WORLD TRADE ORGANIZATION

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Committee on Balance-of-Payments Restrictions

1995 CONSULTATION WITH THE PHILIPPINES UNDER ARTICLE XVIII:12 (b) OF THE GATT 1994 AND THE RELATED UNDERSTANDING

Background Paper by the Secretariat

1. This paper has been prepared in accordance with paragraph 12 of the Understanding on the Balance-of-Payments Provisions of GATT 1994. It describes the developments since the background paper prepared for 1993 full consultation in January 1993 (BOP/W/148).

I. Previous consultations with the Philippines

2. The Philippines has held seven consultations in the Committee since its accession to the GATT in 1980. Full consultations were held in 1980, 1986 and 1993 and simplified consultations in 1982, 1984, and 1988 and 1991). At the last full consultation held in February 1993, GATT 1947 Committee on Balance-of-Payments restrictions noted that the coverage of quantitative import restrictions had been narrowed to 135 items under the 1977 Philippines Standard Classification Code (PSCC). The decision had been taken to liberalize approximately half of these over time. The remaining 65 items would be restricted for health, safety and national security reasons. In this connection, the Committee questioned whether there remained any import restrictions justified under Article XVIII:B.

3. Following a request of the Committee, the Philippines notified by tariff line, all remaining restrictions maintained for balance-of-payments purposes on 30 August 1993. The list was further revised on 1 November 1994 (BOP/312/Add.1/Rev.1), indicating the tariff bindings applied by the Philippines to tariff lines on which restrictions were maintained. In its concluding remarks at the 1993 full consultation, the Committee looked forward to an announcement by the Philippines of a time schedule for the removal of any such restrictions and requested the Philippines to consider the disinvocation of Article XVIII:B (BOP/R/204).

4. At the Committee meeting held on 24 November 1993, Members reiterated their wish that a timetable for the reduction of these measures and the disinvocation of Article XVIII:B, assuming that the balance-of-payments situation had not changed substantially, be communicated to the Committee. In response, the representative of the Philippines stated that there were still problems as to a timeframe for disinvocation; a clearer picture might emerge once the Uruguay Round had been concluded, leading to improvements in market access and, as a result, in the balance of payments of the Philippines (BOP/R/213).

II. Trade and exchange sytem: Evolution since the last consultation

(i) Import restrictions

5. The Philippines progressively eliminated quantitative restrictions from 1981. The Import Liberalization Program (ILP)is the main instrument under which liberalization since 1986 took place. The Philippines continues to maintain import restrictions for balance-of-payments reasons under Article XVIII:B. At present 183 tariff lines under the 1977 PSCC are subject to import licensing, discretionary import licensing requirements or prohibitions (Annex 1):2 HS tariff lines relate to penicillin and other antibiotics: 73 consist of agricultural products; 18 coal and refined petroleum products and derivatives; and the rest cover motor vehicles, motorcycles, bicycles; various parts, including engines, tyres and seats (Annex 2).

6. In its schedule attached to the Marrakesh Protocol, the Philippines has bound the tariff rates applicable to all agricultural products subject to balance-of-payments restrictions at a maximum rate of 40 per cent. The implementation period of the reductions is between 1 July 1997 and 1 July 2003, in one, two or three instalments, depending on the product (Annex 2). According to the Statement by the Philippines for the present consultation, the Philippines will remove all quantitative restrictions on agricultural products, except rice, in favour of tariffication in line with the WTO commitments (document WT/BOP/7, paragraph 69). The legislation entitled "An Act to Repeal Quantitative Import Restrictions on Agricultural Products, Except Rice, and For Other Purposes" has passed first reading in the House of Representatives. It has been referred to the Committee on Agriculture and Food. The first public hearing was held on 14 November 1995.

7. Liberalization in the sector of coal and coal derivatives and refined petroleum products is provided in the Energy Sector Action Plan of 1992.

8. Restrictions on imports of motor vehicles are governed by a specific industry rationalization program - the Commercial Vehicle Development Program. The Philippines Central Bank has issued Circular No. 92 dated 12 October 1995, liberalizing the importation of new motor vehicles.[1]

9. Agricultural imports subject to quantitative restrictions accounted for 1.8 per cent of total imports in 1994. The share of motor vehicles and other transport goods was 3.3 per cent and energy products another 2.8 per cent. Total share of imports of items subject to balance-of-payments restrictions in total imports fell to about 8 per cent in 1994 from 37 per cent in 1980.

10. After the completion of the Phase II of the ILP, 65 items will continue to be regulated for health, safety and national security purposes.

(ii) Tariffs

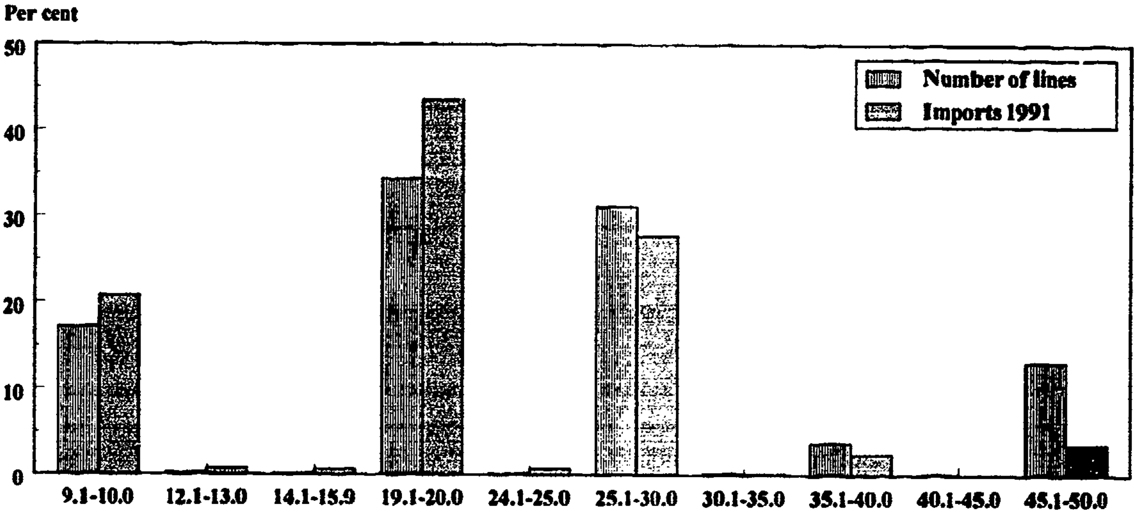
11. The objective of the Tariff Reform Program of 1991 is to arrive at a uniform tariff of 5 per cent by 2004. Under the final phase of the Program, tariff rates were halved on a number of products as of August 1995. The simple average tariff rate for industrial products (excluding petroleum)is

