

Department Administrative Order No. 20 - 01
Series of 2020

**IN THE MATTER OF THE APPLICATION FOR
GENERAL SAFEGUARD MEASURES ON THE
IMPORTATION OF CERAMIC FLOOR AND WALL
TILES FROM VARIOUS COUNTRIES**

**(Harmonized System 2017 Subheading Nos.
6907.22 and 6907.23)**

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ORDER

On 13 December 2019, the Department of Trade and Industry (DTI) received the Tariff Commission's (Commission) Formal Investigation Report on the general safeguard measure on the importation of ceramic floor and wall tiles from various countries classified under Harmonized System 2017 Subheading Nos. 6907.22 and 6907.23. The period covered by the investigation (POI) are the years 2013 to 2017 with updated data until 2019.

The Commission, in accordance with the Safeguard Measures Act (RA 8800), concluded that:

1. All current Philippine ceramic tile manufacturers are participants to the formal investigation and compliance with the domestic industry requirement is fully met under Section 4(f) of RA 8800.
2. Locally produced ceramic floor and wall tiles are "like" products to imported ceramic tiles falling under HS 2017 Subheading Nos. 6907.22 and 6907.23.
3. There was no increase in imports of ceramic floor and wall tiles, both in absolute terms and relative to domestic production, during the POI. Total imports of ceramic floor and wall tiles only increased in 2014 and stabilized thereafter. Imports of glazed ceramic floor and wall tiles, which constitute 87% of the total ceramic tiles imported into the country, showed a declining trend starting 2015. Similarly, the increase in the share of ceramic tile imports relative to local production was only evident in 2014, which thereafter evened-out until the end of the POI.
4. Since it has been established that ceramic floor and wall tiles were not imported in increased quantities (whether absolute or relative to domestic production) during the period of investigation, the determination of serious injury, or threat thereof, causation, and unforeseen developments has become moot and academic.

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Considering that ceramic floor and wall tiles were not imported in increased quantities (whether absolute or relative to domestic production) during the period of investigation, the Commission terminated its formal investigation and recommended that no definitive general safeguard measure be imposed on importations of ceramic floor and wall tiles falling under HS 2017 Subheading Nos. 6907.22 and 6907.23.

IN VIEW THEREOF, the application for general safeguard measures on the importation of ceramic floor and wall tiles from various countries falling under HS 2017 Subheading Nos. 6907.22 and 6907.23 is hereby dismissed.

Section 13 of RA 8800 provides, "*x x x In the event of a negative final determination, x x x, the Sectary shall immediately issue, through the Secretary of Finance, a written instruction to the Commissioner of Customs, authorizing the return of the cash bond or the remainder thereof, as the case may be, previously collected as provisional general safeguard measure within ten (10) days from the date a final decision has been made: Provided, That the government shall not be liable for any interest on the amount to be returned. x x x.*"

All cash bonds that may have been imposed on shipments of ceramic floor and wall tiles which entered or are withdrawn from warehouses in the Philippines for consumption starting 08 August 2019, the date of the effectivity of CMO No. 42-2019, shall be immediately returned to the concerned importer/s.

The DTI Order can be accessed at the DTI website: <http://bit.ly/GSMceramicfloorwalltiles>

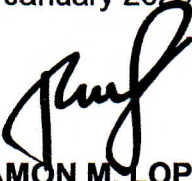
The notification requirements under Article 12 of the WTO Safeguards Agreement and Section 17 of RA 8800 and its IRR shall be complied with. Imports originating from ASEAN Member states shall be governed by the provision of Article 11 of the ASEAN Trade in Goods Agreement (ATIGA).

Let this Order be published in two (2) newspapers of general circulation and let individual notices be sent to all interested parties including the country members concerned.

This Order shall take effect upon the issuance of the relevant Customs Memorandum Order or fifteen (15) days after the publication of the Order in two (2) newspapers of general circulation, whichever comes earlier.

SO ORDERED.

02 January 2020


RAMON M. LOPEZ
Secretary

f. CSA