MALACAÑANG
Manila

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BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 554

DIRECTING ALL DEPARTMENTS, BUREAUS, COMMISSIONS, AGENCIES, OFFICES AND INSTRUMENTALITIES OF THE NATIONAL GOVERNMENT, INCLUDING GOVERNMENT-OWNED AND/OR CONTROLLED CORPORATIONS, TO IMPROVE THE COMPETITIVENESS OF THE COUNTRY'S EXPORT SECTOR BY ELIMINATING THE FEES AND CHARGES IMPOSED ON EXPORT CLEARANCES, INSPECTIONS, PERMITS, CERTIFICATES, AND OTHER DOCUMENTATION REQUIREMENTS

WHEREAS, the country's fiscal condition calls for the creation and enhancement of opportunities that will generate revenue and spur further economic growth;

WHEREAS, the country's economic recovery program recognizes the role of exports in hastening the attainment of economic goals;

WHEREAS, the sustained increase in exports which posted an average growth rate of 6.5% between CYs 2001 and 2005 presents a strong potential for further economic growth;

WHEREAS, there is a need for concerted and collective effort between the government and the private sector to improve the competitiveness of the country's export sector;

WHEREAS, fees for inspection, commodity and export clearance, permits, certificates and other documentary requirements of government commodity offices and related agencies, including government-owned and/or controlled corporations, have been identified as among the factors that lessen the competitiveness of Philippine exports;

WHEREAS, the abolition of administrative fees and charges imposed on export-related permits and clearances from concerned government agencies and/or government corporations can facilitate export initiatives by reducing the number of steps and the processing time and doing away with the cost relative to such administrative and documentation requirements;

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WHEREAS, such abolition involves only a negligible amount of revenues and will not adversely impact on the delivery of basic services by the affected government agencies and/or corporations;

WHEREAS, the scrapping of fees does not completely mean the total abolition of export commodity clearance requirements in keeping with international commitments and preservation of national interest as embodied under EO 1016, s. 1985;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Departments, bureaus, commissions, agencies and offices in the Executive Branch of the Government, including government-owned and/or controlled corporations and other instrumentalities of the government are hereby directed to eliminate the fees imposed on export-related permits and clearances except those imposed by specific laws;

SECTION 2. Departments, bureaus, commissions, agencies, offices and instrumentalities of the national government, including government-owned and/or controlled corporations, are likewise directed to submit to the Department of Trade and Industry (DTI), through the Export Development Council (EDC), proposals on how export documentation procedures could be further streamlined to improve efficiency in export documentation;

SECTION 3. The provisions of special or general laws to the contrary notwithstanding, all export clearance requirements on Philippine commodity exports are hereby dispensed with, except only for the following:

1. Those required as a result of the existence of import quotas in other countries, such as sugar;
2. Those covering items which are banned for exports;
3. Those covering exports of logs, copper and coffee; and
4. Those covered by international agreements to which the Philippines is a signatory.

SECTION 4. The Department of Trade and Industry, through the Export Development Council, shall see to it that this Executive Order is effectively carried out;

SECTION 5. All executive and administrative orders/issuances, provisions of other laws, decrees, rules, regulations or parts thereof which are inconsistent with any of the provisions of this Executive Order are hereby repealed or modified accordingly;

SECTION 6. This Executive Order shall take effect immediately upon its publication in a newspaper of general circulation.

Done in the City of Manila, this 3rd day of August, in the year of Our Lord, Two Thousand and Six.

Gloria M. Arroyo

By the President:

EDUARDO R. ERMITA
Executive Secretary

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MARIANITO M. DIMAANDAL
Officer-in-Charge
Malacañang Records Office
8/8/06