[1]Liberalized items include 7 items covering passenger cars; 6 items covering station wagons; 6 covering jeeps; 11 items covering other motor vehicles; 7 items covering motorcycles and scooters; 4 items covering motor vehicles for transport of goods, 3 items covering buses and other public transport type passenger motor vehicles under 1993 PSCC.

currently 26 per cent and the weighted tariff average based on 1991 imports is 22 per cent. The present tariff schedule prescribes rates of: (i) 30 per cent for finished goods; (ii) 20 per cent for intermediate, semi-processed goods, and spare parts; 10 and 3 per cent for basic raw materials.

12. In the Uruguay Round the Philippines bound 100 per cent of tariff lines in the agricultural sector and 59 per cent of tariff lines in industrial sector, the imports of total bound items representing 67 per cent of 1991 imports. Post-Uruguay Round tariff and trade profiles are in Chart 1.

Chart 1
Post-uruguay round tariff and trade profiles



Source: WTO Secretariat.

(iii) Regional Preferential Arrangements

13. As a member of the Association of South-east Asian Nations (ASEAN) the Philippines has a preferential trading arrangement with Indonesia, Malaysia, Singapore, Thailand and Brunei. In 1992 ASEAN countries agreed to a tariff reduction schedule leading to an ASEAN Free-Trade Area by 2003. The Common Effective Preferential Tariff (CEPT) Scheme in effect from 1 January 1993 provides for reduction of tariffs on all manufactured goods, including capital goods and processed agricultural products, to the 0-5 per cent range by year 2003. Under the CEPT scheme member countries are also obliged to eliminate all quantitative restrictions after benefitting from the concessions applicable to products included in the scheme.

(iv) Exchange regulations affecting trade

14. Exchange regulations are administered by the Central Bank of the Philippines (BSP) on the basis of policy decisions adopted by the Monetary Board. As of 1992 foreign exchange may be freely sold and purchased outside the banking system. Foreign exchange received in the Philippines or acquired

abroad may also be deposited in accounts denominated in foreign currency. Commercial banks may sell foreign exchange to service payments for imports under letter of credit, documents against acceptance, documents against payments, open account arrangement, and direct remittance[2].

III. Macroeconomic Developments[3]

(i) Output, expenditure and prices

15. The Philippines' economy is making a strong recovery following three years of slow growth in the early 1990s (Chart 2) . In 1994, GNP increased by 5.2 per cent in real terms, and the indications are that the economy will grow by at least the same rate in 1995. Industrial output surged in early 1994 following the alleviation of power shortages which severely constrained growth in 1992 and 1993 (Table 1). The service sector, which accounts for about two-fifths of GNP, also expanded rapidly during the recovery stage. The recovery of agricultural output was relatively weaker but still fairly significant in 1994 even though the prospects for a repeated performance in 1995 are less optimistic due to bad weather conditions.

16. The recovery has been spurred by a strong growth of investment and, in particular, of exports. Following a sharp fall in 1991, domestic investments only began to slowly recover in 1992 but the growth of investment accelerated in the following years, growing at the rate of 9.6 per cent in real terms in 1994 and by 13.7 per cent in the first half of 1995. Exports of goods and services have performed even more strongly with the annual rate of growth of 20.3 per cent in real terms in 1994 and by 16.4 per cent in the first half of 1995. Domestic consumption has been growing far more slowly, with private consumption increasing by about 4 per cent in 1994 and the first half of 1995 in real terms.

17. The annual rate of inflation, measured as the average increase of the consumer price index, reached almost 19 per cent in 1991 (Chart 3 and Table 1). However, following the strong stabilization efforts in 1991 - 1993 combined with deregulation and other important structural changes including, in particular, the tariff reform, import liberalization program and privatization, the average inflation rate dropped significantly by the end of 1993, to 7.6 per cent. Since then the record has been uneven. There was a temporary acceleration in the rate of inflation in the first half of 1994 due to a high liquidity growth, the depreciation of the currency and bad weather that affected agricultural prices. These trends were reversed in the second half of 1994 and the inflation again showed down to the annual rate of 7.1 per cent at the end of 1994; during 1995, the year-to-year rate has accelerated from 6 per cent in January to 11 per cent in October.

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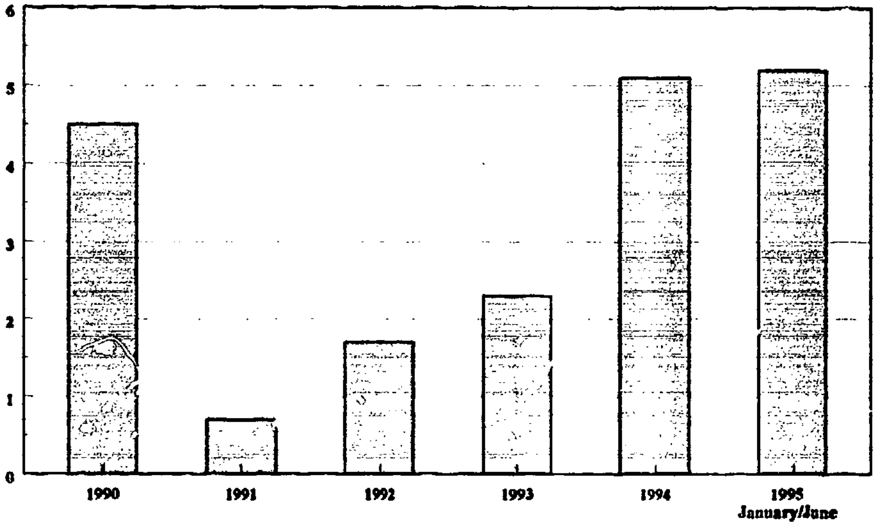
[2]Exchange Arrangements and Exchange Restrictions, IMF; Annual Report 1995.

