



Republic of the Philippines  
DEPARTMENT OF AGRICULTURE  
Elliptical Road, Diliman, Quezon City

Administrative Order No. 9  
Series of 1996

01 July 1996

**SUBJECT: RULES AND REGULATIONS FOR THE IMPLEMENTATION OF THE AGRICULTURAL MINIMUM ACCESS VOLUMES (MAVs)**

**IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT 8178**

In accordance with Republic Act 8178 issued on March 28, 1996 directing, among others, the Cabinet Committee created by Memorandum Order No. 245 dated December 13, 1994 to submit, in consultation with all concerned agricultural farmer/producer/processor/importer groups, to Congress within a period of sixty (60) days from the effectivity of the said Act, an equitable and transparent mechanism for the implementation of the minimum access volumes (MAVs) having the least government intervention, addressing the requirements of each geographical region, and without entailing any cost to importers/users of these products to the detriment of local consumers and other end-users, as well as creating the Competitiveness Enhancement Fund (CEF), the following guidelines are hereby promulgated:

**SECTION I — THE MAV MECHANISM**

**A. GENERAL PRINCIPLES**

- The implementation of the agricultural minimum access volumes or MAVs should conform with the general principles of transparency, equity, market-consistency, and GATT-consistency, and address the development requirement of the economy in general and the agriculture sector in particular.
- Transparency.** The implementing rules and regulations governing the agricultural MAVs should be stable and the information thereof should be conveniently available to all concerned parties.
  - Equity.** The mechanism should be fair in that it addresses the requirements of all concerned parties in each geographical area and that, without sacrificing the objectives of promoting economic efficiency, its implementation would result in all concerned parties being at least as well off as before such implementation.
  - Market-consistency.** The mechanism should entail the least government intervention and the resulting allocation of the MAVs should approximate to the closest extent possible the competitive import shares of importers in the absence of the tariff quota or MAV.
  - GATT-consistency.** The implementation procedures should conform with the relevant commitments of the government under GATT 1994, particularly Section 1-B of the country's schedule of Uruguay Round Final Act commitments, as well as the Agreement on Import Licensing Procedures.
  - Economic development.** The mechanism should address the economic development requirements of the country, ease the adjustment of the industries affected by the lifting of the non-tariff import restrictions in agriculture, and contribute to stabilizing agricultural prices at affordable levels.

**B. DEFINITION OF TERMS**

- An agricultural product is any product that the government classifies under Chapters 1 to 24 of the Harmonized System of tariff nomenclature as used in the country's Tariff and Customs Code.
- Minimum Access Volume (MAV) refers to the quantities of a given imported agricultural product that the government allows entry into the Philippines at the lower in-quota tariff rate. There are two sets of MAVs. One set constitutes those which the government committed in the Uruguay Round treaty. The other set are those which the government introduced unilaterally as part of its trade policy. For purposes of this Order, the phrase tariff rate quota is used synonymously as minimum access volume.
- An in-quota tariff rate refers to the lower rate of customs duty applied to an agricultural product as provided for in the country's tariff and customs code and applicable to an MAV product. There are two sets of in-quota tariff rates. One set constitutes those which the government committed in the Uruguay Round treaty. The other set are those which the government introduced unilaterally as part of its trade policy.
- An out-quota tariff rate refers to the higher rate of customs duty applied to an agricultural product as

following information: the Harmonized System (HS) code identifying the MAV product category for which the MAV licensee can apply the MAV license; the quantity of the MAV product; the name of the MAV licensee; the MAV Account Number; and the validity period of the license. The attached MAV form No. 1 illustrates the MAV license granted to a hypothetical MAV licensee.

- The MAV licenses should be applicable to specific MAV products whose respective HS codes match or fall under the HS code that appears in the license.
- In any MAV year, the total quantities of an MAV product in the MAV licenses should be equal to the authorized MAVs as reported in Section II Part A of this Administrative Order, including any possible incremental quantities that the MMC may authorize for a given MAV year following Part B of Section II below. The MAV licensees can import these quantities from any supplier of their choice, provided that the imported products obtained from the said supplier meet the applicable sanitary and phyto-sanitary regulations of the country.
- The MAV Account Number should consist of a set of numbers identifying the MAV year that the account is valid (first two digits), the MAV licensee (next three digits), and the HS code (the next eight digits). If the product category is at a level lower than the eight digit level, the mark "X" should fill the residual digit positions. Hyphens should separate the year, code of the MAV licensee, and HS codes.
- The MAV license should be non-transferable. The license should open an MAV account in favor of the MAV licensee. A licensee may have several MAV accounts.
- Upon allocating the MAV licenses, the MMC should instruct the MAV Secretariat to provide MAV Withdrawal Forms (see attached MAV Form No. 02) to the licensees at cost of printing. The MAV licensees should use these forms to secure from the MAV Secretariat the MAV Import Certificates or MICs (see attached MAV Form No. 03).
  - The MAV Secretariat should submit the following MAV lists to the Chief of the Central Records Management Division (CRM) of the Bureau of Customs:
    - The MAV Master List showing all the MAV accounts opened for the MAV year, the names of the MAV licensees, the total quantity of MAV products that the respective MAV licenses can be applied, the HS code, the MAV account number, and the validity period of the account;
    - List of MAV Import Consolidators accredited by the MMC; and
    - MAV for each agricultural product under a specific HS Code for a given MAV year.
- Upon receiving a duly accomplished MAV Withdrawal Form from the MAV licensee indicating the intent to withdraw from his/her/its MAV account a given quantity of MAV products to be imported, the amount of which should be duly validated with copies of his Invoice and Bill of Lading, as well as upon verifying that the MAV licensee has a positive MAV balance in his/her/its MAV account, the MAV Executive Director should issue an MAV Import Certificate (MAVIC) in favor of the licensee. The MAVIC should bear the quantities of the MAV product indicated in the MAV Withdrawal Form that is based on the net volume in the Bill of Lading, or the balance in the MAV account of the licensee, whichever is smaller, the specific description and HS Code of the product, the name of the MAV licensee, the MAV account number, and the validity period of the certificate.
  - Upon issuing the MAVIC, the MAV Secretariat should update the MAV Account balance of the MAV licensee to record the withdrawal that the MAV licensee made.
- The MAVICs should be issued in five copies: the white or the original copy; the green or the return copy; the pink or the BOC/TED copy; the blue or the MMCs copy; and yellow or the MAV licensee's copy. The white original copy should be an integral part of the import documents covering the MAV importation. The copies should be disposed of according to the regulations that follow:
  - The MAV Secretariat should keep the blue copies of the MAVICs for the record of the MMC and give the yellow copies of the MICs to the MAV licensee for his/her/its record.
  - The MAV Secretariat should deliver by messenger the white (original) copy, the green (return) copy, and the pink (BOC/TED) copy to the Chief of the Tax Exempt Division (TED) of the Bureau of Customs (BOC). The messenger's identity and signature must be officially established through an official memorandum from the MMC to the BOC.
  - In the event of an MAVIC endorsement, the MAV licensee should endorse the MAV Import Consolidator of his choice at the back of all copies of the MAVIC. Failure to do so at this point should compel the MAV import licensee to import the MAV product directly without the benefit of the services of an MAV Import Consolidator. Furthermore, the MAV licensee should make the necessary arrangements with the MAV Import Consolidator to import the MAV product in his/her/its behalf.
- Only the MAV licensee whose name appears in the MAVICs can import the MAV products, unless the MAV volume had been properly endorsed to an accredited MAV Import Consolidators. In the event the MAV licensee is an organization representing a group of firms and/or persons, the licensee, and not its members, should be the entity legally assigned to bring the quantities of the MAV product into the country.
- The MAVICs should be valid for two months from the date of issue or for a period up to the end of the current MAV year that the MAV Secretariat issues the import certificates, which ever is shorter.
- Upon use of the MAVIC, i.e., application of the lower in-quota tariff rate, the Bureau of Customs official should stamp the word "used" on the white, green, and pink copies of the MAVIC. Keeping the used white and pink copies for its records, the BOC should then remit the green copy to the MMC as provided for in Section I, Part G below. This voids the MAVIC which thus cannot be used again.

