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Committee on Import Licensing

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## IMPORT LICENSING SYSTEM OF THE PHILIPPINES

### QUESTIONS FROM THE UNITED STATES TO THE PHILIPPINES

The following submission, dated 19 September 2022, is being circulated at the request of the delegation of the United States.

The United States thanks the Philippines for its responses in G/LIC/Q/PHL/8. The United States has the following follow-up questions:

Philippines' response: On fish products, only authorized importers of fish products are qualified to apply for [Sanitary and Phytosanitary Import Clearances] SPSICs. The importers have to file an application, and such shall undergo the clearance process which would determine the legitimacy of the activity and compliance on risk management protocols, including adequate cold chain facilities, to ensure safety, as prescribed under Section III of the [Department of Agriculture] DA Administrative Order No. 9, series of 2010.

U.S. follow-up questions:

1. What are the criteria for authorized importers of fish products to apply for SPSICs?
2. According to Fisheries Administrative Order No. 195 (Series of 1999): Rules and Regulations Governing Importation of Fresh/Chilled/Frozen and Fishery Aquatic Products:

"The importation of fresh/chilled/frozen fish and fishery/aquatic products shall be allowed when certified as necessary by the Secretary in order to achieve food security taking into consideration public welfare and safety, in consultation with the [National Fisheries and Aquatic Resources Management Council] NFARMC; Provided, That the importation of fresh/chilled/frozen fish and fishery/aquatic products for canning and processing purposes including importation undertaken by institutional buyers does not require such certification..."<sup>1</sup>

The United States would like to remind the Philippines that, under the Agreement on Import Licensing Procedures Article 1.3, the rules for import licensing procedures shall be neutral in application and administered in a fair and equitable manner. Please explain why importers for canning and processing purposes and institutional buyers do not require certification by the Secretary.

3. Fisheries Administrative Order No. 195 (Series of 1999) defines "institutional buyers" as "accredited entities or corporations importing fish for final consumption or processing as food requirements for accredited hotels and restaurants which would execute an undertaking that they will not distribute the commodities to the wet markets."

Are supermarkets, groceries, and online retailers considered "institutional buyers" and allowed to import fish products without needing to be certified as necessary by the Department of Agriculture Secretary? If not, please explain why not.

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<sup>1</sup> <http://spsissuances.da.gov.ph/attachments/article/642/fao195.pdf>.

Philippines' response: The limitation on the validity period of SPSICs is based on risk involved. High-risk commodities, such as those categorized as level 3 and 4 under [International Standards for Phytosanitary Measures] ISPM 32, are imposed with shorter duration validity period.

U.S. follow-up questions:

4. Please provide the pest risk analyses that determined these commodities should be categorized level 3 or 4.
5. Please provide the list of commodities categorized as levels 1, 2, 3, and 4.
6. Please explain how SPSIC validity periods are determined for commodities in Categories 3 and 4.
7. On average, how much longer are SPSIC validity periods for commodities in Categories 1 and 2 (which present little or no pest risk) as compared to commodities in Categories 3 and 4 (which present a greater pest risk)?
8. If validity periods are longer for commodities in Categories 1 and 2 because these commodities present little or no pest risk, can SPSICs be issued for extended validity periods (12 months or longer) and allow multiple shipments during this validity period?
9. Please confirm that ISPM 32 guidelines for "categorization of commodities according to their pest risk" only applies to imported plants and plant products.
10. What is the basis and criteria for determining levels of risk and SPSIC validity periods for non-plant products such as fish, eggs, dairy products, animal feeds and feed ingredients, live animals, meat and poultry products, etc.?
11. If validity periods for SPSICs are based on risk level, please explain why meat products have longer validity periods than fresh and chilled fruits and vegetables and fishery products.
12. Memorandum Circular No. 38, Series of 2020 requires rice imports to ship out within 20 days and arrive to the Philippines within 35 days from the SPSIC issuance date from Association of Southeast Asian Nations (ASEAN) countries (excluding Burma), while rice imports must arrive in the Philippines within 65 days from Burma and other countries.<sup>2</sup> Memorandum Circular No. 39, Series of 2020 requires wheat imports to ship out within 20 days and arrive to the Philippines within 35 days from the SPSIC issuance date from ASEAN countries (excluding Burma) while wheat imports must arrive in the Philippines within 65 days from Burma and other countries.<sup>3</sup>

What is the basis and rationale for the differentiated arrival date requirements for ASEAN countries (except Burma) and other countries (including Burma)?

Philippines' response: Administrative Order No. 21, series of 2021 which temporarily extended the validity of SPSICs for imported meat from 60 to 90 days was issued in August 2021. This is to address the logistical constraints being faced by meat traders. Several meat importers were impeded by the shortage of container vans in light of the global COVID situation. The said measure as well as DA Administrative Order No. 22, series of 2021 expired on 31 December 2021.

U.S. follow-up questions:

13. Please confirm the extension of validity periods for meat products by Administrative Order No. 21, Series of 2021 and Administrative Order No. 2, Series of 2022 were not based on risk to animal and human health and food safety but rather in response to logistical difficulties.
14. The Agreement on Import Licensing Procedures Article 3.2 states non-automatic licensing procedures shall correspond in scope and duration to the measure they are used to implement and shall be no more administratively burdensome than absolutely necessary to administer the measure. If the Philippines determined extending the validity period for meat imports from 60 to 90 days did

<sup>2</sup> [https://www.da.gov.ph/wp-content/uploads/2020/12/MC38\\_2020.pdf](https://www.da.gov.ph/wp-content/uploads/2020/12/MC38_2020.pdf).

<sup>3</sup> [https://www.da.gov.ph/wp-content/uploads/2020/12/MC39\\_2020.pdf](https://www.da.gov.ph/wp-content/uploads/2020/12/MC39_2020.pdf).

not pose additional risk to animal and human health and food safety, why does the Philippines not permanently extend the validity period or extend further beyond the 90 days for SPSICs?

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