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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

*A modernized and credible customs administration that upholds good governance and is among the world's best*

18 December 2023

**CUSTOMS MEMORANDUM CIRCULAR**

NO. 219-2023

**TO :** ASSISTANT COMMISSIONER  
ALL DEPUTY COMMISSIONERS  
ALL DIRECTORS AND DIVISION CHIEFS  
ALL DISTRICT AND SUB-PORT COLLECTORS  
ALL OTHERS CONCERNED

**SUBJECT :** TARIFF CLASSIFICATION DISPUTE RULING

This has reference to the herein attached Tariff Commission Circular Dispute Ruling (TCC DR) No. 23-012 issued on 06 December 2023 pursuant to Paragraph 2 of Section 1100 of Republic Act No. 10863, otherwise known as Customs Modernization and Tariff Act, on the shipment of "Astec GFRP Rebar GR45T Straight," consigned to Sumitomo Mitsui Construction Co., Ltd. (Import Entry/ Customs Reference No. C-183326-23, Manila International Container Port) from China, the dispositive portion of which states that:

**"WHEREFORE,** premises considered, subject article is hereby classified as follows:

Product	AHTN 2017 Code	2023 MFN Rate	2023 ACFTA Rate*
"ASTE GFRP REBAR GR45T STRAIGHT"	3916.90.29	15% ad valorem	15% ad valorem

\*Subject to submission of Certificate of Origin (CO) Form "E"

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt thereof.

For strict compliance.

**BIENVENIDO Y. RUBIO**  
Commissioner



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G. BONCAD

TIME: 9:56



REPUBLIC OF THE PHILIPPINES  
BUREAU OF CUSTOMS  
OFFICE OF THE DEPUTY COMMISSIONER  
ASSESSMENT & OPERATIONS COORDINATING GROUP (AOC)

RECEIVED #211

BY: *[Signature]*

DATE & TIME: 09-45215

REPUBLIC OF THE PHILIPPINES  
TARIFF COMMISSION

RE: REQUEST FOR TARIFF CLASSIFICATION DISPUTE RULING ON "ASTEC GFRP REBAR GR45T STRAIGHT", CONSIGNED TO SUMITOMO MITSUI CONSTRUCTION CO., LTD.

TCC (DR) NO. 23-012

(Import Entry/Customs Reference No. C-183326, Manila International Container Port)

Issued on: 06 December 2023

TARIFF CLASSIFICATION DISPUTE RULING

Before this Commission is a request for a Tariff Classification Dispute Ruling (TCDR), pursuant to Paragraph 2 of Section 1100 of Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA), on the shipment of ASTEC GFRP Rebar GR45T Straight imported by Sumitomo Mitsui Construction Co., Ltd. (Importer/Consignee) from China. The request of the Importer/Consignee for a TCDR was accepted by this Commission on 11 July 2023.

The shipment of said article, declared under ASEAN Harmonised Tariff Nomenclature (AHTN) 2022 subheading 7019.90.90, with a Most Favoured Nation (MFN) rate of duty of 5% *ad valorem*, was processed under Import Entry/Customs Reference No. C-183326 at the Bureau of Customs (BOC) - Manila International Container Port (MICP). The BOC contested the declared heading and reclassified subject article under AHTN 2022 subheading 3926.90.99, with an MFN rate of duty of 15% *ad valorem*.

Hence, this request for Tariff Classification Dispute Ruling.

On 09 August 2023, the Commission wrote the Importer/Consignee requesting for the submission of the following: a) detailed manufacturing process with write-up/description; b) clarification on the difference between fiberglass and glass fiber reinforced polymer (GFRP); and c) actual sample of at least 1 meter (to be submitted at the Tariff Commission office). The information requested, including the sample, was received by this Commission on 16, 18 and 21 August 2023.

Pursuant to Section 7.3 of Commission Order No. 2018-01, this Commission requested the concerned BOC District Collector on 12 September 2023 for comments on the request for TCDR on ASTEC GFRP Rebar GR45T Straight. Further, Section 7.4 of the same Commission Order states that within 10 working days from the receipt of the notice and the records of the case, the BOC may file a comment or submit any additional explanation or documents to justify its findings. However, to this date, the Commission has not received any response from the BOC and, hence, proceeded to evaluate the classification of the subject article based on the submissions received from the Importer/Consignee.

In the evaluation of disputes on tariff classification, Section 8 of Commission Order No. 2018-01 provides that this Commission, if it deems necessary, shall conduct a hearing to clarify the facts necessary to resolve the pending disputes in tariff classification. In the present case, however, this Commission found that the submissions of the Importer/Consignee were sufficient to make a correct determination on the tariff classification of the subject article. A hearing, therefore, is no longer necessary.