- A unilateral MAV is one in which the Philippines does not have any MAV commitment in any international trade treaty, or one that is more than its international MAV commitment. As a rule, the government should limit the implementation of the MAVs to those that the country had committed in international trade treaties. The exception to this rule shall be governed by these conditions:
  - For imported products that the government had liberalized before the effectivity of RA 8178 and EO 313 modifies their respective tariff rates to higher out-quota tariff rates, the government should provide a unilateral MAV equal to the latest current import access volume and with a reasonable growth per annum of such MAVs.
  - For restricted products whose QRs RA 8178 tariffed and that the Philippines does not have any MAV commitment under any international trade treaty, the government may provide a unilateral MAV if both producers and users of the concerned product mutually agree to a specified volume and in-quota tariff rate.
  - For restricted products whose QRs RA 8178 tariffed and that the Philippines has a binding MAV commitment under an international trade treaty but the quantities are less than the current import access, the government should unilaterally expand the MAV up to the current import access.
- The margins of preferences under the ASEAN Preferential Trade Agreement (APTA) are applicable to the in-quota or out-quota Most Favored Nation (MFN) tariff rates.
- Transitory provision.** Imported products covered by the catching up provision in this Administrative Order (OA) and/or whose import entries are filed between the effectivity of this Order and the time in which the MAV licenses had been issued to implement the catching up provision should be eligible for provisional MAV Import Certificates (MAVIC) under the following conditions listed under the following paragraphs 5a through 5f.

  - Upon the effectivity of this Order, an importer may apply for a provisional MAVIC in a letter addressed to the Chairman of the MMC. With this application, the importer must submit a copy of the bill of lading and/or of the pro-forma invoice for the imported agricultural products covered by the catching up provision, and a duly notarized bank certification that an MAV trust account had been opened by the importer in the designated bank. Upon verifying the authenticity of these documents, the MAV Executive Director should issue a provisional MAVIC in favor of the importer and equal to the volume indicated in the bill of lading.
  - The amount of the trust fund should be at least equal to the difference between the revenues accruing to the Bureau of Customs on the basis of the out-quota tariff rate and those based on the in-quota tariff rate of the affected imported agricultural product. The beneficiary of the trust fund should be either the Bureau of Customs or the importer. The trustee should be the Secretary of Agriculture in his capacity as Chairman of the MMC. As trustee, the Secretary of Agriculture should decide whether the MAV trust fund account goes to the Bureau of Customs or the importer. However, if the amount of the trust fund is found to be insufficient by the Bureau of Customs during the processing of the import entry, the deficiency should be deposited with the Bureau of Customs which shall issue an official receipt therefor and keep the same in trust until the Secretary of Agriculture shall have decided to whom the MAV trust fund account should go.
  - Upon receiving the regular MAVIC to replace the provisional MAVIC, the BOC Commissioner or his authorized representative should relinquish his claim on the MAV trust fund in a letter addressed to the Secretary of Agriculture.
  - Upon receiving and verifying the authenticity of this letter from the BOC Commissioner, the Secretary of Agriculture should write an official letter to the designated Bank identifying the importer as the beneficiary of the MAV trust fund account. Copies of the letter should be provided to the Bureau of Customs and the importer.
  - In the event the importer fails to get a MAV license under the catching up provision, the Secretary of Agriculture should write an official letter to the designated Bank identifying the Bureau of Customs as the beneficiary of the MAV trust fund account. Copies of the letter should be provided to the Bureau of Customs and the importer.
  - For the purposes indicated in paragraphs 5d and 5e above, the Secretary of Agriculture should write the designated Bank of his decision no longer than two weeks after the MAV licenses to implement the catching up provision have been released.

Tentative MAV Form 01

**MAV LICENSE APPLICATION FORM**

MAV Form No. 96-001

COMPANY PROFILE		TABLE A (for Existing MAV Licensees)			
1. Name	HS Code	Licenses Issued for 19		For MAV Official Use Only	
		(in tons)	Duties Paid	Recommended Volume	Remarks
2. Line of Business		Issued	Used		
3. Business Address (include ZIP code)					
4. Telephone and FAX Numbers					
TABLE B (for MAV Entrants)		Actual Product Requirements (in mt)		For MAV Official Use Only	
HS Product Codes		19	10		

## B. DEFINITION OF TERMS

- An agricultural product is any product that the government classifies under Chapters 1 to 24 of the Harmonized System of tariff nomenclature as used in the country's Tariff and Customs Code.
- Minimum Access Volume (MAV) refers to the quantities of a given imported agricultural product that the government allows entry into the Philippines at the lower in-quota tariff rate. There are two sets of MAVs. One set constitutes those which the government committed in the Uruguay Round treaty. The other set are those which the government introduced unilaterally as part of its trade policy. For purposes of this Order, the phrase tariff rate quota is used synonymously as minimum access volume.
- An in-quota tariff rate refers to the lower rate of customs duty applied to an agricultural product as provided for in the country's tariff and customs code and applicable to an MAV product. There are two sets of in-quota tariff rates. One set constitutes those which the government committed in the Uruguay Round treaty. The other set are those which the government introduced unilaterally as part of its trade policy.
- An out-quota tariff rate refers to the higher rate of customs duty applied to an agricultural product as provided for in the country's tariff and customs code.
- An MAV product refers to an agricultural product that has an MAV.
- Representative period refers to the three years immediately preceding a given MAV year.
- An MAV license is the official permit issued by the Chairperson of the MAV Management Committee (MMC) entitling the MAV licensee to import a given quantity of a specific MAV product at the in-quota tariff rate in a given MAV year.
- An MAV licensee refers to a firm, cooperative, non-governmental organization (NGO), agency, institution, or person who is granted rights to import MAV products.
- An MAV entrant refers to a firm, agency, organization, or person who becomes an MAV licensee for the first time in any given MAV year.
- An MAV year is from January 1 to December 31 of a given year.
- An MAV Product Category is a group of specific MAV products, whose first four or more digits of their respective Harmonized System codes match and which the MAV Management Committee grouped as such for the purposes of allocating MAV licenses.
- Harmonized System (HS) is a nomenclature of tradable goods, articles and items as used by the government in its Tariff and Customs Code.
- The Agricultural Competitiveness Enhancement Fund (ACEF) is a fund created by Republic Act 8178. The fund is earmarked by Congress for irrigation, farm-to-market roads, post-harvest equipment and facilities, credit, research and development, other marketing infrastructure, provision of market information, retraining, extension services, and other forms of assistance and support to the agricultural sector in so far as these measures improve the competitiveness of the agriculture sector.

imported into the Philippines under the benefit of the services of an MAV Import Consolidator. Furthermore, the MAV licensee should make the necessary arrangements with the MAV Import Consolidator to import the MAV product in his/her/its behalf.