[3]Certain data in this section may have been updated since the report has been written. However, there is no major discrepancy between old and new data.

Chart 2 - The Philippines - Growth of Real GNP, 1990-95 (Annual percentage change)



Source: IMF.

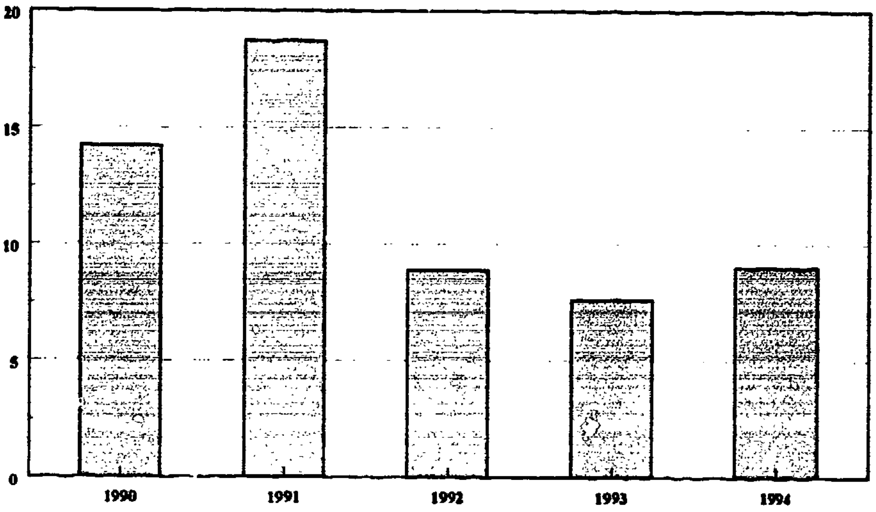
Table 1 - The Philippines - Selected Macroeconomic Indicators, 1990-95[1]
(Annual percentage changes)

	1990	1991	1992	1993	1994	1995[1]
Output[2]						
Agriculture	0.5	1.4	0.4	2.1	2.5	0.4
Industry	2.6	-2.7	-0.5	1.6	6.1	7.9
Services	4.0	1.0	1.0	2.5	3.8	4.7
Expenditure[2]						
Consumption	5.5	1.8	2.9	3.3	3.4	4.1
Gross domestic investments	15.3	-18.9	7.8	11.1	9.6	13.7
Exports	1.3	5.4	4.3	6.2	20.3	16.4
Imports	10.0	-1.1	7.8	13.3	16.4	17.0
Prices and wages						
Consumer prices (period average)	14.2	18.7	8.9	7.6	9.0	--
Wholesale prices[3]	10.2	13.4	4.5	-1.1	8.2	--
Employment	--	3.2	3.4	2.9	2.7	--

[1]January - June 1995.
[2]In constant 1985 prices.
[3]Period averages - Metro Manila.

Source: IMF.

Chart 3 - The Philippines - Consumer Prices, 1990-94*
(Annual percentage change)



Source: IMF.
*Period averages.

(ii) <u>The savings - investment balance</u>

18. The positive feature of the stabilization program in 1991-1993 and the ensuing economic recovery has been the significant adjustment of key macroeconomic variables that has taken place over the last four years. The adjustment has been particularly reflected in a strong growth of domestic savings which has facilitated the scope for financing expansion of domestic investment and anti-inflationary policies (Table 2). Following a sharp drop in 1991, private sector savings began to recover in 1992, and the savings rate in this sector continued to rise thereafter with a temporary drop in 1993. The savings performance of the public sector has also improved. Starting with a large rate of dissavings in 1990, the savings performance was completely turned around the following year, when the sector registered savings of more than 3 per cent. This savings rate was maintained in 1992-1994.

Table 2 - The Philippines - Investment and Savings, 1990-94
(In percent of GNP)

	1990	1991	1992	1993	1994
Gross domestic investment	**24.7**	**19.9**	**20.8**	**23.8**	**24.3**
Public	5.4	4.8	5.5	5.8	5.6
Private	19.2	15.1	15.3	18.0	18.8
Gross national savings	**18.6**	**17.7**	**18.9**	**18.5**	**20.0**
Public	-1.1	3.3	2.9	3.5	3.1
Private	19.7	14.4	16.1	14.9	16.9
Foreign savings	**6.1**	**2.2**	**1.8**	**5.3**	**4.3**

Source: IMF.

19. The strong recovery of savings coupled with the fairly drastic reduction in the rates of investment in 1991 - 1992 considerably reduced the need for foreign savings. Foreign savings, represented by the current account deficit, as the percentage of GNP dropped significantly during the recession years of 1991 and 1992. The subsequent recovery of domestic investment, fuelled mainly by sharply increased investments in the private sector, increased the need for extra foreign savings in 1993. However, the continued strong growth of domestic savings in 1994 reduced the need for foreign savings, the share of which was reduced in 1994.

(iii) Public finance

20. The improved savings performance of the public sector reflected the strengthening of its financial position. The public sector in the Philippines can be divided into three main groups - the national government, public corporations and other public sector institutions such the Central Bank that performed quasi-fiscal operations. The financial position of these three groups - the consolidated public sector balance - improved considerably after 1990. In 1990, the consolidated public sector accounts were in deficit of 4.7 per cent of GNP. This reflected large deficits of all three groups. By 1994, the consolidated public sector deficit was reduced to 0.9 per cent of GNP and a further reduction is projected to 0.5 per cent of GNP in 1995. According to the preliminary information, it appears that the authorities are well on track. The most striking was the turnaround in the position of the Central Bank, from a position of large losses, averaging 1 and 1/2 per cent of GNP between 1990-92, to significant surpluses following a financial restructuring in late 1993. The deficit of the national government has been also reduced as a result of important policy changes both on the revenue and expenditure side and due to the strong recovery.

