

**Voluntary Report** – Voluntary - Public Distribution

**Date:** May 17, 2021

**Report Number:** RP2021-0027

**Report Name:** Philippines Lowers Pork Tariffs and Raises Quota  
Volume

**Country:** Philippines

**Post:** Manila

**Report Category:** Livestock and Products, SP2 - Prevent or Resolve Barriers to Trade that Hinder U.S. Food and Agricultural Exports, Trade Policy Incident Report, Trade Policy Monitoring

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**Report Highlights:**

Responding to surging pork prices due to African swine fever's devastating impact on the hog sector, the Philippines has temporarily lowered pork tariff rates and increased the quota volume. On May 15, 2021, President Duterte issued Executive Order 134, setting pork tariffs significantly lower than the original 30 percent in-quota and 40 percent out-quota rates. EO 134 follows considerable pushback by domestic industry and Congress to Executive Order 128, which the President issued on April 7, 2021 and set rates at 5 percentage points lower than EO 134. The President also issued Executive Order 133 on May 11, 2021, raising the Minimum Access Volume or tariff rate quota of pork imports from 54,210 MT to 254,210 MT.

**Duterte addresses soaring pork prices by boosting imports**

President Duterte issued [Executive Order 128](#) (EO 128) on April 7, 2021, significantly lowering the Most Favored Nation tariff rates on imported fresh, chilled, and frozen pork (HS 0203) for one year while recommending to Congress that the Minimum Access Volume (MAV) or tariff rate quota be increased from 54,210 MT to 404,210 MT. This was in response to the doubling of pork prices, driven by a shortage of pork amid the devastating African swine fever outbreak, which has pushed overall consumer inflation to 4.5 percent in April.

**After pushback, a compromise reduces market access gains**

Weeks of debate and pressure from the domestic hog industry and affiliated sectors followed, with the Senate threatening to revoke EO 128 and limit the President’s authority to issue similar EOs once Congress returned from recess on May 17. Secretary of Agriculture William Dar on May 5 announced a compromise between the Senate and the Duterte Administration, namely the Department of Finance (DOF), Department of Agriculture (DA), and National Economic Development Authority (NEDA). The agreement lowers the “MAV Plus” proposal to 254,210 MT and increases the tariff rates set by EO 128 by five percentage points.

The DA submitted the revised pork import tariffs to the NEDA Board, which in turn made a final recommendation to the Office of the President. [Executive Order 133](#) was issued on May 11, 2021, increasing the MAV for pork to 254,210 MT. On May 15, 2021, the President signed [Executive Order 134](#) to repeal EO 128 and implement the revised, lower tariffs. Updated MAV allocation guidelines are expected by the end of this week. The details are as follows:

<b>Tariff Rates - First 3 months</b>			
	<b>EO 128</b>	<b>EO 134</b>	<b>Original</b>
In-quota	5 percent	10 percent	30 percent
Out-quota	15 percent	20 percent	40 percent

<b>Tariff Rates - Remaining 9 months</b>			
	<b>EO 128</b>	<b>EO 134</b>	<b>Original</b>
In-quota	10 percent	15 percent	30 percent
Out-quota	20 percent	25 percent	40 percent

<b>Minimum Access Volume (MAV)</b>		
<b>MAV Plus Proposal</b>	<b>EO 133</b>	<b>Original</b>
404,210 MT	254,210 MT	54,210 MT

**Attachments:**

No Attachments.