- Only the MAV licensee whose name appears in the MAVICs can import the MAV products, unless the MAV volume had been properly endorsed to an accredited MAV Import Consolidators. In the event the MAV licensee is an organization representing a group of firms and/or persons, the licensee, and not its members, should be the entity legally assigned to bring the quantities of the MAV product into the country.
- The MAVICs should be valid for two months from the date of issue or for a period up to the end of the current MAV year that the MAV Secretariat issues the import certificates, which ever is shorter.
- Upon use of the MAVIC, i.e., application of the lower in-quota tariff rate, the Bureau of Customs official should stamp the word "used" on the white, green, and pink copies of the MAVIC. Keeping the used white and pink copies for its records, the BOC should then remit the green copy to the MMC as provided for in Section I, Part G below. This voids the MAVIC which thus cannot be used to avail of in-quota tariff rates in any subsequent importation of the MAV licensee. Failure to void a used MAVIC and/or reusing an MAVIC should constitute a violation of the country's tariff and customs code and RA 8178.

## F. ALLOCATION PROCEDURES

- The MMC should group the MAV applicants who qualify for MAV licenses, hereinafter called qualified MAV applicants, based on the MAV product categories that they have applied for, i.e., by either a tariff heading level (4-digit HS level) or at a more specific tariff category level (e.g., six-digit or eight-digit HS levels).

The following paragraphs under Section I, Part F outline the specific procedure for allocating the MAV licenses of a given MAV product category.

- The MMC should further classify the qualified MAV applicants that belong to a given MAV product category based on the following classes of use of the MAV product: household, processing, and commercial food service (e.g., restaurants, hotels, fast-food chains, etc.). To associate these use classes with the importers, the following rules should be applied:

- For MAV product categories whose respective quotas are equivalent to the level of current import access, all actual importers in the representative period, irrespective of whether they are producers, processors, commercial food service providers, or traders, should be considered eligible for allocations.
- For MAV products which the government had a binding non-tariff import restriction and/or whose tariff quota is more than the current import levels, the qualified MAV applicants should be grouped as producers, processors, commercial food service providers, and traders.
  - Producers are persons, firms or entities that locally produce an MAV product to be sold eventually for public consumption.
  - Processors are persons, firms or entities that process the imported MAV product.
  - Commercial food service providers are persons, firms, or entities that process the imported MAV product or its substitute for sale to the public as prepared food.
  - Traders are persons, firms or entities that import the MAV products for small and medium-size processors or commercial food service providers, which are unable to bring into the country their imported product requirement at efficient levels.

- In the initial year of the MAV implementation, the MMC should allocate the MAV licenses to qualified MAV applicants based on their respective market shares.

- For MAV products which importers have been importing regularly since at least the representative period and on which imports the government, through its regular statistical collection agencies, has data, the market share should be the import share. The import share is the share of the MAV licensee in the total quantity of the imported MAV product measured in metric tons of all the qualified MAV applicants that belong to a given MAV product category during the representative period. The total quantity is computed based on the respective highest imported quantities of the applicants during the representative period.
- For MAV products that have been irregularly or scarcely imported during the representative period, the market share should be the local output share. For this purpose, the following rules should apply:
  - The total volume of the product that is sold locally should first be apportioned on the basis of use: household, processor, and commercial food service. This establishes the shares of each of the four categories of use herein identified.
  - Having done the first step above, the respective allocations of each use category should be apportioned further using the local output share. This is the share of the qualified MAV applicant in the total quantity of the locally produced output that all qualified MAV licensees, falling under the use category, sold during the representative period in the domestic market. Where the data on sales are difficult to attain, the MMC may utilize appropriate proxy variables to approximate sales.
  - The MMC should set aside an appropriate percentage of the MAV quantity for traders defined in paragraphs 2c(iv) above. This provision is for the benefit of small and medium-size processors or commercial food service providers, which are unable to bring into the country their imported product requirement at efficient levels, and/or may have failed to apply for MAV licenses due to their small size. The traders who get this allocation must primarily cater to the needs of the small and medium scale users. Failure to do so may be a ground for rejecting the application for renewal of its MAV license.

- In subsequent MAV years, the following rules shall apply:

- For existing MAV licensees, their respective allocation of MAV licenses in the current MAV year should be equal to the respective MAV licenses issued them in the preceding MAV year and their respective share of one-half of the incremental MAV licenses authorized for the current MAV year. The share of the MAV licensee in the total licenses issued to all MAV licensees in the preceding MAV year should be used for this purpose.
- The MMC should apportion to MAV entrants the second half of the regular incremental MAV vol-

## MAV LICENSE APPLICATION FORM

MAV Form No. 96-001

COMPANY PROFILE		TABLE A (for Existing MAV Licensees)					
1. Name	HS Code	Licensee Issued for 19			For MAV Official Use Only		
2. Line of Business		(in tons)		Duties Paid	Recommended Volume	Remarks	
3. Business Address (include ZIP code)		Issued	Used				
4. Telephone and FAX Numbers							

		TABLE B (for MAV Entrants)							
HS Product Codes Line of Business		Actual Product Requirements (in mt)						For MAV Official Use Only	
		19		19		19		Recommended Volume	Remarks
		Imported	Local	Imported	Local	Imported	Local		
Name of Business:									
Products:									

Tentative MAV Form 02

Account No. 96-001-0203XXXX	MWF No. _____
<b>MAV/WITHDRAWAL FORM 02</b>	
_____ 19	
Issue to the order of _____ the MAV	
Import Certificate amounting to _____ metric tons.	
<b>MAV Management Committee</b> Department of Agriculture 3rd Floor, Elliptical Circle Diliman, Quezon City	
MAV Form No. 96-002	

Tentative MAV Form 03

Account No. 96-0203XXXX	MIC Control No. _____
<b>MAV Management Committee</b>	
Department of Agriculture 3rd Floor, Elliptical Circle Diliman, Quezon City	
<b>MAV Import Certificate</b>	
(non-transferrable)	
_____ 19	
This certifies that _____ is authorized to import _____ with HS Code _____ at a volume of _____ (mt) at the in-quota tariff rate. This certification is valid on arrival basis in the MAV year _____.	
MAV Executive Director	

(Back Portion) Endorsement of Certificate

ENDORSEMENT

This certificate is endorsed to:

(name of an accredited MAV Import Consolidator)

Licensee

SECTION II

## C. MAV MANAGEMENT COMMITTEE, SECRETARIAT, AND ADVISORY COUNCIL

- There is hereby created an MAV Management Committee (MMC) which should be composed of the following:

— Secretary of Agriculture	Chairperson
— Secretary of Trade and Industry	Member
— Secretary of Finance	Member
— Secretary of Agrarian Reform	Member
— Secretary of Science and Technology	Member
— Director-General, NEDA	Member

- The MMC should oversee and regulate the implementation of the MAVs and dispose of the competitiveness enhancement fund following the provisions under RA 8178. It should set the rules and regulations pertinent to the administration of the tariff rate quota, the competitiveness enhancement fund, and other related matters.
- An MAV Secretariat and a private-sector advisory body should assist the MMC. The MAV Secretariat carries out the day-to-day administration of the MAVs and is accountable to the MMC. The MAV Executive Director heads the MAV Secretariat.
- The MAV Secretariat should be composed of employees of the Department of Agriculture assigned on a full-time basis to fulfill their respective functions in the said body.
- Among its other functions, the MAV Secretariat would collect from the MAV applicants and licensees the appropriate MAV fees that the MMC determines and approves. In approving these, the MMC shall ensure that the fees are kept down to the levels strictly necessary for the efficient administration of the MAV mechanism and do not unduly raise local prices to the detriment of users or consumers of the MAV products.
- The private sector advisory body is called the MAV Advisory Council (MAC). The MMC should organize the MAC which would be tasked with advising it on matters about the MAV implementation and the disposition of the Competitiveness Enhancement Fund.
  - The MAC should be comprised of seven members, six of whom should be from the national farmer organizations/federations and other private entities, including at least one representing the users of MAV products. The seventh member of the MAC should be the Secretary of Agriculture or his duly appointed representative who must be a senior official of the Department of Agriculture. The MMC should appoint the private sector members who will serve voluntarily for a term of three years. It shall also define the terms of reference of the private sector advisory body.
  - The Chairperson of the MAC should be the Secretary of Agriculture or his duly appointed representative.

