



MASTER COPY  
mt

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*

12 February 2024

**CUSTOMS MEMORANDUM CIRCULAR**  
NO. 30-2024

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

**SUBJECT :** IMPOSITION OF PROVISIONAL SAFEGUARD DUTY ON THE  
IMPORTATION OF LIQUEFIED PETROLEUM GAS (LPG)  
STEEL CYLINDER FROM VARIOUS COUNTRIES WITH  
SAFEGUARD MEASURE CASE NO. SG01-2023 UNDER  
DEPARTMENT OF TRADE AND INDUSTRY DEPARTMENT  
ADMINISTRATIVE ORDER NO. 23-04, SERIES OF 2023

This has reference to the herein attached letter dated 27 December 2023 from Benjamin E. Diokno, Secretary, Department of Finance (DOF) with attached letter and Department Administrative Order (DAO) No. 23-04 both dated 29 November 2023 from Alfredo E. Pascual, Secretary, Department of Trade and Industry.

As stated in the DOF letter, pursuant to Section 8 of Republic Act (RA) No. 8800, the DTI Secretary issued DAO No. 23-04, series of 2023 covering the following:

- a. A provisional safeguard measure in the form of a cash bond amounting to PhP 2.18/kg. on imported LPG Steel Cylinders under AHTN Code 7311 shall be imposed for a period of two hundred (200) days from the date of the issuance of the order by the Bureau of Customs while the case is under formal investigation by the Tariff Commission.
- b. Imports originating from developing countries listed in Annex A covered by Rule 8.8 of the Implementing Rules and Regulations (IRR) of RA No. 8800 shall not be subject to the provisional safeguard measure.



Gate 3, South Harbor, Port Area, Manila 1018  
+63 (02) 8705-6000, +63 (02) 8527-1968 | www.customs.gov.ph | boc.cares@customs.gov.ph

CMC 30-2024

- c. Importers of LPG Steel Cylinders from a country that is exempt from the safeguard duty shall submit a Certificate of Origin issued by the authorized agency/office in the source country of manufacture, subject to affixation of "Apostille" to the document or authentication by the Philippine Embassy/Consulate General, as applicable.
- d. Users of LPG Steel Cylinders will retain their option to choose between local and imported LPG Cylinders, since imports will still be allowed.
- e. The imposition of the safeguard measure will only be temporary and is not expected to cause shortage of LPG Steel Cylinders in the domestic market considering that the LPG Steel Cylinder manufacturers have sufficient capacity to meet the domestic demand.

Further, pursuant to Rule 8.5 of the IRR of RA No. 8800, the DTI Secretary is requesting to collect the provisional safeguard duty in the form of cash bond and to require the importers to post the appropriate cash bond on the subject importations within three (3) days from receipt of the instruction from the Secretary of Finance. This section also states that all importations which enter the Philippines after the date of the decision of the DTI Secretary shall be covered by the bond.

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

For information and guidance.

BIENVENIDO Y. RUBIO  
Commissioner



FEB 15 2024



Gate 3, South Harbor, Port Area, Manila 1018

+63 (02) 8705-6000, +63 (02) 8527-1968 | [www.customs.gov.ph](http://www.customs.gov.ph) | [boc.cares@customs.gov.ph](mailto:boc.cares@customs.gov.ph)



Republic of the Philippines  
**DEPARTMENT OF FINANCE**  
Roxas Blvd. corner P. Ocampo St., 1004 Manila

MASTER COPY

**BIENVENIDO Y. RUBIO**

Commissioner  
Bureau of Customs  
South Harbor, Port Area, Manila

**SUBJECT: Imposition of Provisional Safeguard Duty on the Importation of Liquefied Petroleum Gas (LPG) Steel Cylinder from Various Countries with Safeguard Measure Case No. SG01-2023 under Department of Trade and Industry (DTI) Department Administrative Order No. 23-04, Series of 2023**

Dear **Commissioner Rubio**:

We write with regard to the letter dated 29 November 2023 of the DTI on the imposition of a provisional safeguard measure on Liquefied Petroleum Gas (LPG) Steel Cylinders imported from various countries under ASEAN Harmonized Tariff Nomenclature (AHTN) Code 7311.

