

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

Voluntary Public

Date:

GAIN Report Number:

Philippines

Post: Manila

Pre-Shipment Inspection for Containers Postponed

Report Categories:

Trade Policy Monitoring

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Report Highlights:

On July 28, 2014, the Philippines Bureau of Customs announced that the implementation of the proposed Pre-Shipment Inspection (PSI) regulation for all imported containerized cargoes has been postponed indefinitely due to port congestion concerns.

General Information:

On July 28, 2014, Bureau of Customs (BOC) Commissioner John Sevilla announced that the implementation of the proposed Pre-Shipment Inspection (PSI) regulation for all imported containerized cargoes has been postponed indefinitely due to port congestion concerns. In a recent media interview, Sevilla described the current congestion problem at the Manila Harbor as “extreme” and the implementation of the PSI regulation at this point would have an “adverse impact on importers.”

Concurrently, FAS Manila, the Office of the U.S. Trade Representative and other major trading partners have repeatedly stated to Philippine Customs officials that the measure would unnecessarily burden exporters, slow trade, and increase costs for Philippine importers and consumers. Additionally, domestic industry has questioned the legality of the PSI regulation’s fees and administrative penalties for non-compliance. The BOC originally scheduled hard implementation of the directive to begin on July 1, 2014 with duration of an estimated two years. Please refer to the GAIN report titled “Proposed Pre-Shipment Inspection for Containerized Cargo” for full details of the draft PSI regulation.