

ADMINISTRATIVE ORDER NO. 58

CONSTITUTING THE PETROCHEMICAL AND PLASTICS MOBILIZATION TASK FORCE, PRESCRIBING ITS FUNCTIONS AND FOR OTHER PURPOSES

WHEREAS, the government recognizes the role of its flagship projects, the petrochemical and plastics industry, in the national economy, being basic and indispensable industries catering to the needs of numerous other industries, providing employment to Filipino workers, and reducing the country's reliance on foreign exchange;

WHEREAS, the government is determined to ensure the survival and continued growth of the country's newly-established petrochemical and plastics industries and to see to it that the same is placed in a level playing field vis-a-vis its foreign counterparts;

WHEREAS, the government is aware that, during these times of economic crisis, there exists rampant unfair trade practices, specifically those involving dumping, undervaluation, misclassification, and outright smuggling of petrochemical and plastics products;

WHEREAS, these unfair trade practices ought to be addressed so as not to place the local petrochemical and plastics industries in a grossly disadvantaged position which may result in their demise even before they are fully established;

WHEREAS, towards this end, there is a need to effectively monitor and regulate the importation of petrochemical and plastics products;

WHEREAS, the PNOC-Petrochemical Development Corporation or "PPDC", as a subsidiary of the Philippine National Oil Corporation, is mandated by law to develop the Philippine petrochemical industry.

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

Section 1. *Composition of the Philippine Petrochemical Task Force.* There shall be constituted a Petrochemical and Plastics Mobilization Task Force (hereinafter "PPMTF"), the membership of which shall be composed of one representative each from the following:



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1. Department of Trade and Industry;
2. Department of Finance;
3. Bangko Sentral Ng Pilipinas;
4. Office of the Presidential Adviser on Economic Affairs and Flagship Projects;
5. PNOC-Petrochemical Development Corporation;
6. Association of Petrochemical Manufacturers in the Philippines (APMP); and
7. Philippine Plastic Industrial Association (PPIA)

The Chairman of the PPMTF, who shall have a term of one year, shall be elected by the members from among themselves. The Secretariat shall be jointly provided by the APMP and the PPIA.

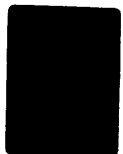
**Sec. 2 *Functions and Powers of the PPMTF.*** The PPMTF shall have monitoring and regulatory functions in all matters affecting the importation of petrochemical products, more specifically described as follows:

1. The PPMTF shall monitor and regulate the importation of petrochemical and plastics products as listed in the hereto attached "Annex A", which may be reviewed and updated from time to time by the PPMTF;
2. All importers of petrochemical and plastics products listed in "Annex A" shall be required to notify and secure from PPMTF an Importation Clearance for the importation. Such clearance shall serve as a condition for the opening of Letters of Credit or similar arrangements in cases of open accounts, the shipment covered by the open account shall not be released by the Bureau of Customs without the Importation Clearance from the PPMTF;
3. In cases where the PPMTF has reason to believe that the importation may constitute dumping, undervaluation, misclassification or any unfair trade practice, as provided by law or by the provisions of the WTO Rules (GATT-Uruguay Round), PPMTF may withhold the issuance of the Importation Clearance unless the importer shows proof to the contrary;
4. The PPMTF may direct other agencies of the government including, among others, the Bureau of Import Services (BIS) of the DTI and the Philippine Commercial Attaches, to render full assistance and coordination to PPMTF in the monitoring and regulation of such petrochemical and plastics products, including updates on the export value and/or normal values of the petrochemical and plastics products concerned per country of origin;



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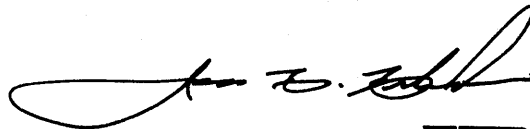
5. The PPMTF shall have the power to direct the Bureau of Customs (BOC) to withhold the release of any shipment of petrochemical and plastics products included in "Annex A" without the Importation Clearance issued by the PPMTF. The PPMTF shall likewise have the power to direct all financial institutions to require importers of petrochemical and plastics products included in the list to secure the Importation Clearance from PPMTF as a condition for the opening of the Letters of Credit or other similar arrangements.

The PPMTF shall likewise be empowered to secure the assistance of other government agencies, including those of the Department of Justice and the Philippine National Police, in the apprehension and prosecution of elements involved in the smuggling of petrochemical and plastics products.

**Sec. 3 Reporting and Administrative Support.** The PPMTF shall report directly to the Office of the President. The PPDC shall provide overall administrative support to the PPMTF.

**Sec. 4 Effectivity.** This Administrative Order shall take effect immediately upon its publication in two (2) newspapers of general circulation and shall remain effective for two years, unless extended by the President. The PPMTF shall, within fifteen (15) days from the date of this Administrative Order, organize itself and perform the functions herein prescribed.

Done in the City of Manila, this <sup>04<sup>th</sup></sup> day of <sup>MARCH</sup> in the year of Our Lord, nineteen hundred and ninety nine.



By the President:

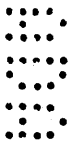


RONALDO B. ZAMORA  
Executive Secretary



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<u>Tariff Heading No.</u>	<u>Description</u>
1. 39.01 (including all subheadings)	Polymers of ethylene, in primary forms
2. 39.02 (including all subheadings)	Polymers of propylene or other olefins in primary forms
3. 39.03 (including all subheadings)	Polymers of styrene, in primary forms
4. 39.04 (including all subheadings)	Polymers of vinyl chloride or of other halogenated olefins, in primary forms
5. 39.05 (including all subheadings)	Polymers vinyl acetate or of other vinyl esters, in primary forms; other vinyl polymers in primary forms
6. 39.15 (including all subheadings)	Waste, parings and scrap, of plastics
7. 39.16 (including all subheadings)	Monofilament of which any cross-sectional dimension which exceeds 1 mm, rods, sticks and profile shapes, whether or not surface-worked but not otherwise worked, of plastics
8. 39.17 (including all subheadings)	Tubes, pipes and hoses, and fittings therefor (for example, joints, elbows, flanges), of plastics
9. 39.18 (including all subheadings)	Floor coverings of plastics, whether or not self-adhesive, in rolls or in the forms of tiles; wall or ceiling coverings of plastic, as defined in Note 9 of Chapter 39
10. 39.19 (including all subheadings)	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether or not in rolls
11. 39.20 (including all subheadings)	Other plates, sheets, film, foil and strip of plastics, non-cellular and not reinforced, laminated, supported or similarly combined with other materials
12. 39.21 (including all subheadings)	Other plates, sheets, film, foil and strip, of plastics
13. 39.22 (including all subheading)	Baths, shower-baths, wash-basins, bidets, lavatory pans, seats and covers, flushing cisterns and similar sanitary ware, of plastics

14. 39.23 (including all subheadings) Articles for the conveyance or packing of goods, of plastics; stoppers, lids, caps and other closures, of plastics
15. 39.24 (including all subheadings) Tableware, kitchenware, other household articles and toilet articles, of plastics
16. 39.25 (including all subheadings) Builders' ware of plastics, not elsewhere specified or included
17. 39.26 (including all subheadings) Other articles of plastics and articles of other materials of headings Nos. 39.01 to 39.14