

Department Administrative Order No. 24-06
Series of 2024

**IN THE MATTER OF THE APPLICATION FOR
GENERAL SAFEGUARD MEASURE ON THE
IMPORTATION OF LIQUIFIED PETROLEUM
GAS (LPG) STEEL CYLINDER FROM
VARIOUS COUNTRIES**

(AHTN 2022 HEADING NO. 73.11)

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ORDER

On 23 July 2024, the Department of Trade and Industry (DTI) received the Tariff Commission's (Commission) Final Report on the Formal Investigation on the Imposition of Safeguard Measure Against Importations of Liquefied Petroleum Gas (LPG) Steel Cylinder from various countries classified under AHTN 2022 Heading No. 73.11). The period of investigation (POI) is from 2017 to 2023.

The Commission, in accordance with the Safeguard Measures Act (RA 8800), and its Implementing Rules and Regulations (JAO No. 03, Series of 2000), concluded as follows:

1. The combined actual production volumes of petitioner Ferrotech Steel Corporation and FSC Metal Corporation accounted for 92% of total domestic production of LPG steel cylinders, as found by the Department of Trade and Industry in its preliminary determination. Since this 92% share is not only more than the majority domestic total production but also represents a very high proportion of the same, Ferrotech Steel Corporation and FSC Metal Corporation satisfy the definition of "domestic industry" as required by Section 4(f) of RA No. 8800.
2. Locally produced LPG steel cylinder, of welded type, is a "like product" to imported LPG steel cylinders, of welded type.

Locally produced LPG steel cylinder, of welded type, is a "directly competitive product" to imported LPG steel cylinders, of seamless type.

3. LPG steel cylinders were imported into the Philippines in increased quantities relative to domestic production. The increase in the volumes of imports relative

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to domestic production can be considered recent, sudden, sharp and significant enough.

4. Available industry-wide data on all relevant injury factors are insufficient to make a positive determination on serious injury or threat thereof to the domestic industry.
5. In the absence of a positive determination of serious injury or threat thereof, neither can the causal relationship between increased imports of LPG steel cylinder and serious injury or threat thereof to the domestic industry be established.

Considering that not all the elements for the imposition of a definitive safeguard duty were met, the Commission concluded its formal investigation and recommended that no definitive general safeguard measure be imposed on importations of the LPG steel cylinders subject of the investigation.

IN VIEW THEREOF, the petition for general safeguard measure on the importation of Liquefied Petroleum Gas (LPG) Steel Cylinders falling under AHTN 2022 Heading No. 73.11 is hereby dismissed.

Accordingly, and pursuant to Section 13 of RA 8800 and Rule 13.3.c of the Implementing Rules and Regulations, all cash bonds that have been imposed and previously collected on shipments of LPG steel cylinders which entered or were withdrawn from warehouses in the Philippines for consumption, from 15 February 2024, the date of the effectivity of the Bureau of Customs (BOC), Customs Memorandum Circular No. 30-2024, shall be immediately returned to the concerned importer/s.

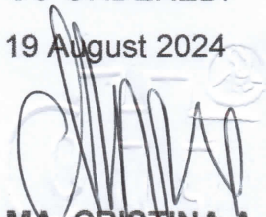
The DTI Order can be accessed at the DTI website: https://bit.ly/SGFinal_LPG

Let this Order be published in two (2) newspapers of general circulation and let individual notices be sent to all interested parties including the WTO country members concerned.

This Order shall take effect upon the issuance of the relevant Customs Memorandum Order by the Bureau of Customs.

SO ORDERED.

19 August 2024



MA. CRISTINA A. ROQUE

Acting Secretary

