



Voluntary Report - Voluntary - Public Distribution

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Report Number: RP2024-0041

Report Name: Philippine Department of Agriculture Discontinues the Imposition of Price-Based Special Safeguard Measure on Mechanically Deboned Meat of Chicken

Country: Philippines

Post: Manila

Report Category: Trade Policy Monitoring, WTO Notifications, Agricultural Situation, FAIRS Subject Report, Country/Regional FTA's, Trade Policy Incident Report

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Report Highlights:

On October 4, 2024, the Philippine Department of Agriculture amended Department Order No. 16 (2024), removing mechanically deboned or separated meat of chicken (HS Code 0207.14.91) from the list of agricultural products subjected to a price-based special safeguard (SSG) measure. The revised Department Order requests the Bureau of Customs to continue imposing the price-based SSG on 12 agricultural tariff lines.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY The Philippine Department of Agriculture (DA) issued <u>Department Order No. 20</u> dated October 4, 2024, requesting the Bureau of Customs continue the imposition of a price-based special safeguard (SSG) measure on 12 agricultural tariff lines – down from the 13 agricultural tariff lines under Department Order No. 16 dated October 1, 2024 (see also FAS Manila GAIN Report). The new issuance, which takes effect immediately, removes mechanically deboned meat or separated meat of fowls of the species *Gallus domesticus* frozen (out-quota; HS Code 0207.14.91) from the list of eligible agricultural products subjected to the price-based SSG.

Under <u>Republic Act (RA) No. 8800</u> or the Safeguard Measures Act, an additional duty shall be imposed on the identified agricultural product when its actual cost, insurance, and freight (CIF) import price falls below its trigger price. The additional duty shall depend on the difference between the actual CIF and the corresponding trigger price. RA No. 8800 further states that special safeguard duty shall not apply to imported agricultural products brought into the country under the minimum access volume mechanism.

Additionally, the Safeguard Measures Act mandates that 50 percent of the revenues collected from fees, charges, and safeguard duties shall be earmarked to enhance the competitiveness of industries affected by increased imports. In February 2024, the DA issued additional <u>implementing guidelines</u> on managing and utilizing the Competitiveness Enhancement Measures Fund under RA No. 8800.

The Philippines is expected to notify the World Trade Organization (WTO) on the implementation of Department Order No. 20 (2024). <u>Article 12.1(c) of the Agreement on Safeguards</u> specifically states that a WTO member country shall immediately notify the Committee on Safeguards upon taking a decision to apply or extend a safeguard measure.

Attachments:

No Attachments.