Table 3 - The Philippines - Fiscal Balances, 1990-95
(In percent of GNP)

	1990	1991	1992	1993	1994	1995 Proj.
Consolidated public sector deficit (CPSD)	-4.7	-2.1	-1.9	-2.0	-1.0	-0.3
Monitored PSBR	-4.1	-1.3	-1.5	-3.0	-0.9	-1.3
National Government	-3.4	-2.1	-1.2	-1.4	-0.3	0.0
Government corporations	-1.8	-0.6	-0.8	-1.7	-0.7	-1.1
Remaining public sector	-0.6	-0.8	-0.4	1.0	-0.1	1.0
Central Bank/PSB	-2.0	-1.7	-1.6	-1.1	0.3	0.1

Source: IMF.

21. Nevertheless, significant fiscal problems still remain. National government debt amounted to 70 per cent of GNP in 1994, more than half of which constituted domestic debt, which was short-term and carried high interest-rates. While the savings performance has improved, public savings remain relatively low to finance the ongoing public investment program and to reduce the level of public debt. The balance of the monitored public corporations is projected to weaken in 1995 - from -0.6 per cent in 1994 to -1.1 per cent in 1995. However, the increased deficit reflects increased capital expenditures of several public corporations.

(iv) Money and credit

22. Monetary developments have been marked since about mid-1993 by an unprecedented surge in the growth of domestic credit. This reflected a wide ranging liberalization of the financial sector, the economic recovery as well as an accomodative monetary policy which started in about mid-1994. Commercial bank debt was restructured in December 1992, renewing access of commercial banks to international capital markets. The restructuring of the central bank in 1993 facilitated financial sector reforms, and allowed the lowering of reserve requirements. Moreover, the increased confidence, relatively high interest rates together with the acceleration of economic growth has resulted in a significant repatriation of funds from abroad and in a rapid rise of commercial bank deposits. This, together with increasing money multiplier and the expansionary monetary policy raised the liquidity growth to 26 per cent in December 1994, compared to 11 and 24.6 per cent rates in 1992 and 1993, respectively. By the first quarter of 1995, it became clear that the easy money policy was not sustainable and the authorities began to tighten the liquidity growth. At the same time, a shift in the money demand, reflecting the strong recovery and structural reform, eased further the inflationary pressures from the strong growth in money supply.

IV. Balance of Payments

23. By most measures, the Philippines' external position strengthened markedly during 1994 and into the first half of 1995. In the early part of 1994, the current account deficit increased sharply as a result of the strong recovery of domestic output and demand. This was primarily the result of a large increase in the trade deficit which was brought about by a rapid acceleration in the growth of imports. However, starting in the second half of 1994, the trade balance improved, even in nominal dollar terms, and continued to strengthen relative to GNP in the first half of 1995. The share of the current account deficit in GNP stood at 4.3 per cent in 1994 compared to the share of 5.3 per cent in 1993.

Table 4 - The Philippines - Balance of Payments, 1990-94
(US$ million)

	1990	1991	1992	1993	1994
Trade balance	-4,020	-3,211	-4,695	-6,222	-7,850
Exports, f.o.b.	8,186	8,840	9,824	11,375	13,483
Imports, f.o.b.	-12,206	-12,051	-14,519	-17,597	-21,333
Services (net)	739	1,515	3,020	2,540	4,074
Receipts	4,842	5,624	7,443	7,497	10,550
Of which: Remittances[1]	(1,846)	(2,515)	(3,485)	(3,956)	(5,824)
Payments	-4,103	-4,109	-4,618	-4,957	-6,476
Of which: Interest	-2,026	(-1,993)	(-1,703)	(-1,485)	(-1,469)
Transfers (net)	714	827	817	699	936
Current account	-2,567	-869	-858	-2,983	-2,840
(As percent of GNP)	(-5.8)	(-1.9)	(-1.6)	(-5.3)	(-4.3)
Financial account (net)	785	1,359	655	1,999	3,986
Direct and portfolio investment (net)	480	654	737	599	1,424
Privatization	--	--	--	--	566
Other direct	171	130	234	334	230
Portfolio and other	309	524	503	265	628
Medium- and long-term loans (net)	-540	-598	-803	1,384	633
Inflows	2,556	1,919	2,161	4,035	3,676
Outflows	-3,096	-2,427	-2,964[2]	-2,651	-3,043

	1990	1991	1992	1993	1994
Short-term capital (net)	19	349	660	-148	1,002
Trade facility	-140	-22	173	-1,459	--
Other short-term	121	371	487	1,311	1,002
Commercial bank's net foreign assets (- increase)	61	55	280	-547	465
Monetization of gold, and valuation adjustments	199	380	-38	447	260
Errors and omissions	481	348	-181	264	202
Overall balance	-1,782	490	-203	-984	1,146
Rescheduling	1,765	1,694	1,695	818	478
Paris Club	610	807	1,007	211	--
Commercial banks	1,155	887	688	607	478
Change in arrears	--	--	--	--	178
Change in net international reserves of the central bank (- increase)	99	-2,103	-1,492	166	-1,802
Assets (- increase)	328	-2,478	-812	-584	-1,200
Use of Fund credit (net)	-336	180	61	112	-219
Memorandum items:					
Reserves, adjusted (months of imports)[3]	1.5	3.4	3.3	2.5	2.7

[1]Personal income; and peso withdrawals.
[2]Includes $469 million in purchased collateral.
[3]Gross reserves less gold and securities pledged as collateral against short-term liabilities.

Source: IMF.

24. The strengthening of the current account position was due to the strong performance of exports and mainly the improvement in the services account. Manufactured export growth accelerated to 22 per cent in US dollar terms in 1994 (18 per cent in volume) compared to just under 20 per cent in the previous year. The country's export base has been progressively diversified as the share of garments and agricultural exports has been reduced. The electronics industry consolidated its position in 1994 as the country's leading exporter with shipment of almost 5 billion US dollars, corresponding to 37 per cent of total exports and to an increase of more than 40 per cent in comparison to 1993. The diversification of the export base has also led to geographical changes of exports. Aproximately one third of the country's exports are now to Asian countries,another one third to the United States, and almost one fifth to Europe and the Middle East (Table 5) The growth of manufactured exports further strengthened in 1995, and,according to the IMF, exports were running at the annual rate of 30 per cent in nominal terms in the first half of 1995.

