

## MALACAÑAN PALACE MANILA

## BY THE PRESIDENT OF THE PHILIPPINES

## **EXECUTIVE ORDER NO.** 135

TEMPORARILY MODIFYING THE RATES OF IMPORT DUTY ON RICE UNDER SECTION 1611 OF REPUBLIC ACT NO. 10863, OTHERWISE KNOWN AS THE "CUSTOMS MODERNIZATION AND TARIFF ACT"

**WHEREAS**, rice remains the staple food for most Filipinos, and accounts for a significant portion of the food expenses of families;

**WHEREAS**, despite an increase in the total stock of rice, the estimated local production may still fall short of the total demand, necessitating importation from other countries;

**WHEREAS**, there has been a continuous increase in the price of rice from other countries, especially those imported from the Association of Southeast Asian Nations region;

**WHEREAS**, the current global economic situation brought about by the COVID-19 pandemic, as well as other factors affecting the country's traditional sources of imported rice, cause uncertainty in the steady supply of rice;

**WHEREAS**, considering the increase in global rice prices and the uncertainties relative to the supply of rice, there is an urgent need to temporarily reduce the Most Favoured Nation (MFN) tariff rates on rice, to diversify the country's market sources, augment rice supply, maintain affordable prices, and reduce inflationary pressures, all for the purpose of ensuring food security in the country and protecting consumers;

**WHEREAS**, under Section 7(a) of Republic Act (RA) No. 8178, as amended, the President may increase, reduce, revise, or adjust existing rates of import duty up to the bound rate committed by the Philippines under the World Trade Organization Agreement on Agriculture;

**WHEREAS**, Section 1608 of RA No. 10863 empowers the President, in the interest of general welfare and national security, and upon recommendation of the National Economic and Development Authority (NEDA), to increase, reduce or remove existing rates of import duty; and

**WHEREAS**, on 11 March 2021, the NEDA Board endorsed *ad referendum* the temporary modification of the MFN tariff rates on rice falling under AHTN 2017 Heading 10.06;

NOW, THEREFORE, I, RODRIGO ROA DUTERTE, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws. do hereby order:

SECTION 1. Rates of Import Duty. The articles specifically listed in Annex A hereof, as classified in compliance with Section 1611 of RA No. 10863, shall be subject to the MFN rates of duty in accordance with the schedule indicated opposite the article.

Upon the effectivity of this Order, all articles specifically listed in Annex A hereof, which are entered into or withdrawn from warehouses in the Philippines for consumption shall be levied the MFN rates of duty as prescribed therein.

**SECTION 2. Repeal.** All other issuances, administrative rules and regulations. or parts thereof, which are inconsistent with this Order are hereby repealed or modified accordingly.

SECTION 3. Separability. If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsistina.

**SECTION 4. Effectivity.** This Order shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation, and shall be effective for a period of one (1) year from such date.

**DONE**, in the City of Manila, this 15th day of year of Our Lord, Two Thousand and Twenty One.

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By the President:

SALVADOR C. MEDIALDEA **Executive Secretary** 





Hdg. No.	AHTN Code 2017	Description	MFN Rates of Duty (%)	
			Upon Effectivity	After the 12 <sup>th</sup> month
(1)	(2)	(3)	(4)	(5)
10.06	1000.10	Rice.		
	1006.10	- Rice in the husk (paddy or rough) :		
	1006.10.10	XXX		
	1006.10.90	Other :		
	1006.10.90A		35	40
	1006.10.90B	Out-Quota	35	50
	1006.20	- Husked (brown) rice :		
	1006.20.10	Hom Mali rice :		
	1006.20.10A		35	40
	1006.20.10B		35	50
	1006.20.90	Other :		
	1006.20.90A		35	40
	1006.20.90B		35	50
	1006.30	<ul> <li>Semi-milled or wholly milled rice,</li> </ul>		i
		whether or not polished or glazed :		
	1006.30.30	Glutinous rice :		
	1006.30.30A		35	40
	1006.30.30B	Out-Quota	35	50
	1006.30.40	Hom Mali rice :		
	1006.30.40A	In-Quota	35	40
	1006.30.40B	Out-Quota	35	50
		Other :		
	1006.30.91	Parboiled rice :		
	1006.30.91A		35	40
	1006.30.91B	Out-Quota	35	50
	1006.30.99	Other :		
	1006.30.99A	In-Quota	35	40
	1006.30.99B	Out-Quota	35	50
	1006.40	- Broken rice :		
	1006.40.10	Of a kind used for animal feed :		
	1006.40.10A	In-Quota	35	40
		Out-Quota	35	50
	1006.40.90	Other :		
	1006.40.90A		35	40
	1006.40.90B	Out-Quota	35	50