

MALACAÑANG
MANILA

MEMORANDUM ORDER NO. 245

ESTABLISHING A CABINET COMMITTEE
TO OVERSEE AND MANAGE THE MINIMUM ACCESS
QUOTAS COMMITTED BY THE PHILIPPINES
UNDER THE GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT)
URUGUAY ROUND

WHEREAS, in anticipation of the ratification by the Philippine Senate of the Agreement establishing the World Trade Organization and the various Agreements integral thereto, it is necessary to institute appropriate measures for the implementation of the Philippines' commitments;

WHEREAS, in order to abide by the minimum access concessions committed by the Philippines under Article 4, Part III of the Agreement on Agriculture of the Final Act, the Philippines will allow the importation of certain agricultural commodities under a tariff quota system;

WHEREAS, the entry of such minimum access quotas into the domestic market may create difficulties for the domestic producers of such commodities as they adjust to a more liberalized trade regime;

WHEREAS, it is necessary to implement adjustment measures that will assist the affected sectors through their adjustment period and strengthen their capacity to compete in more open markets;

WHEREAS, it is government's policy to encourage greater private sector participation in the implementation of development programs, measures to assist sectors affected by trade reforms;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Philippines, by virtue of the powers vested in me, do hereby order the following:

Section 1. As a general rule, the sector of agriculture most adversely affected shall be given the opportunity to benefit from the proceeds of the importation of the minimum access volume;

Section 2. The net revenues arising from the importation and/or proceeds from the right to import are public funds and as

such shall be deposited in the National Treasury on a special fund to be known as Competitiveness Enhancement Fund (CEF).

Section 3.

A Cabinet Committee is hereby created to oversee and manage the minimum access quotas with the following composition:

- a) Secretary of Agriculture - Chairman
- b) Secretary of Trade and Industry - Member
- c) Secretary of Finance - Member
- d) Secretary Science and Technology - Member
- e) Secretary of Agrarian Reform - Member

Section 4.

The committee shall perform the following functions:

- a) Develop transparent market-oriented mechanisms for managing the minimum access importations;
- b) Study and plan out the possible uses of the revenues derived from the minimum access importations to fund the development of competitiveness enhancement measures embodied in the Medium Term Agricultural Development Plan, such as, but not limited to the establishment of infrastructure (e.g. irrigation, post harvest facilities, farm-to-market roads, ports) and the provision of support services (e.g. research and development, credit, human resources development);
- c) Issue implementing guidelines and procedures for the importation and sale of the minimum access volume;
- d) Monitor the implementation of (a), (b) and (c) above.

Section 5.

The Committee shall submit a quarterly report or as may be necessary to the Legislative Executive Development Advisory Council (LEDAC), on the status of the implementation of the minimum access importations.

Section 6. The Committee shall prepare and submit to the LEDAC for its approval, and for purposes of budget programming and release of funds, a list of programs and projects designed to enhance the competitiveness of the Agriculture Sector which will be funded from the proceeds of the importation of minimum access volume.

Section 7. The Committee may be assisted by an Agricultural Sector Advisory Committee (ASAC) to be composed of a maximum of eleven members, majority of whom shall come from the private sector.

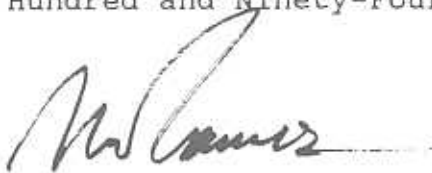
- a) The ASAC shall be chaired by a senior official of the Department of Agriculture;
- b) The private sector members shall come from national farmers organizations and other private sector entities;
- c) The private sector members shall be appointed by the Cabinet Committee.

Section 8. The Department of Agriculture shall provide secretariat services to the Committee from its existing personnel.

This Memorandum Order shall take effect immediately and revokes all other memorandum orders inconsistent herewith.

DONE in the City of Manila, this 13th day of December in the Year of Our Lord, Nineteen Hundred and Ninety-Four.

By the President:




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Received

JAN 24 1995 *fdm*

Date



TEOFISTO T. GUINGONA, JR.
Executive Secretary