25. At the same time, increased confidence in the government policy and in the performance of the economy and relatively high interest rates led to a surge in remittances, private transfers and foreign investments. Remittances and private transfers alone were almost sufficient in 1994 to cover the entire merchandise trade deficit which increased by 1.6 billion US dollars and amounted to almost 7.9 billion US dollars. Capital inflows also increased considerably in 1994. Direct foreign investment increased from 600 million US dollars in 1993 to 1.4 billion US dollars in 1994 due to accelerated pace of privatization and to a rapid growth of portfolio investments. Short-term capital inflows also increased dramatically. All these factors turned the overall balance around, from a deficit of 1 billion in 1993 to a surplus of more than 1.1 billion US dollars in 1994, resulting in a slight increase in the reserve coverage of imports from 2.5 to 2.7 months of imports. There was a temporary outflow of foreign capital in the first quarter of 1995 following the market nervousness in the aftermath of the Mexico

crisis but the preliminary data for the second quarter indicate that the trend was again reversed. The central bank's net international reserves increased in 1994 by 1.8 billion US dollars (Table 6). Its gross reserves (excluding gold and securities pledged as collateral for short-term borrowing) rose from 1.6 billion US dollars in at the end of 1990 to 6.6 billion US dollars at the end of 1994, representing almost 10 per cent of GNP (Chart 4).

Table 5 - The Philippines - direction of trade, 1990-94
(Percentage of total)

	Exports, f.o.b.					Imports, f.o.b.				
	1990	1991	1992	1993	1994	1990	1991	1992	1993	1994
United States	37.8	35.6	39.0	38.4	38.1	19.4	20.1	18.0	20.0	18.5
Japan	19.7	20.0	17.7	16.0	15.0	18.3	19.5	21.2	22.9	24.3
European Union	17.7	18.6	18.9	17.3	17.1	11.2	10.3	11.7	10.1	10.3
Of which:										
Germany[1]	4.8	5.7	5.3	5.2	4.9	4.4	3.9	4.6	3.5	3.6
Netherlands	4.4	3.8	4.1	3.2	3.8	1.4	1.2	1.2	1.4	1.3
United Kingdom	4.3	4.2	4.8	4.8	4.7	2.0	1.8	2.1	2.2	1.8
France	1.8	1.9	1.8	1.8	1.4	1.2	1.2	1.5	1.1	1.1
Middle East	1.6	1.7	2.1	2.3	1.8	12.0	10.3	10.8	8.4	7.4
Of which:										
Saudi Arabia	0.8	0.7	0.6	0.6	0.4	4.5	5.3	6.0	4.2	4.4
Kuwait	0.1	0.0	0.1	0.1	0.1	1.6	0.0	0.6	1.1	0.4
Iraq	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.0	0.0
ASEAN[2]	7.2	7.0	5.3	6.7	10.2	9.7	9.2	9.3	10.8	11.5
Of which:										
Indonesia	0.8	0.5	0.4	0.4	0.5	1.5	1.3	1.2	2.0	1.7
Malaysia	1.6	1.4	1.3	1.4	1.6	2.2	2.5	2.7	2.0	2.0
Singapore	2.9	2.6	2.6	3.3	5.3	4.0	3.8	3.8	5.6	6.8
Australia	1.2	1.2	1.1	1.0	1.0	3.0	3.2	2.8	2.7	2.8
Hong Kong	4.0	4.4	4.7	4.8	4.8	4.6	5.0	5.0	5.0	5.2
Korea	2.8	2.6	1.8	1.9	2.2	3.9	5.0	4.8	5.1	5.2
U.S.S R. (former)	0.2	0.2	0.1	0.1	0.1	0.2	0.3	0.6	0.5	0.9
China	0.8	1.4	1.2	1.5	1.2	1.3	1.9	1.3	1.0	1.4
Other	7.0	7.3	8.1	10.0	8.5	16.4	15.2	14.5	13.5	12.4
All countries	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1]Data through 1990 refer to the (former) Federal Republic of Germany.
[2]Association of South-East Asian Nations.

Source: IMF.

Table 6 - The Philippines - International Reserves of the Banking System, 1990-94
(US$ million; end of period)

	1990	1991	1992	1993	1994
Monetary authorities (net)	66	2170	3662	3496	5297
Commercial banks (net)[1]	1484	1430	1149	1696	1231
Banking System	1550	3600	4811	5192	6528

[1]Monetary claims on, and liabilities to, nonresidents.

Source: IMF

Table 7 - The Philippines - Total External Debt, 1990-94

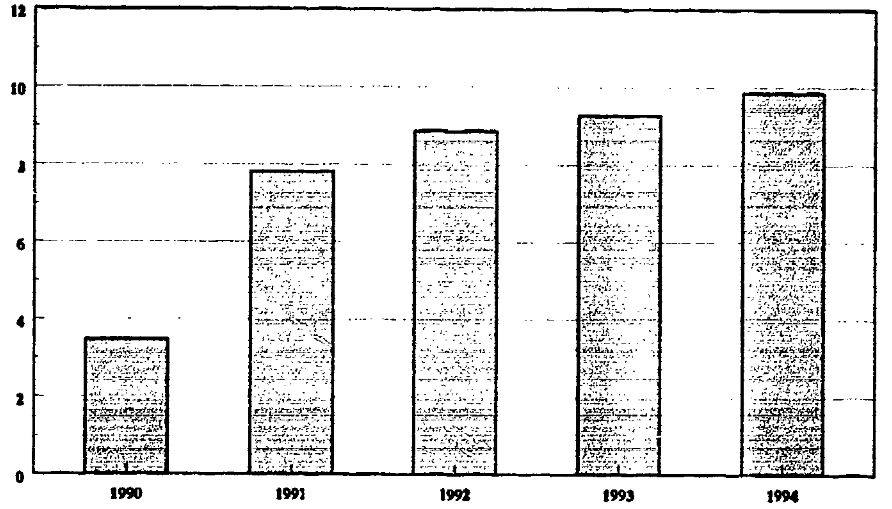
	1990	1991	1992	1993	1994
			(US$ million; end of period)		
Total	**28549**	**29956**	**30934**	**34282**	**37698**
Medium- and long-term[1]	23261	24043	24578	28037	30918
Short-term	4376	4827	5256	5035	5716
			(Percentage of GNP)		
Total	**64.1**	**65.0**	**57.0**	**61.2**	**56.9**
Medium- and long-term	52.2	52.3	45.3	50.0	46.6
Short-term	9.8	10.5	9.7	9.0	8.6
Memorandum items:					
Short-term (percentage of total)	15.3	16.1	17.0	14.7	15.2

[1]Including central bank borrowings on-lent to the public and private sector.

