

Import/Export Restrictions of the Philippines

Import Value

Total value of all import products into the Philippines in 2006:[1]

Area	Value (\$) (in Millions)
All	51,773.6
Americas	9,347.5
Europe	4,990.8
Japan, Australia, Oceania	8,350.2
ASEAN and other Asian Countries	23,781.4
Middle East, Africa	5,301.9
Other	1.8

Export Value

Total value of all export products out of the Philippines in 2006:[2]

Area	Value (\$) (in Millions)
All	47,410.6
Americas	9,342.0
Europe	8,805.2
Japan, Australia, Oceania	8,524.9
ASEAN and other Asian Countries	20,156.8
Middle East, Africa	573.0
Other	8.7

Import Restrictions

The Philippines classifies imports into three categories:[3]

a. Freely Importable - These are commodities, which importation is neither regulated nor prohibited. The importation may be effected without prior approval of or clearance from any government agency.

b. Regulated Commodities - These are commodities which importation requires clearances/permits from appropriate government agencies including the Bangko Sentral ng Pilipinas (BSP).

Some notable items regulated in the importation into the Philippines include:

- Cyanide, Mercury, Asbestos, Polychlorinated Biphenyl, Chlorofluorocarbon and other ozone depleting substances
- Semi-synthetic antibiotics (all form and salts of ampicillin, amoxicillin, and cloxacillin)
- Wheat Flour, Iodized Salt
- Chlorates, nitrates and nitric acid
- All fertilizers, pesticides and other chemical products that are intended for agricultural use
- Atomic energy materials
- All commodities originating from the following socialist and centrally-planned economy countries (Albania, Angola, Ethiopia, Laos, Libya, Mongolia, Mozambique, Myanmar, Nicaragua and North Korea)

c. Prohibited or Banned- These are commodities which importation is not allowed under the existing laws.

Some notable items prohibited from the importation into the Philippines include:

- Dynamite, gunpowder, ammunitions and other explosives, firearms, and weapons of war, and parts thereof, except when authorized by law.
- Written or printed articles, negatives or cinematographic film, photographs, engravings, lithographs, objects, paintings, drawings, or other representation of an obscene or immoral character.
- Articles, instruments, drugs and substances designed, intended or adapted for producing unlawful abortion, or any printed matter, which advertises or describes or gives directly or indirectly information where, how or by whom unlawful abortion is produced.
- Roulette wheels, gambling outfits, loaded dice, marked cards, machines, apparatus or mechanical devices used in gambling or the distribution of money, cigars, cigarettes, or other when such distribution is dependent on chance, including jackpot and pinball machines or similar contrivances, or parts thereof.

- Any article manufactured in whole or in part of gold, silver or other precious metals or alloys thereof, the stamps, brands or marks or which do not indicate the actual fineness of quality of said metals or alloys.
- Marijuana, opium, poppies, coca leaves, heroin or any other narcotics or synthetic drugs, which are or may hereafter be declared habit forming by the President of the Philippines, or any compound, manufactured salt, derivative, or preparation thereof, except when imported by the Government of the Philippines or any person duly authorized by the Dangerous Drugs Board, for medical purposes only.

Export Restrictions

The Philippines classifies export restrictions into two categories:[4]

Notable Prohibited Products:

- Abaca and ramie seeds, seedlings suckers, and root stocks; buri seeds and seedlings (fiber plants)
- Bangus(milkfish)
- Raw materials for cottage industries: monkey pod (acacia), rattan (including poles)
- Shells: trumpet shells (Triton); helmet shells (Cassis); live specimens, raw shells, meat and by-products of giant clams under the family Tridacnidae

Notable Regulated Products:

- Bamboo
- Coffee
- Copper Concentrates
- Gold from small-scale mining or panned gold
- Tobacco products
- legal tender Philippine notes and coins, checks, money orders and other bills of exchange greater than P10,000 drawn in pesos against banks operating in the Philippines
- All exports to the following socialist and centrally-planned economy countries: Albania, Laos People's Democratic Republic, Ethiopia, Mozambique, Angola, Mongolia People's Republic, Democratic Republic of Korea (North Korea), Nicaragua, Libya, and Myanmar

Effects on Business

Imports:

With agriculture contributing 14.9% of the country's GDP[5], agriculture is a very important industry to the people of the Philippines. Since the Philippines consumes most of what it produces, the government has decided to put restrictions on all fertilizers, pesticides, and other chemical products that are intended for agricultural use, in order to prevent unhealthy crops. With that, the

Philippine government has created a regulatory agency called the Fertilizer and Pesticide Authority to regulate the use of chemical products used in agriculture. What this means for business is that more regulations lead to higher costs. For international businesses, this means that fertilizer and pesticides must meet specifications set by the Fertilizer and Pesticide Authority.

Exports:

Most export restrictions are set to help keep many of the Philippines natural resources within the country and protect local businesses. With recent food shortages, the Philippine government is doing what it can to keep food items produced, within the country. Bangus(milkfish) is only found in either the Indian or Pacific Ocean near the Philippines. According to the Bureau of Agricultural Research of the Philippines, “Milkfish farming is a centuries old industry in Indonesia, the Philippines, and Taiwan.”[6] With milkfish being an integral part of the Philippine culture, demand for it is higher than other countries that do not eat this fish as often as in the Philippines. Thus, the Philippine Government is doing what it can to keep supply high and keep costs low.

References

- [1] <http://tradelinephil.dti.gov.ph/betp/statmimp4.sumctry>
- [2] <http://tradelinephil.dti.gov.ph/betp/statcod4.sumctry>
- [3] <http://www.dti.gov.ph/dti/index.php?p=214>
- [4] <http://www.dti.gov.ph/dti/index.php?p=49>
- [5] <https://www.cia.gov/library/publications/the-world-factbook/geos/rp.html>
- [6] http://www.bar.gov.ph/Agritech/Fisheries/Bangus/bangus_description.htm

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