After due examination of the submitted product brochure, certificates of compliance to quality control standards, product specifications, material safety data sheet, photographs taken during the actual examination, and sample submitted, it is established that subject article is a gray, solid glass fiber reinforced polymer (GFRP) rebar primarily made of 73% glass fibers (fiberglass rovings) and 27% polyester-based (thermoset) resin (binding agent) with additives (catalysts, accelerators, and fillers), polyester wire, and sand coating. It is produced using pultrusion process by impregnating glass fibers with polyester-based resin, followed by forming, curing, pulling, and cutting. It is used as an alternative to traditional steel reinforcement within the diaphragm wall of the Metro Manila Subway Project CP103, to ease the entry of the Tunnel Boring Machine (TBM)

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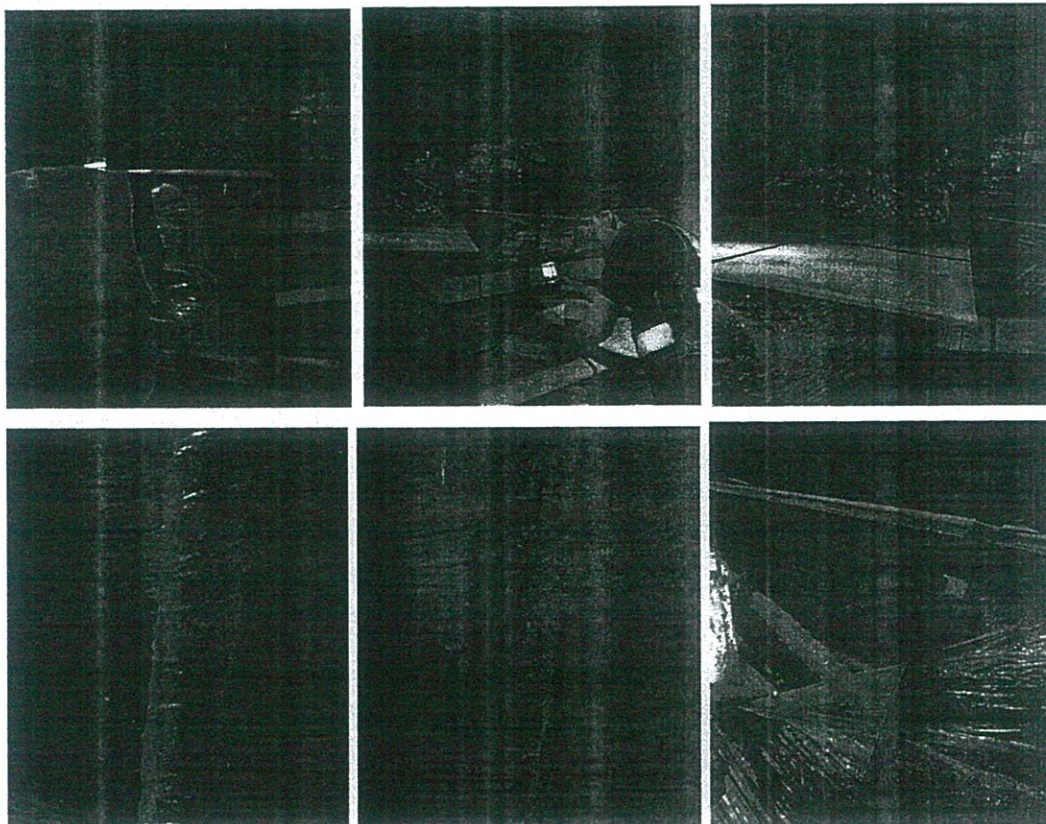
to the soil strata. Subject article is packed in 1x40' high cube (HQ) and 1x20' general purpose (GP) containers (bundles and pallets).