## D. REGISTRATION AND ELIGIBILITY OF MAV APPLICANTS

- The MMC should publish notices asking for the submission of applications for MAV licenses in at least two national news dailies, in the last week of November of a given MAV year. The notice contains at

7. a) The MAC should be comprised of seven members, six of whom should be from the national farmer organizations/federations and other private entities, including at least one representing the users of MAV products. The seventh member of the MAC should be the Secretary of Agriculture or his duly appointed representative who must be a senior official of the Department of Agriculture. The MMC should appoint the private sector members who will serve voluntarily for a term of three year. It shall also define the terms of reference of the private sector advisory body.

b) The Chairperson of the MAC should be the Secretary of Agriculture or his duly appointed representative.

## D. REGISTRATION AND ELIGIBILITY OF MAV APPLICANTS

1. The MMC should publish notices asking for the submission of applications for MAV licenses in at least two national news dailies, in the last week of November of a given MAV year. The notice contains at least the following information: the list and respective quantities of MAV products to be allocated, the opening and closing dates of the application, and the time period when the MAV licenses to be issued out are to be valid, and the address of the government office where the application forms can be obtained and submitted.

2. The application period should be the last month of the existing MAV year, i.e., from 1 to 31 December of the year. Applications received after the application period will not be processed for the incoming MAV year.

3. The application for MAV licenses should be open to all concerned firms, cooperatives, NGOs, agencies, institutions and person who may have a legitimate reason to use or sell MAV products. An MAV applicant should be entitled to one application per MAV product category.

4. In cases where the associations or federations apply for MAV licenses in behalf of their members, these applicants must submit to the MMC a certified list of their members. These organizations must also show that their respective competent authorities had so decided and has accordingly instructed their respective members not to apply for the MAV licenses that their associations or federations are applying for. If, however, the members of said associations or federations apply for the same set of MAV licenses as their organizations, the MMC should reject the individual applications on the ground that these represent a duplication of MAV application. Furthermore, a member of two or more associations or federations would be deemed to have forfeited the privilege of applying for an MAV license for a specific product if one association or federation to which he belongs applies for the same MAV license for and in his behalf, even if the other associations or federations to which he belongs do not so apply for the same MAV license.

5. The MAV applicants should fill out an application form for the MAV licenses (see attached MAV Form No. 1). These application forms should contain the necessary information required for the proper implementation of the MAVs. In addition to the information requested in MAV Form No. 1, supporting documents may be required by the MMC from the applicant to validate the information reflected in the application. Failure to properly fill out the application forms, submit supporting documents, and/or falsification of supporting documents submitted in the application, with intent to mislead the MMC, should be considered grounds for rejecting the current or subsequent applications of the MAV applicant for MAV licenses.

6. The MMC should process the applications for MAV licenses during the first month of the incoming MAV year, i.e., from 1 to 31 January of a given year.

7. As a general rule, only those applicants for MAV licenses who have a demonstrated valid reason to use or sell a MAV product should be eligible to get MAV licenses for the agricultural sector.

a) Unless it fails to submit its application for whatever reason, an MAV applicant that has been in the business for at least the representative period as an importer or a user of an MAV product or its substitute should be automatically eligible to get MAV licenses in the first year of the MAV implementation.

b) The MMC should require that the MAV entrants must operate their respective businesses that use or supply MAV products for at least one year without the benefit of an MAV access before it considers their respective MAV applications.

8. The MMC should require that an existing MAV licensee reapplies for MAV licenses in any subsequent MAV year. It should approve the application, unless it has a valid reason to act otherwise. All existing MAV licensees should be provided, besides the notification through the national news dailies, a written letter about the opening of the current MAVs no later than the last working day of November of any given MAV year.

9. The decision of the MMC on the MAV applications would be final. Where the MMC rejects an application, it should inform the concerned applicant of the reason for rejecting the application. These reasons may include the fact that the applicant is not a user or supplier of the MAV product; had falsified the supporting documents in its application; had committed technical smuggling; or had consistently failed to use its allocated MAV licenses for reasons unrelated to preferences of buyers or for any other reason that, in the judgment of the MMC, causes a waste of the MAV licenses.

## E. MAV LICENSES, WITHDRAWAL FORMS AND IMPORT CERTIFICATES

1. The MMC Chairperson should issue the MAV licenses. An MAV license should contain at least the

sors of commercial food service providers, which are unable to bring into the country their imported product requirement at efficient levels, and/or may have failed to apply for MAV licenses due to their small size. The traders who get this allocation must primarily cater to the needs of the small and medium scale users. Failure to do so may be a ground for rejecting the application for renewal of its MAV license.

4. In subsequent MAV years, the following rules shall apply:

a) For existing MAV licensees, their respective allocation of MAV licenses in the current MAV year should be equal to the respective MAV licenses issued them in the preceding MAV year and their respective share of one-half of the incremental MAV licenses authorized for the current MAV year. The share of the MAV licensee in the total licenses issued to all MAV licensees in the preceding MAV year should be used for this purpose.

b) The MMC should apportion to MAV entrants the second half of the regular incremental MAV volume. The shares to be used should be the import shares of the MAV entrants that are to operate, without the benefit of the MAV for one year as provided for in paragraph 6b, Part D of this Section.

c) In subsequent MAV years, the MAV entrants of the immediately preceding MAV year should become regular or existing MAV licensees. As such, the procedure outlined under paragraph 4(a) above should apply.

5. Where the resulting MAV share of an MAV licensee is less than the economic order quantity, the licensee may endorse the MIC to an accredited MAV import consolidator. The MMC should regularly inform the Chief of the CRMD of the Bureau of Customs about the list of accredited MAV import consolidators. This provision for import consolidation is to give options for small and medium-scale users who are at the same time MAV licensees.

6. The MMC should accredit MAV import consolidators. Private or publicly-owned corporations may apply for accreditation with the MMC.

7. a) Where an existing MAV licensee is dormant and/or fails to utilize the allocated licenses, the MMC should ask the said licensee to explain in writing the reason for the nonutilization of the licenses. The explanation should be submitted before the MMC announces the allocation of the MAVs for the incoming MAV year.

b) Where there is reason to believe that the said licensee will no longer be a user of the MAV licenses, the MMC should cancel the MAV licenses allocated to the said licensee and should apportion the same, following the procedure for incremental MAVs, to other existing licensees in the same group that the dormant licensee belongs to. Otherwise, the licenses should remain allocated to the dormant MAV licensee.

8. In any MAV year, MAV licensees who decided not to use the MAV licenses allocated to them may voluntarily surrender the unused licenses to the MMC through the MAV Secretariat. The MAV Secretariat should then close the MAV account of the licensees concerned and put the unused licenses to its pool of unused or cancelled licenses. When the need arises, the MMC should allocate the pool of licenses to existing licensees following the procedure outlined for incremental MAV licenses.

9. The allocation procedures outlined in this document are subject to a mandatory review one to two years from the effectivity of the Administrative Order. The intent of the review is to improve these procedures and make them more responsive to the needs of the parties concerned and the agriculture sector.

## G. MONITORING AND EVALUATION

1. The Bureau of Customs should accomplish the monthly MAV report form (MAV Report Form No. 01) and submit it to the MMC through the MAV Secretariat along with the perforated MAVICs and bills of lading for MAV products. This report should reconcile the quantities of MAV products that importers brought in and the used MAV licenses. The BOC should submit to the MMC this report no later than a week from the start of a given month.