Pursuant to Section 8 of Republic Act (RA) No. 8800, the DTI Secretary issued Department Administrative Order (DAO) No. 23-04, series of 2023 covering the following:

- a. A provisional safeguard measure in the form of a cash bond amounting to PHP 2.18/kg on imported LPG Steel Cylinders under AHTN Code 7311 shall be imposed for a period of two hundred (200) days from the date of the issuance of the order by the Bureau of Customs while the case is under formal investigation by the Tariff Commission.
- b. Imports originating from developing countries listed in Annex A covered by Rule 8.8 of the Implementing Rules and Regulations (IRR) of RA No. 8800 shall not be subject to the provisional safeguard measure.
- c. Importers of LPG Steel Cylinders from a country that is exempt from the safeguard duty shall submit a Certificate of Origin issued by the authorized agency/office in the source country of manufacture,

**Imposition of Provisional Safeguard Duty on the  
Importation of LPG Steel Cylinders from Various Countries**

CMC 80-2024 p.4

- subject to affixation of "Apostille" to the document or authentication by the Philippine Embassy/Consulate General, as applicable.
- d. Users of LPG Steel Cylinders will retain their option to choose between local and imported LPG Steel Cylinders, since imports will still be allowed.
  - e. The imposition of the safeguard measure will only be temporary and is not expected to cause shortage of LPG Steel Cylinders in the domestic market considering that the LPG Steel Cylinder manufacturers have sufficient capacity to meet the domestic demand.

Further, pursuant to Rule 8.5 of the IRR of RA No. 8800, the DTI Secretary is requesting the undersigned to direct the Commissioner of Customs to collect the provisional safeguard duty in the form of cash bond and to require the importers to post the appropriate cash bond on the subject importations within three (3) days from receipt of the instruction from the Secretary of Finance. This section also states that all importations which enter the Philippines after the date of the decision of the DTI Secretary shall be covered by the bond.

With the above, this Department directs the Commissioner to issue the necessary Customs Memorandum Order for the proper implementation of DTI DAO No. 23-04, series of 2023 in accordance with Rule 8.5 of the IRR of RA No. 8800.

Thank you.

Very truly yours,

C C C

**BENJAMIN E. DIOKNO**  
Secretary of Finance

DEC 27 2023



CMC 90-2024 P-5



29 November 2023

HON. BENJAMIN E. DIOKNO

Secretary  
Department of Finance  
DOF Bldg., BSP Complex,  
Roxas Blvd., Manila

Dear **Secretary Diokno**:

This is to provide the Secretary a copy of the Order and Report (non-confidential version) on the preliminary determination we conducted based on the petition for general safeguard measures on imported LPG Steel Cylinders from various countries by Ferrotech Steel Corporation (FSC).

The Order provides for the imposition of a provisional safeguard duty in the form of a cash bond amounting to Php2.18/Kg, of imported LPG Steel Cylinders from various countries classified under AHTN Codes 7311.

The duration of the imposition of the provisional duty is 200 days. It shall take effect upon the issuance of the relevant Customs Memorandum Order. Pursuant to Section 8 of R.A. 8800, the Safeguard Measures Act and its IRR, the Secretary of Trade and Industry shall immediately issue, through the Secretary of Finance, a written instruction to the Commissioner of Customs authorizing the imposition of the provisional safeguard duty in the form of a cash bond for 200 days on the products as cited above.

Further, we wish to draw the Secretary's attention to Rule 8.5 of RA 8800 which provides, "Within three (3) calendar days from receipt of the preliminary findings of the Secretary (Trade and Industry), the Secretary of Finance shall instruct the Commissioner of Customs to impose the cash bond. It shall be mandatory for the Commissioner of Customs to instruct the Collector of Customs within three (3) days from receipt of instructions from the Secretary of Finance, to require importers of the product under consideration to post the appropriate cash bond. All importations which enter the Philippines after the date of the decision of the Secretary shall be covered by the bond. It shall also be mandatory for the Collector of Customs to immediately implement the instructions of the Customs Commissioner upon receipt thereof." (underscore supplied)

In view thereof, we are requesting the Secretary to direct the Commissioner of Customs to issue the Customs Memorandum Order in order to collect the appropriate amount of the provisional safeguard duties on LPG Steel Cylinders covered by the said Order.

