

27 May 1998

04 - Administrative Order No. 4 Series of 1998

Subject :

Revised Guidelines in the Importation of Agricultural

Products

WHEREAS, Republic Act No. 8178, otherwise known as the "Agricultural Tariffication Act" expressly repealed Section 23 (10) of Republic Act No. 7607, entitled "An Act Providing a Magna Carta for Small Farmers," which states, among others, that importation shall not be allowed on agricultural products that are produced locally in sufficient quantity;"

WHEREAS, prior to the passage of R.A. 8178, Memorandum Order No. 95 was issued on 27 February 1993 directing this Department, the Central Bank, and the Bureau of Customs, to draw up a mechanism to ensure compliance with Section 23 (10) of RA 7607;

WHEREAS, by virtue of said directive, this Department issued Administrative Order No. 23, series of 1993 providing for the Guidelines for Implementing Memorandum Order No. 95;

WHEREAS, said Memorandum Order No. 95 has likewise been deemed repealed, amended, or modified accordingly;

WHEREAS, there is a need to formalize the revised guidelines in the importation of agricultural products, specifically, but not limited to corn and corn substitutes, live poultry, poultry meat and meat products, live hogs, pork and pork products;

NOW THEREFORE, in accordance with Republic Act No. 8178, the following revised guidelines are promulgated:

Application of L/Cs or other modes of payment for the importation of agricultural products need to be accompanied by a sanitary and phytosanitary (SPS) certificate from the DA and/or DA's concerned agencies as a prerequisite. Import permits providing for volume/quantity restrictions are no longer applicable.

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Importation of agricultural products, when applicable, must be accompanied by a Minimum Access Volume (MAV) Import Certificate issued by the MAV Secretariat, in order that the importer may avail of the in-quota tariff rate.

- 3. Further, the release of these goods shall be subject to inspection by the Department or its authorized agencies at the port of entry to ensure compliance with sanitary and phytosanitary standards. Upon release from customs custody, imported agricultural products shall also be subject to existing SPS inspection regulations.
- 4. In the case of com substitutes such as wheat, barley, rye, and oats, a Societe Generale de Surveillance (SGS) Clean Report of Findings need to be secured before the entry and release of such goods.
- 5. Any juridical entity violating the provisions of this Administrative Order shall be subject to appropriate administrative sanctions under existing penal provisions of this Department and its attached agencies, the *Bangko Sentral ng Pilipinas*, and Bureau of Customs, and the penal provisions of the Consumers Act. Administrative sanctions may also be imposed by the BSP upon banking institutions found violating this Order, including their directors and officers responsible for such violations.
- 6. This Administrative Order supersedes and repeals DA AO 23, series of 1993; and amends DA AO 10, series of 1996 and DA AO 11, series of 1997, as well as other AOs inconsistent with the same.

This Order shall take effect fifteen (15) days upon publication in a newspaper of national circulation.

SALVADOR H. ESCUDERO III Secretary

Definition of an SPS Certificate:

An SPS Certificate refers to the document issued, where appropriate, by either the DA or its concerned agencies such as the Bureau of Animal Industry, the Bureau of Plant Industry, or the Bureau of Fisheries and Aquatic Resources to the Importer, prescribing the procedures required to ensure that the plants and plant products, animals and meats, and fish and fish products being imported are fit for human consumption and/or not capable of harboring plant/animal pest and diseases. Such SPS certificate shall be accompanied by an SPS clearance issued by the exporting country complying with the procedures prescribed in the said certificate.