** to justify its request for exemption in the payment of <u>"definitive safeguard duty"</u> for the importation of approximately 1,163 metric tons newsprint paper, thru **Jeonju Paper Corporation**, the paper supplier from South Korea which is Studio Graphics Corporation's paper source as declared in the Bid Documants. The imported newsprints will be used for the printing of the above-cited DepEd instructional materials.

Imported newsprints for release by Jeonju Paper Corporation beyond 1,163 metric tons are not covered by this certification.

REYNALDO D. LAGUDA

Undersecretary

Finance and Administration

Attachments:

- 1. Studio Graphic Corporation's letter and Declaration of Paper Sources
- 2. DepEd's computation of the paper requirements for the project.
- 3. Safeguard Measures Case No. 01-2013 of Department of Trade and Industry
- 4. Custom Memorandum Circular No. 64-2015

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CUSTOMS MEMORANDUM CIRCULAR NO. 64- 201

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To ingo confirme.

CORNELIA . CASIANO

Formal Entry Division

TO

All Deputy Commissioners

All District/Port Collectors

Service/Division/Section Chiefs

All Others Concerned

DATE

5 June 2015

SUBJECT:

Definitive Safeguard Measure on Imported Newsprint from

Various Countries classified under AHTN Codes 4801.0010

and 4801.0090

Attached is the letter dated 05 May 2015 of Secretary Gregorio L. Domingo, Department of Trade and Industry (DTI), forwarding to this Bureau a copy of the ORDER issued by the DTI imposing a definitive safeguard measure on imported newsprint (AHTN Codes 4801.0010 and 4801.0090) from various countries for a period of three (3) years, pursuant to Section 5 of Republic Act No. (RA) 8800, otherwise known as the "Safeguard Measures Act" and its Implementing Rules and Regulations (IRR).

The dispositive portion of the Order reads as follows:

- A definitive safeguard duty effective for three years shall be imposed on newsprint imported from various countries. The duty shall be applied to newsprint classified under AHTN Codes 4801.0010 and 4801.0090.
- The amount of the safeguard duty to be imposed for the first year shall be P980.00/MT (May 2015 to April 2016), for the second year - P800.00/MT (May 2016 to April 2017), and for the third year - P640.00/MT (May 2017 to April 2018).
- The safeguard measure shall be reviewed yearly with a view to further liberalizing the measure to prod the domestic industry to adjust to import competition.



Imported newsprint which will be used for the printing of textbooks for elementary and secondary schools to be procured by accredited printers under the DepED projects are exempt from the definitive general safeguard measure. To avail of exemption, importers shall present to the Bureau of

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Customs a certification from DepEd stating that the shipment of newsprint will be used for printing DepEd textbooks.

- 5. Pursuant to Section 13 of RA 8800 and Rule 13.1.d of its IRR, "a general safeguard measure shall not be applied to a product originating from a developing country if its share to total Philippine imports of the said product is less than three percent (3%): Provided, however, that developing countries with less than three percent (3%) share collectively account for not more than nine percent (9%) of the total Philippine imports of the product concerned". The countries and separate customs territories listed in Annex A are therefore excluded from the imposition of the definitive general safeguard measure on newsprint. The composition of the developing countries on the *de minimis* may change based on a review of the most recent data available as part of the annual review, which will be conducted by the DTI during the implementation period.
- 6. To avail of exemption from payment of the safeguard duty, Importers of newsprint originating from a WTO member developing country shall submit a Certificate of Origin (CO) issued by the authorized agency/office in the country of origin. The said CO shall be authenticated by the Philippine Embassy/Consulate.

Also, attached are copies of the ORDER and its Annex A.

For your information, guidance and strict implementation.

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

Commissioner

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