2. The Bureau of Customs should accomplish the consolidated semestral MAV report form (MAV Report Form No. 02). The purpose of this report is to monitor the out-quota importations of MAV products. The BOC should submit this report to the MMC no later than two weeks from the start of January or July of a given MAV year.

3. The MMC should periodically review the existing procedures of MAV implementation and identify its problems, with the view of immediately solving these problems in a manner consistent with the general principles of the implementation of the MAVs.

## H. TRANSITORY AND OTHER PROVISIONS

1. **Catching up provision.** In the interest of meeting the country's international commitment without any further delay, the MMC should allocate the MAV licenses from July 1 to December 31, 1996 and from January 1 to December 31, 1996 no later than July 31, 1996. It should allocate only the licenses corresponding to the quantities of MAV products which the country has yet to import at no more than the in-quota tariff rates to meet its international treaty obligations or to implement a trade policy in the case of unilateral MAVs. These licenses should be valid for imports which arrive in the country no later than December 31, 1996.

2. The allocation should follow a fast-track procedure as follows: The application period should be from July 1 to July 15, 1996. The MMC should issue the licenses by August 1, 1996.

(name of an accredited MAV Import Consolidator)

Licensee

## SECTION II MINIMUM ACCESS VOLUMES FOR AGRICULTURAL PRODUCTS

### A. BASE QUANTITIES

1. The minimum access volumes listed under the Annex 1 of this document are those quantities of agricultural products as identified by their respective HS codes that the government is authorizing to be imported subject to their corresponding lower in-quota tariff rates. These rates are found in the Tariff and Customs Code as amended of the Philippines.

2. Where the Tariff and Customs Code provides an in-quota tariff rate for a given tariff line but Annex 1 of this document does not provide any MAV quantities for the particular tariff line, the Bureau of Customs should collect the duties based on out-quota tariff rates.

HS Number	Description	Unit	1992	1993	1994	1995	1 January 1996	1997	1998	1999			
0102	Live bovine animals	head	8,100	12,817	13,318	14,040	15,254	15,256	17,172	17,274	18,284	2,242.0	
0103	Live swine	head	1,200	2,370	2,370	2,370	2,370	2,370	2,370	2,370	2,370	1,200.0	
0104	Live sheep and goats	head	21,400	14,254	84,862	69,816	82,170	48,251	66,590	73,871	78,684	46,912.0	
0106	Live poultry, other than turkeys, of the species Gallus domesticus, Gallus, Anas, Arborvitae and other species	head	2,546,464	8,944,128	8,242,216	6,794,190	3,169,204	7,110,828	8,022,562	6,413,474	8,874,300	3,263,129	4,461,924.0
0201	Meat of bovine animals, fresh or chilled	MT	2,000	4,067	4,251	4,426	4,406	4,733	4,267	4,131	4,306	5,481	3,740.2
0202	Meat of swine, fresh or chilled	MT	0	11,111	87,044	71,371	66,261	68,419	109,293	118,208	160,214	169,269	32,645.5
0203	Meat of sheep, fresh, chilled or frozen	MT	18,200	29,729	34,179	29,848	49,859	42,396	45,778	44,165	50,816	53,005	28,202.5
0204	Meat of other or game fresh, chilled or frozen	MT	335	508	741	726	848	878	848	815	1,048	1,065	847.8
0207	Meat and edible offal of all animals, fresh, chilled, or frozen	MT	2,345	12,190	14,340	17,740	18,130	18,100	20,040	21,040	22,040	23,010	11,506.0
0208	Meat, fresh or chilled	MT	488	848	7,216	1,105	1,176	1,243	1,316	1,399	1,468	1,520	748.0
0209	Meat, fresh or chilled or frozen, other than that containing no fat or in any proportion	MT	0	827	982	1,200	1,128	1,192	1,258	1,324	1,391	1,457	749
1006	Wheat or meslin	MT	69,000	124,889	144,221	164,238	182,207	172,849	183,181	192,843	202,476	212,118	106,000.0
1102	Rice	MT	29,418	31,512	41,079	66,844	84,844	121,402	151,204	176,200	205,096	229,292	118,450.0
1201	Sugar	MT	19,216	29,884	42,761	65,847	68,295	81,242	64,000	69,816	69,783	62,828	31,214.0
2101	Extract, essential and preparations of natural or semi-synthetic of a kind of these products or with the bulk of other, less or more essential and other natural matter, laboratory and various, medicinal, and cosmetic purposes	MT	0	20	20	20	20	20	20	20	20	20	20

### B. MAV PLUS MECHANISM

1. To address the problems of possible commodity shortages or abnormal price increases of agricultural products whose quantitative restrictions RA 8178 had lifted, hereafter called commodities, the MMC may propose that the President increase the MAVs on agricultural products following the provision in RA 8178.

2. Commodity shortages are defined and made evident by the local wholesale prices of commodities that exceed the CIF prices of their respective competing imports in local currency plus the average of the applicable out-quota and in-quota tariff rates. The MMC should conduct forecasts of commodity prices to prevent abrupt disruptions of commodity supplies.

3. When increasing the MAVs of commodities is necessary, the President should seek the approval of Congress through the Senate President and Speaker of the House of Representatives. In the event that Congress fails to act on the proposal within fifteen days after the receipt of the proposal by the

Senate President and the Speaker of the House of Representatives, the proposal is deemed approved.

- Upon approval of the proposal to increase the MAVs of commodities by the appropriate authorities, the MMC should issue additional import licenses to existing MAV licensees proportionately and increase their respective MAV accounts. These additional licenses should be valid upon the arrival of the MAV products in the MAV year that the MMC issues these permits. The use of these additional licenses should follow the procedure outlined in Section 1 of the Administrative Order.

**SECTION III  
COMMODITY SPECIFIC GUIDELINES  
FOR IMPORTING MAV PRODUCTS**

**A. RICE**

- In accordance with Presidential Decree No. 4 providing the National Food Authority the sole responsibility to import rice and with the country's Section 1-B commitment under the Uruguay Round Final Act which assigns the NFA the sole responsibility to import rice, the MAV for rice shall be imported solely by the NFA.

**B. OPTIONAL GUIDELINES FOR CORN**

- In recognition of the existing practice of allocating the corn quota before the implementation of RA 8178 through the NFA, the MMC should accredit the NFA as an MAV Import Consolidator for corn. As such, the NFA may import the corn MAVs with certificates that the MAV licensees have duly endorsed to the NFA following the provisions under paragraphs 3c and 3d, Part F, Section I.
- To continue the practice of allocating the quota, which is widely accepted by existing users and producers of corn, it is part of government policy to implement the mechanism in a way as to make the existing importers as well off as before the implementation of RA 8178. Accordingly, the MMC may consider retaining the present practice that has transpired in allocating the corn quota up to the extent that this practice is consistent with the overall implementation mechanism outlined in Section I.
- All existing corn importers would still have to follow all the general rules and regulations as provided for in Section I of this Order. As practiced, the MMC should allocate the corn MAV licenses to the legitimate corn users who are duly registered with the Bureau of Animal Industry (BAI), Quezon City. Accreditation of corn users should be an important criterion for approving the application for MAVs.
- If corn importers, particularly those small and medium-scale, may find it economical to purchase the services of the NFA to import their respective MAV quotas for corn in their behalf, they should be guided by the rules and regulations contained under this Section, Part B, as well as by any additional conditions which can be directly obtained from the NFA.
- Furthermore, if the situation as described in paragraph 4 prevails, the following rules and regulations should be applied. The listing of these rules and regulations should not be interpreted as limiting the corn importers to purchase import consolidation services only from the NFA.

