

[EXECUTIVE ORDER NO. 64, October 29, 2018]

REVIVING BARTER IN MINDANAO, PROMOTING ITS GROWTH AND DEVELOPMENT, AND CONSTITUTING THE MINDANAO BARTER COUNCIL FOR THE PURPOSE

WHEREAS, barter is an ancient commercial practice among our people in the Southern Philippines, which continues to thrive and evolve as a living tradition until the present day;

WHEREAS, Brunei Darussalam-Indonesia-Malaysia-Philippines - East ASEAN Growth Area (BIMP-EAGA) is linked by a long history of trade and economic relations, with barter as a major form of commercial exchange;

WHEREAS, under Section 104 of Republic Act (RA) No. 10863 or the "Customs Modernization and Tariff Act," all goods imported into the Philippines shall be subject to duty upon importation, including goods previously exported from the Philippines, except as otherwise provided by law;

WHEREAS, under the ASEAN Free Trade Agreement and the ASEAN Trade in Goods Agreement (ATIGA), an Effective Preferential Tariff Scheme is instituted whereby member-states shall eliminate import duties on several products traded within the region, except for rice, corn and sugar, by 2010 for the ASEAN-6 composed of Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand, and by 2015, with flexibility until 2018, for Cambodia, Laos, Myanmar and Vietnam;

WHEREAS, Article V, Section 2(e) of RA No. 11054 or the "Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao," provides that the Bangsamoro Government shall exercise its authority over barter and countertrade, without prejudice to the general supervision of the President;

WHEREAS, consistent with the ten-point socio-economic agenda of the Administration to promote rural and value chain development, the revival of barter in Mindanao will not only create jobs and business opportunities, but also strengthen trade and commerce between and among member-states of the BIMP-EAGA;

WHEREAS, Section 17, Article VII of the 1987 Constitution vests in the President the power of control over all executive departments, bureaus and offices, as well as the mandate to ensure the faithful execution of laws;

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

Section 1. Creation and Mandate. The Mindanao Barter Council (MBC) is hereby established to supervise, coordinate, and harmonize policies, programs and activities on barter in the Southern Philippines. To this end, it shall perform the following functions:

- (a) Facilitate the establishment of an enabling environment conducive to the growth and development of barter in Mindanao;
- (b) Formulate and issue rules and regulations on the registration or accreditation of qualified traders authorized to engage in barter within the Barter Ports to be established pursuant hereto, including imposition of reasonable registration fees and facilitation of all documentary requirements necessary for them to avail of the zero-tariff benefits under the ATIGA;
- (c) Issue comprehensive guidelines governing barter, including, but not limited to, a mechanism for the valuation of barter goods, a list of allowable barter goods, and measures to prevent smuggling and circumvention of customs laws;
- (d) Review existing policies, rules and regulations of government agencies that affect all aspects of barter, and submit recommendations to the President and Congress; and
- (e) Perform such other functions as may be assigned by the President.

The MBC shall be attached to the Department of Trade and Industry (DTI) for policy and program coordination. It shall establish a principal office in Jolo, Sulu, as may be necessary and practicable.

Section 2. Composition. The MBC shall be composed of the DTI Secretary, as Chairperson; Chairperson of the Mindanao Development Authority (MinDA) and Commissioner of the Bureau of Customs (BOC) as Vice-Chairpersons; and representatives of the following agencies, with a rank not lower than an Assistant Secretary and with full authorization to decide on behalf of their respective agencies, as members:

- (a) Department of Finance;
- (b) Department of Foreign Affairs;
- (c) Department of Agriculture;
- (d) DTI - Autonomous Region in Muslim Mindanao;
- (e) Maritime Industry Authority;
- (f) Philippine Coast Guard; and
- (g) Philippine Ports Authority.

The MBC may call on or invite representatives from among the major Muslim ethno-linguistic groups such as, but not limited to the Tausug, Maguindanaoan, Maranaw, Yakan, and Sama, to participate in its proceedings.

Section 3. Council Secretariat. The MinDA shall provide technical, administrative and secretariat support to the MBC in the exercise of its functions under this Order.