The Non-Confidential Report on the Preliminary Investigation and Department Administrative Order can be accessed at the DTI web page: <https://bit.ly/sq-preliminary-lpg>

Thank you.

Sincerely,

  
ALFREDO E. PASCUAL  
Secretary

cc: Commissioner Bienvenido Y. Rubio  
Bureau of Customs

OFFICE OF THE SECRETARY



Department Administrative Order No. 23-04  
Series of 2023

**IN THE MATTER OF THE PRELIMINARY  
DETERMINATION OF THE SAFEGUARD  
MEASURES INVESTIGATION ON THE  
IMPORTATION OF LIQUIFIED PETROLEUM  
GAS (LPG) STEEL CYLINDER FROM VARIOUS  
COUNTRIES (AHTN Code 7311)  
(Safeguard Measures Case No. SG01-2023)**

X-----X

**ORDER**

Ferrotech Steel Corporation filed a Petition for safeguard measures on the importation of Liquefied Petroleum Gas (LPG) Steel Cylinder under ASEAN Harmonized Tariff Nomenclature (AHTN) Code 7311 from various countries. The period of investigation covered imports from 2017 to 2021.

The Department, acting under Section 7 of RA 8800, the "Safeguard Measures Act", and on the basis of evidence and submissions of interested parties, established after preliminary investigation the existence of a causal link between the increased imports of the products under consideration and serious injury to the domestic industry. The increased volume of imports, both in absolute terms and relative to domestic production, was found to be the substantial cause of the over-all impairment in the local industry.

Further, pursuant to Section 8 of RA 8800 which provides that, "*in critical circumstances where a delay would cause damage which would be difficult to repair, and pursuant to a preliminary determination that increased imports are the substantial cause of serious injury to the domestic industry*", a provisional safeguard measure in the form of a cash bond amounting to ₱2.18/kg on imported LPG steel cylinders under AHTN Code 7311, shall be imposed while the case is under formal investigation by the Tariff Commission, for a period of Two Hundred (200) days from the date of issuance by the Bureau of Customs of an Order.

Imports originating from developing countries listed in Annex "A" covered by Rule 8.8 of the IRR of RA 8800 shall not be subject to the provisional safeguard measure.

Importers of LPG Steel Cylinder from a country that is exempt from the safeguard duty shall submit a Certificate of Origin (CO) issued by the authorized agency/office in the source country of manufacture, subject to affixation of "Apostille" to the document or authentication by the Philippine Embassy/Consulate General, as applicable.

Moreover, Rule 5.2 of the Implementing Rules and Regulations (IRR) of RA 8800 provides that "*the Secretary when establishing that the application of a safeguard measure will be in the public interest shall take into consideration the following factors; among others: x x x (ii) the extent to which such imposition will cause a shortage of a product under consideration in the domestic market*".

OFFICE OF THE SECRETARY

Accordingly, the DTI has established that the imposition of the provisional safeguard measure shall be in the public interest. With the commitment of the domestic industry to upgrade its facilities, and improve its production efficiency, consumers will have a better and wider range of products to choose from at competitive prices. However, while DTI is mandated to protect consumers, there is a need to balance this with the other sectors such as the investors and industries which provide employment to Filipinos. There is also a need to moderate imports to balance trade. If local manufacturers can adequately supply domestic requirements, they need to be provided a level playing field to enable them to compete with imports. This will allow the expansion of the industry's manufacturing base and sales which will generate more jobs for Filipinos and allow the continuity of employment for the existing employees of the industry.

Further, users of LPG steel cylinder will retain their option to choose between the local and imported LPG steel cylinder since imports will still be allowed. The imposition of the safeguard measure will only be temporary and is not expected to cause shortage of LPG steel cylinder in the domestic market considering that the LPG steel cylinder manufacturers have sufficient capacity to meet the domestic demand.

**WHEREFORE, IN VIEW THEREOF**, the case records will be transmitted to the Tariff Commission for the conduct of a formal investigation to determine whether or not there is a need to impose a definitive safeguard measure.