- The MAV licensee shall endorse the MAVIC in favor of the NFA. In addition, a notarized authorization to transact business with the NFA should be executed only by employees/officers or Board of Directors of companies, associations or cooperatives.
- Corn users must indicate in their letter of Intent their preferred disport, either at ATI-Mariveles, Bataan or Manila/other disports.
- Priority as to vessel assignment should be based on the order of submission of complete requirements by the applicants.
- Corresponding service fees should be charged depending on the discharge port. Corn MAV licensees should have from thirty (30) weather-working days up to a maximum of fifty (50) calendar days up to a maximum of fifty (50) calendar days to withdraw the corn beyond which a storage fee per day shall be charged against the buyer if withdrawal exceeds the given period.
- The fee for Manila/other ports shall be ex-vessel. The price for ATI-Mariveles shall be ex-ATI. The handling of stocks from the other vessel shall be for DA/NFA's expense. Trucking, bagging and barging charges shall be shouldered by the buyers.

f) The NFA can also offer integrated services at the Manila port at an indicative rate as follows:

Mode of Withdrawal	Rate per MT	Rate per kilo
Ex-vessel	P150.00	P0.15
Ex-bagging terminal	P795.00	P0.795
Ex-warehouse	P995.00	P0.995

Above rates are subject to change. The NFA will issue appropriate notices to effect any changes to these rates.

- Only one integrated cargo handler should be allowed per vessel. Should the buyers comprising one vessel opt to hire NFA services in the unloading of stocks, the NFA should then undertake the

**NEWSLINE**

**FVR at MOPC** From Page 1

moves for the solution of the peace and order problem in Mindanao.

The President's speech is expected to draw the interest of MOPC members, opinion-makers, diplomats, business-corporate leaders and government personalities who will participate in an open forum with MOPC governor Antonio Lopez as moderator and panelists Fred Lobo, president of the National Press Club; Nobumitsu Nagai, president of FOCAP and Jay Sonza of GMA Channel 7.

Mr. Ramos, assisted by Seva, will present the 1996 MOPC leadership award to MOPC past president Jose Rodriguez.

With lawyer Ricardo Puno Jr. as master of ceremonies, the other numbers on the program are invocation by MOPC governor Raoul Victorino and welcome remarks by MOPC vice president Juan Dayang. Seva will introduce Mr. Ramos.

**Ming heads** From Page 1

plays badminton and golf well is especially proud of the fact that one of the competing Filipino badminton athletes is her protege. She is Amparo "Weena" Cruz who is the first Filipina badminton player to qualify for the Olympics.

Mrs. Ramos, president of the Philippine Badminton Association, is expected to cheer for the entire Filipino contingent, which also includes another Filipina, trackster Elma Muros.

It will not be the first time though for Mrs. Ramos to have joined the Philippine delegation to the Olympics. Her first time was in the Helsinki Olympics in the '60s.

The First Lady will be away from the country for three weeks and will tour other parts of the US on an official mission for President Ramos.

— Marichu Villanueva

**WYCOCO** From Page 1

was already informed of his new assignment but no official order or announcement has yet been made by the DILG.



Republic of the Philippines  
**DEPARTMENT OF AGRICULTURE**  
Office of the Secretary  
Elliptical Road, Diliman, Quezon City

Special Order  
No. 321  
Series of 1996

**Subject: Deputation of LandBank Personnel as Seed Inspectors**

In line with the implementation of the Certified Palay Seed Production Financing Program launched by LandBank of the Philippines in support to the Gintong-Ani Program of the Department of Agriculture, the following are hereby deputized as Seed Inspectors in their respective regions and field of assignments.

Region	Name	Field Office
I	Wilma Zacarias Zenaída Edra Edgar Barot Romeo Bonita Ruben Alamani Jerry Andres Bernardino Morales Dante Padilla	Dagupan City Laoag, Ilocos Norte Vigan, Ilocos Sur Tayug, Pangasinan Baguio City Bontoc, Mt. Province Alaminos, Pangasinan Hiranata, Pangasinan

The newly-created post of IG for the DILG is new position tasked with the investigation of administrative complaints against members of the Philippine National Police (PNP), the Bureau of Jail Management and Penology (BJMP), Bureau of Fire Protection (BFP) and the National Police Commission (Napolcom).

The functions of the new IG have not yet been specified but officials said it would be a very sensitive post since it covers all the uniformed services of the department.

Wycoco was the former regional police commander in the Ilocos region and also a former spokesman of the PNP.

— Perseus Echeminada

**UAE-bound** From Page 1

the drugs as "pasalubong" (gifts).

With the strict implementation of laws against drug trafficking, Filipinos caught this time for such an offense are in real danger of being sentenced to death, Philippine Ambassador to the UAE Roy Seneres said yesterday.

He said that Filipinos bound for the UAE should be warned of the new law on drug-related cases as authorities there are now imposing the maximum penalty of death to curb the growing drug menace in their country.

Meanwhile, the Philippine Embassy in Abu Dhabi is anticipating the full implementation of penalties for those caught using fake documents.

Documents with fake stamps from the UAE Embassy in Manila and Department of Foreign Affairs certificates of authentication have recently surfaced in the UAE, prompting authorities to seek out offenders.

— Rey Arquiza

**US-based** From Page 1

July 12 to 22. They will offer free treatment to indigent patients and share their knowledge and experience with physicians in the province.

Philippine Ambassador to Washington Raul Rabe said the participation of American, Filipino-American, Japanese and New Zealander physicians and nurses in the medical mission "gives the mission a commemorative significance which people will not miss."

discharging charges shall be shouldered by the buyers.

f) The NFA can also offer integrated services at the Manila port at an indicative rate as follows:

Mode of Withdrawal	Rate per MT	Rate per kilo
Ex-vessel	P150.00	P0.15
Ex-bagging terminal	P795.00	P0.795
Ex-warehouse	P995.00	P0.995

Above rates are subject to change. The NFA will issue appropriate notices to effect any changes to these rates.

g) Only one integrated cargo handler should be allowed per vessel. Should the buyers comprising one vessel opt to hire NFA services in the unloading of stocks, the NFA should then undertake the unloading of the whole vessel. The selection of the cargo handler should be based on majority's decision based on volume.

h) Should the com users hire a common cargo handler, they could pool their resources together, however, they should undertake the following:

- Designate an authorized representative to officially act or transact business in their behalf.
- Furnish the NFA a copy of the Contract entered into between the com users and the Integrated Services Contractor.
- Submit to the NFA a Special Power of Attorney authorizing the Integrated Services Contractor to act in their behalf.
- Secure approval of the NFA Metro Manila Office in case there are changes in the unloading point/silo.

i) Stocks discharged at ATI, Mariveles should pass through dust separators where com screenings are collected. Buyers should be issued their allocation which will comprise of clean com and com screenings as pro-rated among buyers assigned per vessel.

j) Weight monitoring/reconciliation of all stocks should be undertaken at different withdrawal points.

k) Withdrawal scheme at Manila port should be as follows:

i. Ex-vessel/clamshell withdrawal:

For all ex-vessel withdrawals, the discharging rate should be based on the "contract of supply" with supplier. A corresponding demurrage penalty based on the actual contract of supply with foreign supplier should be imposed if barges are not positioned alongside vessel as scheduled and the discharge rate not attained or if the barges are not towed within two hours after completion of the loading. For ex-vessel withdrawals, actual quantity should be based on the final outturn at buyers silo of NFA-designated truck scales subject to the calibration test of scales and based on the certificate of weight and quality to be issued by an independent international surveyor.

ii. Ex-bagging withdrawal:

For all ex-bagging withdrawals, MAV Licensees should withdraw the yellow corn as scheduled otherwise, penalties should also be charged. Failure to withdraw contracted volume on time should mean forfeiture of their slot; hence, withdrawal should instead be undertaken ex-warehouse with corresponding additional incidental costs.

iii. Ex-warehouse withdrawal:

For all ex-warehouse withdrawals, MAV licensees should withdraw the contracted volume of yellow corn at NFA-designated warehouses within seven (7) days, from 8:00 am-5:00 pm, Monday to Saturday. A corresponding penalty of P0.50/bag/day should be charged in case the MAV licensees fail to withdraw the contracted volume within the stipulated period.

l) Payment scheme should be undertaken as follows:

i. Payment should either be in cash or in Manager's or Cashier's Check in favor of NFA at its Metro Manila Office, Finance Department at United Nations Ave., Manila for the following:

- Performance Security equivalent to P1.00 per kilo of the allocated volume.
- Remaining balance between total cost plus incidental expenses less advance payments made if NFA integrated rates were availed.
- Remaining balance between total cost less advance payments made if the buyer hired common integrated services contractor.

ii. Performance Security payment should be made within three days upon the endorsement of the MAVIC. Payment of remaining balance should be made within 48 hours after receipt of the Notice of Payment from the DA through the NFA. Failure to pay within the stipulated period would allow the seller to resell the equivalent volume of the allocated corn. Incidental expenses incurred by NFA should be charged to buyer.

iii. Payment should be for the whole volume of imported yellow corn allocated.

## SECTION IV

### THE COMPETITIVENESS ENHANCEMENT FUND AND DISPOSITION THEREOF

1. **Source of Fund.** The Competitiveness Enhancement Fund (CEF) is created with the revenues from in-quota import duties collected from the importation of the minimum access volumes, including rice if this had not been waived for food security purposes. The fund is deposited with the National Treasury and is earmarked by Congress for irrigation, farm-to-market roads, post-harvest equipment and facilities, credit, research and development, other marketing infrastructure, provision of market information, retraining extension services, and other forms of assistance and support to the agricultural sector in so far as these measures are consistent with Annex 2 of the Agreement on Agriculture in the Uruguay Round Final Act and help in improving the competitiveness of the agriculture sector. The ACEF shall have a life of nine (9) years, after which all remaining balances shall revert to the General Fund.

In line with the implementation of the Certified Palay Seed Production Program launched by LandBank of the Philippines in support to the Gintong-Ani Program of the Department of Agriculture, the following are hereby deputized as Seed Inspectors in their respective regions and field of assignments.

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II	Rodolfo Udani Rodolfo Ballasteros Ronald Beltran Jaime Morales Ronald Abenoja Eduardo Moran Mario Requimen Gervino Siazon	Aparri, Cagayan Cauayan, Isabela Ilagan, Isabela Solano, Nueva Vizcaya Cabarroguis, Quirino Roxas, Isabela Tuguegarao, Cagayan Sanchez Mira, Cagayan
III	Cesar Quiron Rodrigo Javier Danilo Bodino Leopoldo Ternida Federico Mallara Conrado Cabral Romeo Bacungan Vicente Santos III Isidro Mangalino Reynaldo Mercado Elizabeth Blanco Edwin C. Manalo Jose Lananon Leonardo dela Cruz Nestor Cortez Eduardo Laranang Levi Dado	Balanga, Bataan Malolos, Bulacan Baliuag, Bulacan Cabanatuan City San Isidro, Nueva Ecija Guimba, Nueva Ecija San Jose City Sto. Domingo, Nueva Ecija Magalang, Pampanga San Fernando, Pampanga San Fernando, Pampanga San Fernando, Pampanga Concepcion, Tarlac Paniqui, Tarlac La Paz, Tarlac Iba, Zambales
IV	James Marquez Liberty Guerra Andrenelio Borja Cresencio Florento Rhoel Marte Victor Sarmiento Arsenio de Leon Elmar Madrid Marcelo Rufon Gil Majano Ernesto Maturan Jr. Johanán Favila Ferdinand Abe Ramil Basbaco Gideon Salamat Romeo Cruz Eddie Mame	Baler, Aurora Trece Martires City Calamba, Laguna Sta. Cruz, Laguna Boac, Marinduque Mamburao, Occ. Mindoro San Jose, Occ. Mindoro Calapan, Or. Mindoro Roxas, Or. Mindoro Brookes Point, Palawan Coron, Palawan Puerto Princesa, Palawan Infanta, Quezon Lucena City Mulanay, Quezon Tanay, Rizal Odiongong, Romblon
V	Eugene Llana Regie Elnar Nestor Hufancia Generoso Pasiona Margie Cordova Rico Cortez Ferdinand Abraham	Legaspi City Daet, Camarines Norte Naga City Goa, Camarines Sur Sipocot, Cam. Sur Masbate Sorsogon
VI	Renato Ramanesis Gualberto Agris Rico Umagap Blasildo Gonzales Mardom Susan Jobert Navarra Rex Mahinay Catalino Buenavista Joseph Be Adrian Villalobos Harlem Las	Kalibo, Aklan Roxas City Guimaras Iloilo City Bacolod City Passi, Iloilo Cardiz, Negros Occ. Sara, Iloilo Antique Antique Bacolod City
VII	Carlos Remullo Arleen Candido Honorato Cajés Herbert Ignacio Ramon Martin Sumido Gregorio Garote	Dumaguete City Gulihugan, Negros Or. Tallibon, Bohol Bayawan, Negros Or. Siquijor Tagbilaran City
VIII	Vicente Escasinas	Batangas, Eastern Samar

July 12 to 22. They will offer free treatment to indigent patients and share their knowledge and experience with physicians in the province.

Philippine Ambassador to Washington Raul Rabe said the participation of American, Filipino-American, Japanese and New Zealander physicians and nurses in the medical mission "gives the mission a commemorative significance which people will not miss."

The mission, organized by the Norfolk, Virginia-based "Physicians for Peace," will perform surgery on patients with birth defects such as cleft lip and palate and on other defects requiring reconstructive surgery such as burns and injuries. They will also offer services in general surgery, ophthalmology, obstetrics/gynecology and orthopedics.

The mission will be in Tandag, Cebu, from July 12 to 19, and will proceed to Cebu City's Vicente Sotto Hospital to confer with local physicians and to conduct surgery from July 20 to 22.

Members of the US team are Nilda Ante, obstetrician/gynecologist; Julie Escuadra, nurse; Remy Gega, nurse; Ranulfo Garcia, orthopedic surgeon; Juan Montero II, general and thoracic surgeon; Burkhard Spiekermann, anesthesiologist; O. Flaviano Uy, obstetrician/gynecologist; Jose Villaluz, general surgeon and Charles Horton, plastic surgeon.

Horton is the founder and chairman of Peace for Peace, the mission organizer. The US team includes Mary Montero, Peter Palk and Victoria Su who will handle administrative matters.

The international members of the mission are Earle Brown, plastic surgeon from New Zealand, and Takehiko Ohura and Satoshi Yoza, both plastic surgeons from Japan.

Physicians for Peace's teams of physicians, dentists, nurses and technicians have conducted nearly 100 missions worldwide, organizers of the Cebu-bound mission said.

## Spain next From Page 1

yesterday to make Spain the alternative host country for the Filipino OCWs returning from the British colony.

Labor Undersecretary Jose Espanol Jr. who visited Europe on an official mission said Spain is a worker-friendly host country specially for Filipino migrant workers.

"Spain, like most European countries, has human rights high in their agenda and the wages are relatively higher," Espanol said.

