

WORLD TRADE ORGANIZATION

G/AG/N/PHL/13
9 April 1998

(98-1470)

Committee on Agriculture

Original: English

NOTIFICATION

The following notification concerning the administration of tariff and other quotas for 1998 (Table MA:1) was received from the delegation of **Philippines** on 3 April 1998.

MARKET ACCESS: PHILIPPINES
REPORTING PERIOD: CALENDAR YEAR 1998

Implementation of market access opportunities: tariff and other quota commitments

General Remarks

1. The revised rules and regulations for the administration of the Philippine tariff rate quota commitments in the WTO is contained in Department of Agriculture Administrative Order No. 8 (AO 8) Series of 1997, as amended by AO No. 1, Series of 1998.
2. The tariff rate quota year is from February of a given year to January of the following year. Tariff rate quotas are all allocated in February of each year, and any unsurrendered quotas are allocated in July of the same year.
3. In February, the incremental quota for the quota year, the allocation of the prior quota year which have been recalled, any portion of the quota not taken up during the prior quota year are put together in a Beginning Year Pool which is apportioned to license holders and new entrants.
4. In July, allocations surrendered or relinquished by licensees on or before the last working day of May of the quota year are put together in a Mid-Year Pool which is reallocated to other qualified applicants.
5. A quota utilization threshold of 80 per cent computed over a 12-month period is established. License holders whose utilization rates fall below this threshold are penalized by having 50 per cent of their unused and unsurrendered quota deducted from their next TRQ year's allocation on the first instance; 75 per cent is deducted on the second instance; and 100 per cent on the third and subsequent instances.
6. Under the GOP's 1998 tariff reform program, live bovine animals (HS 01.02) and meat of bovine animals, fresh (HS 02.01) have been removed from the TRQ system. For live bovine animals, the in-quota and out-quota tariff have been unified into a single tariff rate of 3 per cent for 1998 up to year 2000, much lower than the previous in-quota rate of 30 per cent for the same period. For meat of bovine animals, fresh or chilled, the in-quota and out-quota tariffs have been unified into a single tariff rate of 30 per cent for 1998, equivalent to the previous in-quota tariff rate of 30 per cent for 1998. Subsequently, new tariff rates for meat of bovine animals, fresh or chilled, for 1999 and year 2000 will go down to 20 per cent and 10 per cent, respectively; the previous in-quota tariff rate was 30 per cent for both years.

Table MA:1

MARKET ACCESS: Philippines
REPORTING PERIOD: calendar year 1998
Implementation of market access opportunities: tariff and other quota commitments

Description of products	Tariff item number(s) encompassed in product description		Description of import arrangement applicable
1	2		3
Live horses, asses, mules and hinnies	01.01	(a)	Allocation to supplying countries: global tariff quota
		(b)	Allocation to importers:
		(i)	import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture
		(ii)	initial quota year allocation based on historical market shares of applicants
		(iii)	subsequent quota year allocations are given out as follows:
			The Beginning Year Pool (BYP) is allocated in the following manner:
		1)	Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants.
		2)	Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
			The Mid-Year Pool (MYP) is allocated in the following manner:
		1)	Priority access is given to license holders who have not surrendered part or all of their beginning year licenses and have utilized at least 30% of their allocations by the last working day of May.
		2)	Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
		(iv)	import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.
		(c)	Other access arrangement: None
		(d)	Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No.1, Series of 1998.

1	2	3
Live bovine animals	01.02	The tariff quota arrangements for live bovine animals have been eliminated. Please see Note 6 of the General Remarks.
Live Swine	01.03	<p>(a) Allocation to supplying countries: global tariff quota</p> <p>(b) Allocation to importers:</p> <p>(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture</p> <p>(ii) initial quota year allocation based on historical market shares of applicants</p> <p>(iii) subsequent quota year allocations are given out as follows:</p> <p>The Beginning Year Pool (BYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants</p> <p>2) Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>The Mid-Year Pool (MYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.</p> <p>2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.</p> <p>(c) Other access arrangement: None</p> <p>(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.</p>

1	2	3
Live sheep and goats	01.04	<p>(a) Allocation to supplying countries: global tariff quota</p> <p>(b) Allocation to importers:</p> <p>(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture</p> <p>(ii) initial quota year allocation based on historical market shares of applicants</p> <p>(iii) subsequent quota year allocations are given out as follows:</p> <p>The Beginning Year Pool (BYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants</p> <p>2) Any balance remaining in the BYP after the above priority distribution is available to all interested applicants on a first-come-first-served basis.</p> <p>The Mid-Year Pool (MYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.</p> <p>2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.</p> <p>(c) Other access arrangement: None</p> <p>(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.</p>

1	2	3
Live poultry, that is to say of the species Gallus Domesticus, ducks, geese, turkey and guinea fowls	01.05	(a) Allocation to supplying countries: global tariff quota
		(b) Allocation to importers:
		(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture
		(ii) initial quota year allocation based on historical market shares of applicants
		(iii) subsequent quota year allocations are given out as follows:
		The Beginning Year Pool (BYP) is allocated in the following manner:
		1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants
		2) Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
		The Mid-Year Pool (MYP) is allocated in the following manner:
		1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.
		2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
		(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.
		(c) Other access arrangement: None
		(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their net allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.

