

# [ PRESIDENTIAL DECREE NO. 1973, April 13, 1985 ]

## **AMENDING SUBSECTION (A) OF SECTION THREE HUNDRED TWO OF PRESIDENTIAL DECREE NUMBERED FOURTEEN HUNDRED SIXTY-FOUR, OTHERWISE KNOWN AS THE TARIFF AND CUSTOMS CODE OF 1978, AS AMENDED**

**WHEREAS**, the Philippines as a Contracting Party to the General Agreement on Tariffs and Trade (GATT) has acceded to the Agreement on Interpretation and Application of Article VI, XVI and XXIII of GATT, otherwise known as the Code on Subsidies and Countervailing Duties;

**WHEREAS**, upon accession to the GATT Code on Subsidies and Countervailing Duties the Philippines has to align its national legislation, regulations and administrative procedures on countervailing investigations with the provisions of the Agreement:

**WHEREAS**, Section 302 of the tariff and customs Code, as amended, does not provide for an injury criterion before a countervailing duty could be imposed against a foreign article and, therefore, not in accord with the GATT Code on Subsidies and Countervailing Duties.

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order:

**SECTION 1.** Subsection (a) of Section 302 of Presidential Decree Numbered Fourteen Hundred Sixty-Four as amended, is hereby further amended to read as follows:

### **SEC. 302.** Countervailing Duty

"a. Whenever any article is directly or indirectly granted any bounty, subsidy or subvention upon its production, manufacture or exportation in the country of origin and/or exportation, and the importation of which has been determined by the Minister, after investigation and report of the Commission, as likely to injure established industry, or prevent or considerably retard the establishment of an industry in the Philippines, there shall be levied a countervailing duty equal to the ascertained or estimated amount of such bounty, subsidy or subvention: *Provided*, that they injury criterion to a domestic industry shall be applied only in the case of imports from countries which adhere to GATT Code on Subsidies and Countervailing Duties: *Provided, further*, That the exemption of any exported article from duty or tax imposed on like articles when destined for consumption in the country of origin and/or exportation or the refunding of such duty or tax, shall not be deemed to constitute a grant of a bounty, subsidy or subvention within the meaning of this Section: *Provided, furthermore*, That should an article be allowed drawback by the country of origin and/or exportation, only the ascertained or estimated excess of the amount of the drawback over the total amount of the duties and/or internal taxes, if any, shall constitute a bounty, subsidy or