The non-confidential report of the preliminary safeguard measures investigation can be accessed at the DTI website: <https://bit.ly/sq-preliminary-lpg>


The notification and consultation requirements under Article 12 of the WTO Safeguards Agreement and Section 17 of RA 8800 and its IRR shall be complied with. Imports originating from ASEAN member states shall be governed by the provisions of Articles 11 and 23 of the ASEAN Trade in Goods Agreement (ATIGA). Other imports originating from member states of Free Trade Agreements that the Philippines entered into, such as ACFTA, PJEPA, AJCEPA, AKFTA, AIFTA, AANZFTA, PH-EFTA FTA, RCEP and AHKFTA shall follow the notification and/or consultation requirements provided under the said FTAs.

Let this Order be published in two (2) newspapers of general circulation and let individual notices be sent to all interested parties including the country members concerned.

This Order shall take effect upon the issuance of the relevant Customs Memorandum Order by the Bureau of Customs.

SO ORDERED.

29 November 2023

  
**ALFREDO E. PASCUAL**  
Secretary

1 - a

ANNEX A

**List of Developing Countries and Separate Customs Territories  
Excluded from the Imposition of Provisional Safeguard Measure  
on LPG Steel Cylinders**

<b>East &amp; Southern Africa</b>	<b>West Africa</b>	<b>North Africa</b>	<b>South Asia</b>
Angola	Benin	Algeria	Afghanistan
Botswana	Burkina Faso	Egypt, Arab Rep.	Bangladesh
Burundi	Cameroon	Libya	Bhutan
Comoros	Cape Verde	Morocco	British Indian Ocean Territory
Congo. Dem. Rep.	Central African Rep.	Tunisia	Timor-Leste
Djibouti	Chad		India
Eritrea	Congo, Rep.		Maldives
Eswatini	Cote d' Ivoire		Nepal
Ethiopia	Equatorial Guinea		Pakistan
Kenya	Gabon		Sri Lanka
Lesotho	Gambia, The		
Madagascar	Ghana		
Malawi	Guinea		
Mauritius	Guinea, Bissau		
Mozambique	Liberia		
Namibia	Mali		
Rwanda	Mauritania		
Seychelles	Niger		
Somalia	Nigeria		
South Africa	Sao Tome &		
Sudan	Principe		
Tanzania	Senegal		
Uganda	Sierra Leone		
Zambia	Togo		
Zimbabwe			



mm

Europe & Central Asia	Middle East	Americas	East Asia & Pacific
Armenia Azerbaijan Georgia Kazakhstan Kyrgyzstan Tajikistan Turkiye Turkmenistan Uzbekistan	Bahrain Iran, Islamic Rep. Iraq Jordan Kuwait Lebanon Oman Qatar Saudi Arabia Syrian Arab Rep. United Arab Emirates West Bank & Gaza Yemen, Rep.	Anguilla Antigua & Barbuda Argentina Aruba Bahamas Barbados Belize Bermuda Bolivia Brazil British Virgin Is. Cayman Is. Colombia Costa Rica Cuba Dominica Dominican Rep. Ecuador El Salvador Falkland Is. (Malvinas) Grenada Guatemala Guyana Honduras Jamaica Mexico Montserrat Netherland Antilles Nicaragua Norfolk Is. Panama Paraguay Peru Puerto Rico St. Helena St. Kitts & Navis St. Lucia St. Vincent & the Grenadines Suriname Trinidad & Tobago Turks & Caicos Is. Uruguay US Virgin Is. Venezuela	American Samoa Brunei Darussalam Cambodia Cook Is. Fiji French Polynesia Guam Hong Kong, China Indonesia Kiribati Korea, Dem. Rep. Lao PDR Macau, China Malaysia Marshall Islands Micronesia, Fed. Sts. Mongolia Myanmar Nauru New Caledonia Niue Northern Marianas Is. Palau Papua New Guinea Pitcairn Is. Samoa Singapore Solomon Islands Chinese Taipei Tokelau Thailand Tonga Tuvalu Vanuatu. Wallis & Futuna Is.