1	2	3
Meat of bovine animals, fresh or chilled	02.01	The tariff quota arrangement for meat of bovine animals has been eliminated. Please see Note 6 of the General Remarks.
Meat of swine, fresh, chilled or frozen	02.03	<p>(a) Allocation to supplying countries: global tariff quota</p> <p>(b) Allocation to importers:</p> <p>(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture</p> <p>(ii) initial quota year allocation based on historical market shares of applicants</p> <p>(iii) subsequent quota year allocations are given out as follows:</p> <p>The Beginning Year Pool (BYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants</p> <p>2) Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>The Mid-Year Pool (MYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.</p> <p>2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.</p> <p>(c) Other access arrangement: None</p> <p>(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their net allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.</p>

1	2	3
Meat of sheep or goats, fresh, chilled or frozen	02.04	(a) Allocation to supplying countries: global tariff quota
		(b) Allocation to importers:
		(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture
		(ii) initial quota year allocation based on historical market shares of applicants
		(iii) subsequent quota year allocations are given out as follows:
		The Beginning Year Pool (BYP) is allocated in the following manner:
		1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants
		2) Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
		The Mid-Year Pool (MYP) is allocated in the following manner:
		1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.
		2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
		(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.
		(c) Other access arrangement: None
		(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their net allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.

1	2	3	
Meat and edible offal of poultry of the heading no. 01.05 fresh, chilled or frozen	02.07	(a)	Allocation to supplying countries: global tariff quota
		(b)	Allocation to importers:
		(i)	import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture
		(ii)	initial quota year allocation based on historical market shares of applicants
		(iii)	subsequent quota year allocations are given out as follows:
			The Beginning Year Pool (BYP) is allocated in the following manner:
		1)	Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants
		2)	Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
			The Mid-Year Pool (MYP) is allocated in the following manner:
		1)	Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.
		2)	Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
		(iv)	import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.
		(c)	Other access arrangement: None
		(d)	Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their net allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.

1	2	3
Potatoes, fresh or chilled	07.01	<p>(a) Allocation to supplying countries: global tariff quota</p> <p>(b) Allocation to importers:</p> <p>(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture</p> <p>(ii) initial quota year allocation based on historical market shares of applicants</p> <p>(iii) subsequent quota year allocations are given out as follows:</p> <p>The Beginning Year Pool (BYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants</p> <p>2) Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>The Mid-Year Pool (MYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.</p> <p>2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.</p> <p>(c) Other access arrangement: None</p> <p>(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their net allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.</p>

1	2	3
Coffee, whether or not roasted or decaffeinated; coffee husks and skins, coffee substitutes containing coffee in any proportion	09.01	(a) Allocation to supplying countries: global tariff quota
		(b) Allocation to importers:
		(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture
		(ii) initial quota year allocation based on historical market shares of applicants
		(iii) subsequent quota year allocations are given out as follows:
		The Beginning Year Pool (BYP) is allocated in the following manner:
		1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants
		2) Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
		The Mid-Year Pool (MYP) is allocated in the following manner:
		1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.
		2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.
		(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.
		(c) Other access arrangement: None
		(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their net allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.

1	2	3
Maize	10.05	<p>(a) Allocation to supplying countries: global tariff quota</p> <p>(b) Allocation to importers:</p> <p>(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture</p> <p>(ii) initial quota year allocation based on historical market shares of applicants</p> <p>(iii) subsequent quota year allocations are given out as follows:</p> <p>The Beginning Year Pool (BYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants</p> <p>2) Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>The Mid-Year Pool (MYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.</p> <p>2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.</p> <p>(c) Other access arrangement: None</p> <p>(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their net allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.</p>

1	2	3
Rice	10.06	<p>(a) Allocation to supplying countries: global tariff quota</p> <p>(b) Allocation to importers: The National Food Authority, a state trading enterprise, is the only entity authorized to import rice and may avail of duty-free privileges.</p> <p>(c) Other access arrangement : None</p> <p>(d) Other information : None</p>

1	2	3
Cane or beet sugar	17.01	<p>(a) Allocation to supplying countries: global tariff quota</p> <p>(b) Allocation to importers:</p> <p>(i) import licenses approved by the Minimum Access Volume Management Committee (MMC) and issued by the Secretary of the Department of Agriculture</p> <p>(ii) initial quota year allocation based on historical market shares of applicants</p> <p>(iii) subsequent quota year allocations are given out as follows:</p> <p>The Beginning Year Pool (BYP) is allocated in the following manner:</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their licenses in the previous quota year, and have utilized at least 80% of their net allocations computed over a 12-month period, and to qualified entrants</p> <p>2) Any balance remaining in the BYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>The Mid-Year Pool (MYP) is allocated in the following manner</p> <p>1) Priority access is given to license holders who have not surrendered part or all of their beginning year licenses, and have utilized at least 30% of their allocations by the last working day of May.</p> <p>2) Any balance remaining in the MYP after the above priority distribution, is available to all interested applicants on a first-come-first-served basis.</p> <p>(iv) import licenses are valid for one year or from 1 February of any given year to 31 January of the following year.</p> <p>(c) Other access arrangement: None</p> <p>(d) Other information: Licensees who have utilized less than 80% of their net allocations computed over a 12-month period by 15 December of each quota year, shall be subject to progressive penalties in the subsequent years. Licensees who surrender part or all of their licenses shall have their net allocations reduced in the succeeding year. All administrative details are provided in the Department of Agriculture's Administrative Order (AO) No. 8, Series of 1997 as amended by AO No. 1, Series of 1998.</p>