

[ADMINISTRATIVE ORDER NO. 98, October 28, 1999]

AUTHORIZING THE PHILIPPINE INTERNATIONAL TRADING CORPORATION (PITC) TO OPERATE AS A CUSTOMS BONDED WAREHOUSE SOLELY FOR THE PURPOSE OF IMPORTING SUGAR FOR FOOD EXPORTERS

WHEREAS, the Export Development Council as provided under RA 7844 shall mandate specific departments and agencies to attend to the bottlenecks and problems constraining the development of exports;

WHEREAS, streamlining export procedures and documentation has been identified as one of the strategies to create a favorable environment for export promotion;

WHEREAS, food exporters are suffering from the long-standing problems on the supply, unstable price and quality of domestic sugar compelling them to import tax and duty-free through Customs Bonded Warehouses;

WHEREAS, the Sugar Regulatory Administration (SRA), Export Development Council (EDC), Bureau of Customs (BOC), Philippine International Trading Corporation (PITC), and Philippine Exporters Confederation (PHILEXPORT), the EDC accredited organization, agreed to allocate annually a minimal volume of sugar for food exporters through the PITC Bonded Warehouse;

WHEREAS, the PITC is a corporation duly organized and existing under the Department of Trade and Industry and by virtue of the laws of the Philippines mandated to assist exporters to enhance export performance.

NOW, THEREFORE, I, JOSEPH M. EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. The PITC shall operate a Special Customs Bonded Warehouse (SCBW) solely for the importation of refined sugar by food exporters, the operating guidelines of which is attached as Annex A;

SECTION 2. The SRA shall allocate annually the volume of sugar to be imported for processed food exporters through the PITC;

SECTION 3. The creation of the Committee on Sugar Importation for export which shall be composed of the EDC, PITC, BOC, SRA, and PHILEXPORT with the following functions:

1. Monitor importation and liquidation of sugar used by processed food exporters;
2. Accredit processed food exporters for the purpose of using the PITC-SCBW; and

3. Recommend revisions in the procedures for importation.

IN WITNESS WHEREOF, I have hereunto set my hands and caused the seal of the Republic of the Philippines to be affixed.

Adopted: 28 Oct. 1999

By the President:

(SGD.) RONALDO B. ZAMORA
Executive Secretary

ATTACHMENT:

**PITC-SPECIAL CUSTOMS BONDED WAREHOUSE FOR THE IMPORTATION OF
REFINED SUGAR FOR FOOD EXPORTERS OPERATING GUIDELINES**

I. OBJECTIVES

A. To facilitate the access of duty-free imported refined sugar into the Customs Common Bonded Warehouse (CCBW) for use of processed food exporters;

B. To ensure compliance with governmental rules and regulations on the use of CCBW for imported refined sugar;

C. To define functions and responsibilities of all concerned agencies and offices; and

D. To monitor the importation and liquidation of refined sugar imported under the Special Customs Bonded Warehouse (SCBW) to be operated by the PITC.

II. QUALIFIED IMPORTERS

Processed food exporters are qualified refined sugar in the following manner

A. PITB-CBW accredited Members of good standing

PITC-CBW Accredited processed food exporters are those who passed the BOC rules and regulations on standard accreditation. Processed food exporters who are PITC-SCBW accredited with must also sign pertinent service agreement with the PITC.

B. Accredited Members of other Customs Bonded Warehouse of good standing (i.e. PHILEXPORT, PHILFOODEX, etc.) provided that such warehouse or processed food exporters have not been blacklisted by the BOC and provided further that said warehouse is still operational.

C. Processed food exporters who operate their own Private Bonded Manufacturing Warehouse (PBMW) upon the approval of the Committee.

D. Subcontractors who directly supply processed food products to processed food exporters provided that direct importation from PITC should be done by the subcontractor's qualified processed food exporter.

III. KEY RESPONSIBILITIES