

## Trade

### Philippines

#### 1. Customs

Customs laws are regulated by the Bureau of Customs (BOC). Customs laws are contained in the Tariff and Customs Code of the Philippines (TCCP) and various regulations issued pursuant to it. There is also a range of legislation regulating specific goods and circumstances.

Customs Modernization and Tariff Act (CTMA) has been passed by Congress and awaiting the signature of the President.

CTMA amends the TCCP in compliance with the Revised Kyoto Convention. CTMA also increased the de minimis value and provides for harsher penalties for smuggling.

#### 2. Export controls

Strategic Trade Management Act (STMA) was signed into law on 13 November 2015 and became effective on 2 December 2015.

STMA provides for a National Strategic Goods List (NSGL). Most likely will adopt the EU control list (munitions and dual-use items) plus additional Nationally Controlled Goods.

Export of goods included in the NSGL will need prior authorization from the Strategic Trade Management Office (STMO).

Implementing rules and regulations of the STMA have not yet been issued.

#### 3. Sanctions

Trade, direct or indirect, between the Philippines and any of the socialist and other centrally-planned economy countries listed under Letter of Instruction No. 444, as amended, shall be undertaken by or coursed through the Philippine International Trading Corporation ("PITC"). This shall apply to the export and import of all commodities or products including those specified for export or import by expressly authorized government agencies.

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All trade transactions (import and export) with the countries listed below are monitored and regulated by the Philippine International Trading Corporation:

- Albania
- Angola
- Ethiopia
- Laos
- Libya
- Mongolia
- Mozambique
- Myanmar
- Nicaragua
- North Korea

#### 4. WTO/FTA

The Philippines is a member of the WTO and has FTAs and bilateral investment treaties with numerous jurisdictions.

The Philippines, on its own and as a member of ASEAN, is actively pursuing FTAs with various jurisdictions.

The Philippines recently signed an FTA with the European Free Trade Association (EFTA).

## Commerce

### Philippines

#### 5. Supply chain regulatory

The supply chain regulatory requirements depend on the nature of the goods.

The Bureau of Customs (BOC) has a consolidated list of all regulated imports. The said list provides detailed information on the procedures for acquiring permits from the various regulatory agencies.

The BOC and the various regulatory agencies strictly enforce the requirements for regulated imports.

#### 6. E-commerce

The Philippine Electronic Commerce Act of 2000 acknowledges the legality of any and all dealings, transactions, arrangements and the like, that utilizes electronic and technological mediums. The law gives legal effect to data messages and electronic messages, thus

giving it the same functional equivalent of a written document.

Electronic commerce, while progressing in the Philippines, is hindered by the country's slow and expensive internet services. More often than not, unreliable internet services is a cause for most Filipinos to prefer offline transactions. In view of recent efforts from the government to make internet services more accessible in the country, it is expected that electronic commerce environment will expand and will be more efficient.

#### 7. Testing and labeling

All imported consumer products must meet the minimum labeling requirements provided under Article 77 of the Consumer Act of the Philippines, including country of origin markings.

Importers must also comply with additional labeling requirements imposed by the Food and Drug Administration (FDA) for food and medicines.

#### 8. Cyber Security

While there is no law expressly dealing with cyber security in the Philippines, the Cybercrime Prevention Act ("CPA") was enacted in 2012, to penalize certain offenses made against the confidentiality, integrity, and availability of computer data and systems, and other computer and content related offenses.

The law was met with many opposers who questioned the constitutionality of, and enforcement mechanisms under, the law. Hence, it was suspended soon after it was enacted. In early 2014, several provisions of the law were struck down by the Supreme Court for being unconstitutional. However, there were also other provisions that were upheld, including the provision that punishes only the original authors of online libelous materials.

The implementing rules and regulations were signed and launched on 12 August 2015.

#### 9. Data privacy

The Data Privacy Act of 2012 seeks to protect the personal and sensitive personal information of data subjects. The law applies when the information relates to citizens and residents of the Philippines, or to entities having a link to the Philippines; or if personal and sensitive personal information is derived from any processing done in the Philippines. Generally, these information may only be disclosed by the express and

written consent of the data subject, or in the absence of such consent, under limited exceptional cases.

Commissioner and Deputy Chiefs of the National Privacy Commission were recently appointed. Concurrent with the appointment and creation of the Data Privacy Commission, any violation to the act may now be filed with them in accordance with the Data Privacy Act.

However, the Implementing Rules and Regulations of the Data Privacy Act have not yet been issued.