Source: IMF.

26. The external debt position has also improved. Even though the total external debt increased in 1994 by 3.4 billion US dollars, this reflected mainly the appreciation of the Japanese yen. The ratio of total outstanding external debt to GNP declined from 61.2 per cent at the end of 1993 to 56.9 per cent at the end of 1994 (Table 7). The ratio of debt service (before rescheduling and excluding the IMF) to exports of goods and services fell from 36 per cent in 1990 to 22.2 per cent in 1993 and further to 19.6 per cent in 1994 (Table 8). In 1994, the government even agreed to a voluntary prepayment of external debt. The authorities approached official creditors in late 1994 with a view of cancelling their July 1994 Paris Club rescheduling agreement. The agreement was duly cancelled in January 1995 and all arrears were cleared by March 1995.

Chart 4 - The Philippines - The Shares of International Reserves in the Banking System in GNP, 1990-1994
(In percent)



Source: IMF.

Note: Total international reserves include monetary claims on and liabilities to non-residents in commercial banks and reserves of the central bank. The former have been relatively stable between 1990 and 1994, ranging between US$ 1.1 and US$1.7 billion.

Table 8 - The Philippines - External Debt Service, 1990-94
(In millions of U.S. dollars)

	1990	1991	1992	1993	1994
Debt service before rescheduling and accumulation of arrears	4559	4391	3981	3951	4 899
Rescheduling	1765	1694	1695	817	478
Debt service after rescheduling and changes in arrears	2794	2697	2286	3133	4243
Debt-service ratio (including IMF)					
Before rescheduling	35.0	30.4	23.1	20.9	20.4
After rescheduling and changes in arrears	21.5	18.6	13.2	16.6	17.7
Ratio of interest payments (before rescheduling) to GNP	4.5	4.3	3.1	2.6	2.2

[1]Excluding monetary liabilities and debt conversions.

Sources: IMF.

Annex 1

List of remaining regulated/prohibited commodities

	1977 PSCC	1993 PSCC	Diff*
I. Agricultural products			
A. Items requiring congressional action prior to liberalization	27	33	6
1. Rice and corn	14	11	(3)
2. Coffee	9	18	9
3. Onion, garlic, potato, cabbage	4	4	-
B. Agricultural products under MO95 (excluding corn)	46	51	5
II. Non-Agricultural Products			
A. Items covered by rationalization/development programme	27	67	40
1. Motor vehicles**	25	64	39
2. Penicillin	2	3	1
B. Coal and refined petroleum products	18	21	3
C. Items for continued regulation for health, safety an national security	65	89	24
1. Dangerous drugs	4	4	-
2. Sodium cyanide and CFSs	4	6	2
3. Agricultural pesticides	7	10	3
4. Chemicals for explosives	9	9	-
5. Used tyres	4	6	2
6. Colour photocopying machines	3	3	-
7. Banknotes and coins	2	10	8
8. Warships	1	1	-
9. Pyrotechnics	2	2	-
10. Amunitions and firearms	22	25	3
11. Games and amusements machines	1	2	1
12. Use clothing and rags	2	3	1
13. Toy guns	1	1	-
14. Radioactive materials	3	7	4
	183	261	78

* Due to revision of PSCC lines
** As of October 19, 1995 (Circular 92)

Source: The Philippines authorities

Annex 2

List of Agricultural Products Subject to Import Restrictions under Article XVIII:B

No. (1)	PSCC 1977 (2)	Product Description (3)	HS (4)	Nature of QR (5)	Schedule LXXV - Philippines: Base rate of duty	Bound rate	Implementation period	Special Safeguard under Article 5 of the Agreement on Agriculture	Tariff quota[1]
1.	001.39-00	Swine live, other than for breeding and scientific purposes	0103.91.00 0103.92.00	Discretionary Import Licensing	60 40	40 36	1 July 1999 1999, 2003, 1 July 1999	SSG SSG	I & F 2,570 head 1995-2004
2.	001.41-09	Other live poultry of a weight not exceeding 185 g. nes.	0105.19.90	Discretionary Import Licensing	80	40	1 July 1997, 1999, 2003	SSG)	
3.	001.49-01	Chickens,live of a weight exceeding 185 g. for breeding	0105.91.10	Discretionary Import Licensing	80	40	"	SSG)	I - 5,708,120
4.	001.49-02	Chickens,live of a weight exceeding 185 g., other than for breeding	0105.91.90 0105.91.20	Discretionary Import Licensing	80	40	"	SSG	F -9,513,540 head
4(a).	001.49.09	Poultry, live, of a weight exceeding 185 g., nes.	0105.99.90	Discretionary Import Licensing	80	40	"	SSG	1995-2004
5.	011.30-00	Meat of swine, fresh, chilled or frozen	0203.11.00 0203.12.00 0203.19.00 0203.21.00 0203.22.00 0203.29.00	Discretionary Import Licensing	100 100 100 100 100 100	40 40 40 40 40 40	" " " " " "	SSG SSG SSG SSG SSG SSG	I - 32,520 MT F -54,210 MT 1995-2004
6.	011.41-00	Chickens, killed or dressed,fresh, chilled or frozen	ex 0207.10.12 ex 0207.21.00	Discretionary Import Licensing	100 100	40 40	" "	SSG SSG	
7.	011.89-02	Poultry meat nes, fresh, chilled or frozen	ex 0207.10.90 ex 0207.21.00 ex 0207.23.00	Discretionary Import Licensing	60 100 80	40 40 40	" " "	SSG SSG SSG	I - 14,090 MT F- 23,490 MT 1995-2004