Subject article has the following specifications:

<b>Cross Sectional Area (mm<sup>2</sup>)</b>	408.0 ~ 699.3
<b>Diameter (mm)</b>	22.79 ~ 29.84
<b>Length (mm)</b>	1,469 ~ 11,502
<b>Ultimate Tensile Load (kN)</b>	346.1 ~ 491.5
<b>Ultimate Tensile Strength (MPa)</b>	756.2 ~ 1,083.2
<b>Modulus of Elasticity (GPa)</b>	49.8 ~ 54.6
<b>Ultimate Strain (%)</b>	1.74 ~ 2.47
<b>Transverse Shear (MPa)</b>	142.9 ~ 167.3
<b>Fiber Content (%)</b>	77.5 ~ 81.4

Below are photographs taken during the actual examination of the BOC and the sample submitted by the Importer/Consignee to this Commission:

**Photographs Taken During Actual Examination at MICP Designated Examination Area (DEA) on 06 June 2023: ASTEC GFRP REBAR GR45T (Included in Submissions of Importer-Consignee)**



**Photograph of Product Sample Submitted by the Importer/Consignee to the Commission on 18 August 2023**



The Importer/Consignee declared the subject article under AHTN 2022 heading 70.19 [glass fibres (including glass wool) and articles thereof (for example, yarn, rovings, woven fabrics)], specifically under 7019.90.90, which covers other glass fibres and articles thereof, not covered in previous subheadings.

The pertinent Harmonised System (HS) Explanatory Notes (EN) to heading 70.19 state that:

“XXX

The heading **excludes** :

**(a) Semi-finished products and articles obtained by compressing glass fibres, or superimposed layers of glass fibres, impregnated with plastics, if having a hard, rigid character and hence having lost the character of articles of glass fibres (Chapter 39).** [emphasis added].

XXX”

On the other hand, the BOC considered the disputed product under AHTN 2022 heading 39.26 (other articles of plastics and articles of other materials of headings 39.01 to 39.14), particularly under subheading 3926.90.99, which covers other articles of plastics and articles of other materials of headings 39.01 to 39.14, not covered in the preceding subheadings.

The HS EN to heading 39.26 state that:

“This heading covers articles, not elsewhere specified or included, of plastics (as defined in Note 1 to the Chapter) or of other materials of headings 39.01 to 39.14.”

The Commission agrees that heading 39.26, the residual heading covering articles of plastics not elsewhere specified or included, merits consideration as subject article is an article of plastics composed of glass fiber reinforced polymer. However, the Commission has determined that, as presented and based on its characteristics/specifications, subject article is classifiable under a more specific heading of Chapter 39.

Heading 39.16 of the AHTN 2022 covers *monofilament of which any cross-sectional dimension exceeds 1 mm, rods [emphasis added], sticks and profile shapes, whether or not surface-worked but not otherwise worked, of plastics.*

The General Explanatory Note to Chapter 39 states that:

“XXX

#### **Combinations of plastics and materials other than textiles**

*This Chapter also covers the following products, whether they have been obtained by a single operation or by a number of successive operations **provided** that they retain the essential character of articles of plastics :*

XXX

**(d) Products consisting of glass fibres or sheets of paper, impregnated with plastics and compressed together, provided they have a hard, rigid character [emphasis added].** (If having more the character of paper or of articles of glass fibres they are classified in **Chapter 48** or **70**, as the case may be.)

*The provisions of the preceding paragraph also apply, mutatis mutandis, to monofilaments, rods [emphasis added], sticks, profile shapes, tubes, pipes and hoses and articles.*

XXX”

Furthermore, the HS EN to heading 39.16 state that:

“This heading covers *monofilament of which any cross-sectional dimension exceeds 1 mm, rods [emphasis added], sticks, and profile shapes. These are obtained in the length in a single operation (generally extrusion), and they have a constant or repetitive cross-section, from one end to the other.*

XXX

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For the classification of monofilament, **rods [emphasis added]**, sticks and profile shapes of plastics combined with other materials, see the General Explanatory Note to this Chapter.”

Subject article, being a glass fiber reinforced polymer (GFRP) rebar primarily made of glass fiber and polyester-based resin, and **having a hard and rigid character**, is specifically covered under AHTN 2022 heading 39.16.

Based on the information received from the Importer/Consignee, and the clarifications provided by the foregoing HS EN, subject article is properly classified under AHTN 2022 subheading 3916.90.29 by virtue of Rules 1 and 6 of the General Rules for the Interpretation (GRI) of the HS (Section 1610 of the CMTA).

**WHEREFORE**, premises considered, subject article is hereby classified as follows:

Product	AHTN 2022 Code	2023 MFN Rate	2023 ACFTA Rate*
ASTECC GFRP Rebar GR45T Straight	3916.90.29	15% <i>ad valorem</i>	15% <i>ad valorem</i>

\* Subject to submission of Certificate of Origin (CO) Form "E"

This is for compliance by the BOC pursuant to Section 1100 of the CMTA.

So Ordered.

FOR THE COMMISSION

Digitally signed  


**MARILOU P. MENDOZA**  
 Chairperson

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