

MEMORANDUM CIRCULAR NO. 20 - 03 
Series of 2020

SUBJECT : Guidelines in Obtaining Non-Strategic Good Certificate

WHEREAS, pursuant to Section 8 of Republic Act No. 10697, otherwise known as the Strategic Trade Management Act (STMA), the Strategic Trade Management Office (STMO) is created as a bureau under the administrative supervision of the Department of Trade and Industry (DTI) to serve as the executive and technical agency of the national government for the establishment of the management systems for the trade in strategic goods.

WHEREAS, under Section 3 of the STMA, the following activities shall be subject to authorization issued by the STMO: export, import, transit, transshipment, re-export, reassignment, and the provision of related services.

WHEREAS, under Section 4 of the STMA, a National Strategic Goods List (NSGL) shall be created to describe with specificity the strategic goods subject to authorization. The NSGL is composed of three (3) annexes: Military Goods (Annex 1), Dual Use Goods (Annex 2), and Nationally Controlled Goods (Annex 3).

WHEREAS, Section 4(d) of the STMA vest the STMO with the power and function to issue or deny issuance of authorizations for trade of strategic goods and the provision of related services.

WHEREAS, the STMO may issue a Non-Strategic Good Certificate (NSGC) to classify items that do not meet the technical specification under the NSGL.

NOW, THEREFORE, this Circular is hereby issued for the information, guidance, and compliance of all concerned industry stakeholders.

STRATEGIC TRADE MANAGEMENT OFFICE

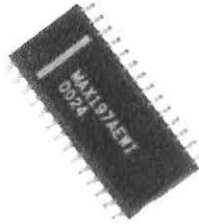
1. **Non-Strategic Good Certificate.** NSGC is given to a Requesting Party if the commodity subject to international transfer (i.e. export) is not listed in the NSGL but due to visual similarities with strategic goods, may be subjected to further scrutiny by border control agencies after the conduct of initial commodity identification.

A. NON-STRATEGIC



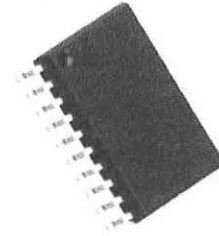
Specification:
Resolution: 6 bit
Output rate: 18 kilo
samples per second

B. STRATEGIC



Specification:
Resolution: 10 bit
Output rate: 600 mega
samples per second

C. STRATEGIC



Specification:
Resolution: 12 bit
Output rate: 400 mega
samples per second

Figure 1. Example of physically and visually similar Analog-Digital Converters but upon checking the technical specifications, only Items B and C are strategic goods

TEXT FROM THE NSGL ANNEX 2 ON ANALOGUE-TO-DIGITAL CONVERTERS

3A001

Electronic items as follows:

a. General purpose integrated circuits, as follows:

5. Analogue-to-Digital Converter (ADC) and Digital-to-Analogue Converter (DAC) integrated circuit as follows:

a. ADCs having the any of the following

1. A resolution of 8 bit or more, but less than 10 bit, with an output rate greater than 1.3 giga samples per second (GSPS);
2. A resolution of 10 bit or more, but less than 12 bit, with an output rate greater than 600 mega samples per second (MSPS);
3. A resolution of 12 bit or more, but less than 14 bit, with an output rate greater than 400 mega samples per second (MSPS);
4. A resolution of 14 bit or more, but less than 16 bit, with an output rate greater than 250 mega samples per second (MSPS); or
5. A resolution of 16 bit or more with an output rate greater than 65 mega samples per second (MSPS);

2. **Requirements in Applying for NSGC.** Any natural or juridical person may apply for a NSGC to the STMO by submitting the following requirements:
1. NSGC Request Form
 2. Product Rating Classification Form
 3. Technical Specification of the Commodity

The NSGC Request Form and Product Rating Classification Form shall be signed by the company's PRC licensed S&T-related personnel.

3. **Process in Obtaining Non-Strategic Good Certificate**

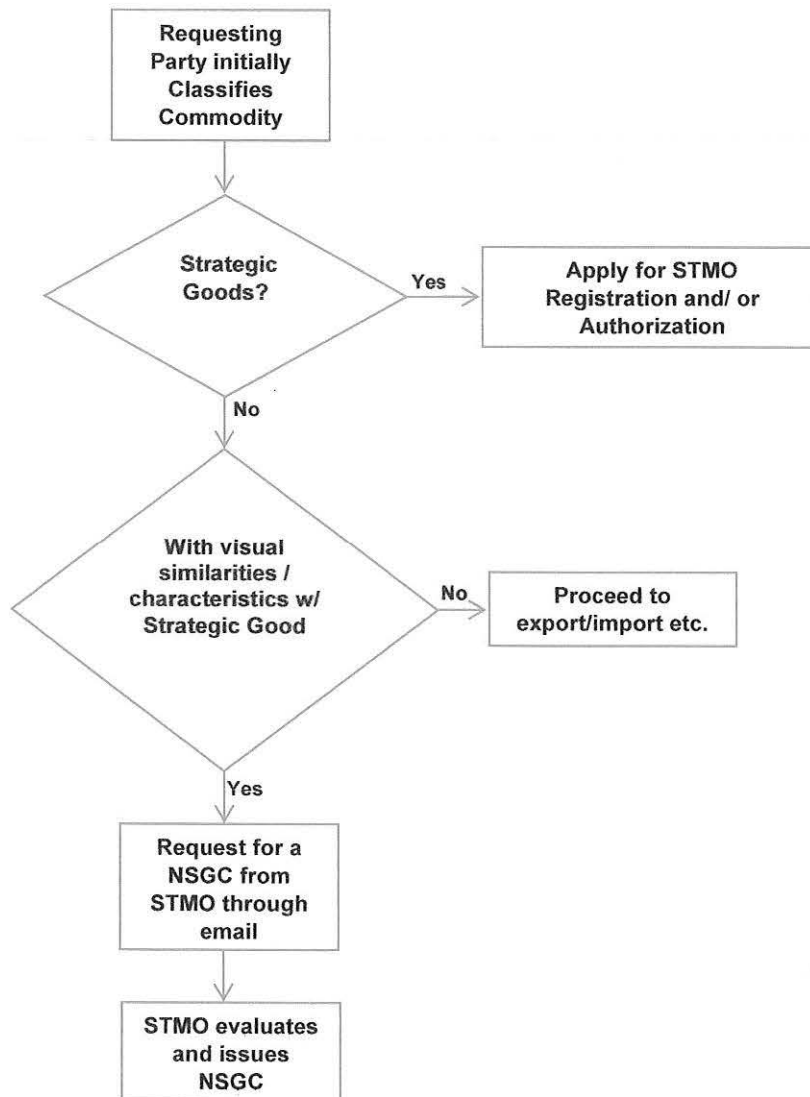


Figure 2. Process for requesting a Non-Strategic Good Certificate


4. The Requesting Party shall conduct an initial classification of their commodities vis-à-vis the NSGL prior to applying for a NSGC
5. If the commodity is a strategic good, the Requesting Party shall apply with the STMO.
6. The Requesting Party shall submit the filled-up forms, along with the technical specification of the non-strategic commodity, to the STMO through the following email address: **stmo_rad@dti.gov.ph**

This Order shall take effect immediately.
12 March 2020, Makati City.

Recommending Approval:


ATTY. JANICE S. DIMAYACYAC
Director III

Approved by:


ATTY. LUIS M. CATIBAYAN
Director