No. (1)	PSCC 1977 (2)	Product Description (3)	HS (4)	Nature of QR (5)	Schedule LXXV - Philippines: Base rate of duty	Bound rate	Implementation period	Special Safeguard under Article 5 of the Agreement on Agriculture	Tariff quota[1]
8.	011.42-00	Ducks, killed or dressed, fresh, chilled or frozen	0207.10.12	Discretionary Import Licensing	100	40	*	SSG	
			ex 0207.23.00		80	40	*	SSG	
			ex 0207.43.00		80	40	*	SSG	
9.	011.43-00	Turkeys, killed or dressed, fresh, chilled or frozen	0207.10.11	Discretionary Import Licensing	100	40	*	SSG	
			0207.22.00		50	35		SSG	
			0207.39.10		100	40		SSG	
			0207.42.00		50	40	1 July 1997, 2002	SSG	
			0207.43.00		80	40	1 July 1997, 1999, 2003	SSG	
7(a).	011.89-03	Meat, fresh, chilled or frozen, nes	0208.90.00	Discretionary Import Licensing	100	40	*	SSG	
10.	012.12-00	Ham and shoulders, dried, salted or smoked	ex 0210.11.00	Discretionary Import Licensing	100	40	*	SSG	
11.	012.11-00	Bacon	ex 0210.12.00	Discretionary Import Licensing	100	40	*	SSG	
12.	012.13-00	Pork salted	ex 0210.19.00	Discretionary Import Licensing	100	40	*	SSG	
13.	012.19-00	Other dried, salted or smoked meat of swine	ex 0210.19.00	Discretionary Import Licensing	100	40	*	SSG	
14.	012.99-03	Poultry liver, salted, in brine, dried or smoked	ex 0210.90.00	Discretionary Import Licensing	100	40	*	SSG	
15.	012.92-01	Chicken meat, salted, in brine, dried or smoked, not in airtight containers	ex 0210.90.00	Discretionary Import Licensing	100	40	*	SSG	
16.	012.99-01	Meat meal and meat flour, fit for human consumption	ex 0210.90.00	Discretionary Import Licensing	100	40	*	SSG	
17.	054.11-00	Potatoes, fresh or chilled*	0701.90.00	Prohibition	100	40	*	SSG	I - 930 MT F - 1,550 MT
18.	054.51-02	Onions, fresh or chilled*	ex 0703.10.00	Prohibition	100	40	*	SSG	
19.	054.51-01	Garlic, fresh or chilled*	0703.20.00	Prohibition	100	40	*	SSG	
20.	054.59-09	Cabbage, fresh or chilled*	ex 0704.90.00	Prohibition	100	40	*	SSG	

					Schedule LXXV - Philippines				
No. (1)	PSCC 1977 (2)	Product Description (3)	HS (4)	Nature of QR (5)	Base rate of duty	Bound rate	Implementation period	Special Safeguard under Article 5 of the Agreement on Agriculture	Tariff quota[1]
21.	054.81-01	Manioc (cassava), fresh or dried	0714.10.00	Prohibition	50	40	1 July 1997, 2002	SSG	
22.	054.81-03	Sweet potatoes (camotes), fresh or dried*	0714.20.00	Prohibition	50	40	"	SSG	
23.	071.11-01	Arabica coffee, raw or green, not roasted *	0901.11.00 0901.12.00	Prohibition	100 100	40 40	1 July 1997, 1999, 2003	SSG	I & F - 5.9 MT 1995-2004
24.	071.11-02	Coffee, raw or green, not roasted, n.e.s. *	0901.11.00 0901.12.00	Prohibition	100	40	"	SSG	
25.	071.11-03	Coffee husks and skins *	0901.30.00	Prohibition	100	40	"	SSG	
26.	071.11-04	Robusta *	0901.11.00 0901.12.00	Prohibition	100	40	"	SSG	
27.	071.12-02	Coffee, roasted, ground *	ex 0901.21.00	Prohibition	100	40	"	SSG	
28.	071.12-01	Coffee, roasted, unground *	ex 0901.21.00	Prohibition	100	40	"	SSG	
29.	071.12-03	Coffee, roasted, ground, decaffeinated *	ex 0901.22.00	Prohibition	100	40	"	SSG	
30.	071.13-00	Coffee, substitutes containing coffee in any proportion *	0901.40.00	Prohibition	100	40	"	SSG	
31.	071.20-00	Extracts, essences or concentrates of coffee and preparations with a basis of those extracts and essences*	2101.10.00	Prohibition	100	50	"	SSG	
32.	041.10-00	Durum wheat, unmilled	1001.10.00	Discretionary Import Licensing	30	20	1 July 1997,2002	SSG	
33.	041.20-00	Other wheat (incl. spelt) and meslin, unmilled	1001.90.10 1001.90.90	Discretionary Import Licensing	50 50	30 30	1 July 1997, 1999, 2003 "	SSG	
34.	045.10-00	Rye, unmilled	1002.00.00	Discretionary Import Licensing	40	30	1 July 1997, 2002	SSG	

