## [ NTA MEMORANDUM CIRCULAR NO. 04, SERIES 2005, December 01, 2005 ]

## REGULATION ON THE EXPORTATION OF CIGARETTES EXCLUSIVELY FOR SALE IN THE PHILIPPINE DOMESTIC MARKET

WHEREAS, it has come to the attention of the National Tobacco Administration (NTA) that there have been incidents of exportation of cigarettes which are intended by the manufacturers thereof to be sold only domestically, misdeclaration of exports, or non-compliance with pertinent rules and regulations being implemented by the NTA;

WHEREAS, this practice of cigarette exporters appears to undermine the development of the Philippine tobacco industry and places the Philippines in danger of violating its obligations under international treaties or conventions to which the Philippines is a party; and,

WHEREAS, in consonance with the power and authority vested on the NTA to regulate the tobacco industry and pursuant to NTA Board Resolution No. 093-2005, dated 26 October 2005, this Memorandum Circular is hereby issued to supplement the NTA Amended Rules and Regulations Governing the Exportation and Importation of Tobacco and Tobacco Products.

SECTION 1. Objective - To provide a mechanism to eliminate the unlawful export of cigarettes intended exclusively for sale in Philippine domestic market.

SECTION 2. Scope - This Memorandum Circular shall apply to all exporters of cigarettes.

For purposes of this Memorandum Circular, "exporter" shall refer to any person, natural or juridical, who will bring cigarettes out of the Philippines in commercial quantities for sale or for any other purpose abroad.

SECTION 3. Export of Cigarettes Intended Only for Domestic Sale

- a. All exports of cigarette products from the Philippines shall be covered by an Export Commodity Clearance (ECC) duly issued by the NTA.
- b. Export Commodity Clearance (ECC) shall not be issued by the NTA for cigarettes contained in packs, reams, cartons, shipping cases, or other similar containers bearing the marking "FOR DOMESTIC SALE ONLY", which would otherwise indicate that such cigarettes are intended exclusively for sale in the Philippine domestic market.

ECC shall not be issued likewise where there is evidence that such markings have been erased, altered, cancelled or otherwise tampered with.

c. Any exporter, who is not the local manufacturer of the cigarette product, subject of the exportation, marked "FOR DOMESTIC SALE ONLY", "NOT