



## DEPARTMENT OF FINANCE

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20 November 2024

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

SUBJECT : DEPARTMENT OF TRADE AND INDUSTRY DEPARTMENT ADMINISTRATIVE ORDER NO. 24-06, SERIES OF 2024, RE: IN THE MATTER OF THE APPLICATION FOR GENERAL SAFEGUARD MEASURE ON THE IMPORTATION OF LIQUIFIED PETROLEUM GAS (LPG) STEEL CYLINDER FROM VARIOUS COUNTRIES (AHTN 2022 HEADING NO. 73.11)

This has reference to the Letter dated 05 November 2024 from Maria Giza B. Lim, Director, Department of Trade and Industry (DTI), regarding DTI Department Administrative Order (DAO) No. 24-06, s. 2024, with the subject: In the Matter of the Application for General Safeguard Measure on the Importation of Liquified Petroleum Gas (LPG) Steel Cylinder from Various Countries (AHTN 2022 Heading No. 73.11).

As stated in DTI DAO No. 24-06, s. 2024, DTI received the Tariff Commission's (Commission) Final Report on the Formal Investigation on the Imposition of Safeguard Measure Against Importations of LPG Steel Cylinder from various countries classified under AHTN 2022 Heading No.73.11. The period of investigation is from 2017 to 2023.

Considering that not all the elements for the imposition of a definitive safeguard duty were met, the Commission concluded its formal investigation and recommended that no definitive general safeguard measure be imposed on importations of the LPG steel cylinders subject of the investigation.

In view thereof, the petition for general safeguard measure on the importation of LPG Steel Cylinders falling under AHTN 2022 Heading No. 73.11 is hereby dismissed.

Accordingly, and pursuant to Section 13 of Republic Act No. 8800 and Rule 13.3.c of its Implementing Rules and Regulations, all cash bonds that have been imposed and previously collected on shipments of LPG steel cylinders which entered



Cmc No. 194-2024

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or were withdrawn from warehouses in the Philippines for consumption, from 15 February 2024, the date of the effectivity of the Customs Memorandum Circular No. 30-2024, shall be immediately returned to the concerned importer/s.

Attached hereto is a copy of DTI DAO No. 24-06, s. 2024, as Annex "A" for reference.

For records purposes, please disseminate this circular throughout your respective offices and submit the necessary confirmation within fifteen (15) days from receipt hereof.

For your information and reference.

BIENVENID Y. RUBIO Commissioner as NOV 26 2024



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05 November 2024 BIS-IRM-LR139/31

HON. BIENVENIDO Y. RUBIO Commissioner Bureau of Customs G/F OCOM Building, 16<sup>th</sup> Street, South Harbor, Port Area, Manila

Dear Commissioner Rubio:

This refers to the Department Administrative Order No. 24-06 (DAO No. 24-06) "In the Matter of the Application for General Safeguard Measure on the Importation of Liquefied Petroleum Gas (LPG) Steel Cylinder from Various Countries (AHTN 2022 Heading No. 73.11)". Specifically, on the issuance of the relevant Customs Memorandum Circular (CMC)/Customs Memorandum Order (CMO) on the matter.

Please note that per previous communications with the Department of Finance (DOF) on 03 October 2024, we were informed that a Memorandum was transmitted to the BOC on 02 October 2024 directing the BOC to issue the relevant CMC/CMO. On 28 October 2024, we learned that the matter is currently being reviewed by the BOC-Assessment and Operations Coordinating Group (AOCG).

In this regard, as we have received queries from various stakeholders following up the status of the said DAO, may we request for an update of the issuance of the relevant CMC/CMO. We would appreciate receiving feedback the soonest possible time.

Thank you.

Thank you for your cooperation.

Very truly yours,

Directo

BUREAU OF IMPORT SERVICES

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Department Administrative Order No. 24-06 Series of 2024

IN THE MATTER OF THE APPLICATION FOR **GENERAL SAFEGUARD MEASURE ON THE** IMPORTATION OF LIQUIFIED PETROLEUM GAS (LPG) STEEL CYLINDER FROM VARIOUS COUNTRIES

(AHTN 2022 HEADING NO. 73.11)

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## ORDER

On 23 July 2024, the Department of Trade and Industry (DTI) received the Tariff Commission's (Commission) Final Report on the Formal Investigation on the Imposition of Safeguard Measure Against Importations of Liquified Petroleum Gas (LPG) Steel Cylinder from various countries classified under AHTN 2022 Heading No. 73.11). The period of investigation (POI) is from 2017 to 2023.

The Commission, in accordance with the Safeguard Measures Act (RA 8800), and its Implementing Rules and Regulations (JAO No. 03, Series of 2000), concluded as follows:

- 1. The combined actual production volumes of petitioner Ferrotech Steel Corporation and FSC Metal Corporation accounted for 92% of total domestic production of LPG steel cylinders, as found by the Department of Trade and Industry in its preliminary determination. Since this 92% share is not only more than the majority domestic total production but also represents a very high proportion of the same, Ferrotech Steel Corporation and FSC Metal Corporation satisfy the definition of "domestic industry" as required by Section 4(f) of RA No. 8800.
- 2. Locally produced LPG steel cylinder, of welded type, is a "like product" to imported LPG steel cylinders, of welded type.

Locally produced LPG steel cylinder, of welded type, is a "directly competitive product" to imported LPG steel cylinders, of seamless type.

LPG steel cylinders were imported into the Philippines in increased quantities relative to domestic production. The increase in the volumes of imports relative

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to domestic production can be considered recent, sudden, sharp and significant enough.

- Available industry-wide data on all relevant injury factors are insufficient to make a positive determination on serious injury or threat thereof to the domestic industry.
- In the absence of a positive determination of serious injury or threat thereof, neither can the causal relationship between increased imports of LPG steel cylinder and serious injury or threat thereof to the domestic industry be established.

Considering that not all the elements for the imposition of a definitive safeguard duty were met, the Commission concluded its formal investigation and recommended that no definitive general safeguard measure be imposed on importations of the LPG steel cylinders subject of the investigation.

IN VIEW THEREOF, the petition for general safeguard measure on the importation of Liquified Petroleum Gas (LPG) Steel Cylinders falling under AHTN 2022 Heading No. 73.11 is hereby dismissed.

Accordingly, and pursuant to Section 13 of RA 8800 and Rule 13.3.c of the Implementing Rules and Regulations, all cash bonds that have been imposed and previously collected on shipments of LPG steel cylinders which entered or were withdrawn from warehouses in the Philippines for consumption, from 15 February 2024, the date of the effectivity of the Bureau of Customs (BOC), Customs Memorandum Circular No. 30-2024, shall be immediately returned to the concerned importer/s.

The DTI Order can be accessed at the DTI website: https://bit.ly/SGFinal\_LPG

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

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

SO ORDERED. 19 aust 2024~ A. ROQUE Acting Sectetary