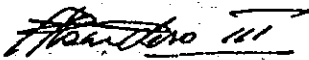
Compared to other countries, Espanol said, Spain has a higher wage level. The wages of foreign workers, he said, range from \$700 to as high as \$1,200.

**THE COMPETITIVENESS ENHANCEMENT FUND AND DISPOSITION THEREOF**

1. **Source of Fund.** The Competitiveness Enhancement Fund (CEF) is created with the revenues from in-quota import duties collected from the importation of the minimum access volumes, including rice if this had not been waived for food security purposes. The fund is deposited with the National Treasury and is earmarked by Congress for irrigation, farm-to-market roads, post-harvest equipment and facilities, credit, research and development, other marketing infrastructure, provision of market information, retraining extension services, and other forms of assistance and support to the agricultural sector in so far as these measures are consistent with Annex 2 of the Agreement on Agriculture in the Uruguay Round Final Act and help in improving the competitiveness of the agriculture sector. The ACEF shall have a life of nine (9) years, after which all remaining balances shall revert to the General Fund.
2. **General Principles.** The allocation and use of the CEF should be guided by the following principles:
  - a) The proponents of the projects/programs funded with the CEF should come from the private sector including agricultural and agribusiness groups representing the producers, whose ORs RA 8178 had lifted and the products of which are covered by the MAV mechanism.
  - b) The programs/projects funded by the CEF should be economically sound, financially viable, and sustainable, as well as improve the competitiveness of the affected production sectors.
  - c) The programs/projects funded by the CEF must be interest group-neutral or have benefits which can be shared by all and not only by select firms or groups within a sector.
  - d) The expenditure for the projects/programs funded with the CEF is an addition to the regular annual GAA budget of the Department of Agriculture. These CEF expenditures should be submitted for approval by Congress and the approval process should be integral to that for the DAs annual GAA budget.
  - e) These projects/programs funded with the CEF should be those consistent with Annex 2 of the Agreement on Agriculture in the Uruguay Round Final Act.
  - f) The total expenditures on all the programs/projects benefitting a given set of producers (corn farmers, pork producers, etc.) and that are approved by Congress, should not exceed the resources in the CEF.
3. **Submission of Proposals.** Private sector agricultural/agribusiness groups must present project proposals including assessment of economic benefits and financial viability no later than January 31 of the year for possible inclusion into the GAA of the Department of Agriculture for the incoming fiscal year. Consultations on the proposals should be conducted by the MMC over the next sixty (60) days after this date in preparation for budget submission.
4. **Approval Criteria.** The MMC should approve the projects/programs based on the abovementioned general principles. Additional merit may be granted for a project/program's approval based on the following criteria:
  - a) Complementary or supportiveness to regularly funded activities of the Department of Agriculture.
  - b) Cost-sharing in terms of counterpart financing or infusion of capital resources by private sector groups into the project/program.
  - c) Cost-sharing in terms of counterpart financing or infusion of capital resources by local government units into the project/program.
5. **Budget Submission.** In accordance with Republic Act 8178, the approved proposals should be included as part of the Department of Agriculture's General Appropriations Act (GAA) budget but based on the additionality principle or considered over and above activities regularly and normally funded by the DA's GAA budget.
6. **Project Implementation.** The lead agency in implementing the projects/programs funded by the CEF will be the Department of Agriculture.

**SECTION V EFFECTIVITY**

1. This order shall take effect immediately after publication in two newspapers of general circulation and after Congress shall have been officially notified about the contents thereof.

  
**SALVADOR H. ESCUDERO III**  
 Secretary of Agriculture

VII	Joseph de Adrian Villalobos Hariem Las  Carlos Remullo Arleen Candido Honorato Cajos Herbert Ignacio Ramon Martin Sumido Gregorio Garote	Antique Antique Bacolod City  Dumaguete City Guihulgan, Negros Or. Talibon, Bohol Bayawan, Negros Or. Siquijor Tagbilaran City
VIII	Vicente Escasinas Otello Babiano Jr. Eric Mendiola Gerardo Alo Cleofas Felicio Ferdinand Paul Wagas Jaime Exconde Emelia Ibay	Borongan, Eastern Samar Ormoc City Tacloban City Catarman, Northern Samar Maasin, Southern Leyte Naval, Biliran Tacloban City Tacloban City
IX	Nestor Longakit Jessie Rivera Edward Dahilog Rodolfo Vasquez	Pagadian City Ipil, Zamboanga del Sur Dipolog City Zamboanga City
X	Rey Ladera Antonio Rivas Bernabe Jaramillo Oscar Inting Ricardo Dagatan Jeremias Perales Eddie Kong Jude Gundaya Rowena Abaniel Roger Daya Lowell Mallorca	Butuan City Agusan del Sur Malaybalay, Bukidnon Maramag, Bukidnon Camiguin Ozamis City Oroquieta City Gingoog City Surigao City Cagayan de Oro City Cagayan de Oro City
XI	Carlo Magno Jr. Fresnel Sarto Samson Bendico Melchor Cadiongan Carlosito Roz Nestor Costales Arturo Bartolini	Mati, Davao Oriental General Santos City Koronadal, South Cotabato Digos, Davao del Sur Tandag, Surigao del Sur Davao City Tagu, Davao del Norte
XII	Arnulfo Ubod Edgardo Parangas Lino Cenaz Danilo Ferrillon Damian Ancheta Jr. Carlos Cabanban Rizalito Lucito Rolando Jayma Achmad Mamacotao	Cotabato City Maguindanao Tubod Midsayap, South Cotabato Kidapawan, North Cotabato Tacurong, Sultan Kudarat Lebak, Sultan Kudarat Wao, Lanao del Sur Marawi City

As LandBank Seed Inspectors, they will be responsible for the implementation of the field, seed inspection and all certification activities related to palay seeds produced by accredited Seed Growers financed under the Certified Seed Production Financing Program of the Bank.

Approved:

  
**SALVADOR H. ESCUDERO, III**  
 Secretary

Recommended by:

  
**NERIUS I. ROPEROS**  
 Director

11 June 1996

PS July 10, 1996

WORKERS.

"Spain, like most European countries, has human rights high in their agenda and the wages are relatively higher," Espanol said.

Compared to other countries, Espanol said, Spain has a higher wage level. The wages of foreign workers, he said, range from \$700 to as high as \$1,200.

Espanol added that cases of abuses against foreign workers are minimal and Spain has a system of free legal assistance for migrant workers.

Although Spain is not a crisis-prone area, the Philippine Embassy there has handled several welfare and special cases.

In 1995, the Philippine Embassy rendered welfare assistance and services to 5,886 OCWs, allow figure compared to cases handled in countries in the Middle East.

— Mayen Jaymalin

**Top environment**

From Page 1

ecutive director Pedro Caleon of the DENR handed the award to PNOC resident manager Ane dela Cruz and Environmental Coordinator Erlito del Rosario at the culmination of environment month.

Other awardees were National Power Corp. for the Bacman power plant, second place; Pilipinas Shell Corp. terminal in Legazpi City, third place; Dreamland Farms, Liberty Commercial Center and Pilipinas Shell in Camarines Sur, honorable mention.

The awards were adjudged by a seven-man technical panel which evaluated company compliance based on environment management and protected areas service (EMPAS), presence and maintenance of pollution devices, environmental education, community programs and project socio-economic impact.

This is the second time the PNOC steamfield was cited by DENR Region V. It was presented a plaque in 1994 for "conscientious efforts towards environmental conservation and protection."

The Bacman project started commercial operations in 1993, adding 130 megawatts of geothermal power to the Luzon grid. Another 20 megawatts from the Bacman-2 area are set for commissioning before yearend.