					Schedule LXXV - Philippines				
No. (1)	PSCC 1977 (2)	Product Description (3)	HS (4)	Nature of QR (5)	Base rate of duty	Bound rate	Implememtation period	Special Safeguard under Article 5 of the Agreement on Agriculture	Tariff quota[1]
35.	043.00-00	Barley, unmilled	1003.00.00	Discretionary Import Licensing	40	30	"	SSG	
36.	045.20-00	Oats, unmilled	1004.00.00	Discretionary Import Licensing	40	30	"	SSG	
37.	044.02-00	Corn seeds (of all varieties for propagation)	1005.10.00	Discretionary Import Licensing	100	50	1 July 1997, 1999, 2003	SSG	I - 130,160 MT F - 216,940 MT 1995-2004
38.	044.01-00	Maize (corn) unmilled	1005.90.00	Discretionary Import Licensing	100	50	"	SSG	
39.	045.92-00	Sorghum unmilled	1007.00.00	Discretionary Import Licensing	60	40	1 July 1997, 1999, 2003	SGS	
40.	045.99-00	Other cereals, unmilled, n.e.s.	1008.90.00	Discretionary Import Licensing	50	40	1 July 1997, 2003	SSG	
41.	046.02-00	Groats, meal and pellets of wheat, including meslin	1103.11.00 1103.21.00	Discretionary Import Licensing	50 50	40 40	"	SSG SSG	
42.	047.02-02	Meal, groats and pellets of maize	1103.13.00 ex 1103.29.00	Discretionary Import Licensing	50 50	40 40	"	SSG SSG	
43.	048.11-01	Barley, pearled, rolled or flaked	1104.11.00 1104.21.00	Discretionary Import Licensing	50 50	40 40	"	SSG SSG	
44.	048.11-03	Oats, kibbled or rolled	ex 1104.12.00 ex 1104.22.00	Discretionary Import Licensing	50 50	40 40	"	SSG SSG	
45.	048.11-02	Maize kibbled	ex 1104.23.00	Discretionary Import Licensing	100	40	1 July 1997, 1999, 2003	SGS	
46.	592.12-00	Wheat gluten, whether or not dried	1109.00.00	Discretionary Import Licensing	40	30	1 July 1997, 2002	SSG	
47.	014.21-00	Sausages of all kinds, not in airtight containers	ex 1601.10.00	Discretionary Import Licensing	100	40	1 July 1997, 1999, 2002	SSG	
48.	014.22-00	Sausages of all kinds, in airtight containers	ex 1601.10.00	Discretionary Import Licensing	100	40	"	SSG	
49.	014.99-00	Other prepared or preserved meat and edible offals, nes.	1602.20.00 1602.49.00 1602.50.10 1602.50.90	Discretionary Import Licensing	100 100 100 100	40 40 40 40	"	SSG	

					Schedule LXXV - Philippines				
No. (1)	PSCC 1977 (2)	Product Description (3)	HS (4)	Nature of QR (5)	Base rate of duty	Bound rate	Implementation period	Special Safeguard under Article 5 of the Agreement on Agriculture	Tariff quota[1]
50.	014.92-01	Chicken meat in airtight containers	ex 1602.39.10	Discretionary Import Licensing	100	40	"	SSG	
51.	014.92-09	Other poultry meat, in airtight containers	ex 1602.39.10	Discretionary Import Licensing	100	40	"	SSG	
52.	*014.91-02*	*Ham, in airtight containers*	*ex 1602.41.10*	*Discretionary* Import Licensing	*100*	*40*	"	SSG	
53.	014.91-01	Bacon, in airtight containers	ex 1602.49.00	Discretionary Import Licensing	100	40	"	SSG	
54.	014.91-04	Pork luncheon meat in airtight containers	ex 1602.49.00	Discretionary Import Licensing	100	40	"	SSG	
55.	014.99-04	Edible offals of swine, salted in brine, dried or smoked	ex 1602.49.00	Discretionary Import Licensing	100	40	"	SSG	
56.	014.91-03	Pork in airtight containers	ex 1602.49.00	Discretionary Import Licensing	100	40	"	SSG	
57.	014.91-05	Beef, in airtight containers	ex 1602.49.00	Discretionary Import Licensing	100	[illegible]	"	SSG	
58.	014.91-09	Meat and meat preparations,in airtight	ex 1602.42.00	Discretionary	100	40	"	SSG	
			ex 1602.49.00	Import Licensing	100	40		SSG	
		containers, n.e.s	ex 1602.50.10		100	40		SSG	
			ex 1602.50.90		100	40		SSG	
59.	014.99-00	Other prepared or preserved meat and	ex 1602.90.10	Discretionary	50	40	1 July 1997, 2002	SSG	
		edible offals, nes.	ex 1602.90.90	Import Licensing	50	40	"	SSG	
60.	014.93-00	Meat pastes and spreads	ex 1602.90.10	Discretionary	50	40	"	SSG	
			ex 1602.90.90	Import Licensing	50	40		SSG	
61.	081.21-00	Bran, sharps, and other residues	2302.10.00	Prohibition	30	20	"	SSG	
		from the sifting, milling or working of rice or maize	2302.20.00	Prohibition	30	20	"	SSG	
62.	081.22-00	Brans, sharps, and other residues from the sifting, milling or working of other cereals	2302.40.00	Discretionary Import Licensing	30	20	"	SSG	
63.	081.93-04	Corn gluten feed and other residues from the manufacture of starch (e.g. from maize, potatoes, etc.)	2303.10.00	Discretionary Import Licensing	30	20	"	SSG	

1 Allocation on 4 digit tariff lines
I Initial quota quantity
F Final quota quantity
Source: GATT 1947 document BOP/312/Add.1/Rev.1 and Philippines Schedule L XXV.

List of energy, motor vehicle and other products subject to import restriction under Article XVIII:B

No. (1)	PSCC 1977 (2)	Product Description (3)	HS (4)	Nature of QR (5)
Cont'd				
64.	322.10-00	Anthracite, whether or not pulverized, but not agglomerated	2701.11.00	Discretionary Import Licensing
65.	322.20-00	Other coal, whether or not pulverized, but not agglomerated	2701.19.00	Discretionary Import Licensing
66.	323.11-00	Briquettes, ovoids and similar solid fuels manufactured from coal	2701.20.00	Discretionary Import Licensing
67.	334.51-01	Lubricating oil when imported with prior authorization of the Board of Energy	ex 2710.00.20	Import Licensing
68.	334.51-02	Lubricating oil when imported without prior authorization of the Board of Energy	ex 2710.00.90	Import Licensing
69.	334.51-04	Lubricating oil base stock when imported with prior authorization of the Board of Energy	ex 2710.00.20	Import Licensing
70.	334.40-09	Fuel oil, n.e.s.	2710.00.31	Import Licensing
71.	334.11-01	Gasoline, aviation	ex 2710.00.90	Import Licensing
72.	334.11-02	Gasoline, motor	ex 2710.00.59	Import Licensing
73.	334.11-09	Motor spirits, nes	ex 2710.00.90	Import Licensing
74.	334.19-01	Petroleum naphtha	2710.00.32 2710.00.33	Import Licensing
75.	334.21-00	Kerosene, including kerosene type jet fuel	ex 2710.00.59	Import Licensing
76.	334.40-01	Gas oil (bunker fuel)	ex 2710.00.51 ex 2710.00.59	Import Licensing
77.	334.30-09	Other gas oil	ex 2710.00.51 ex 2710.00.59	Import Licensing

No.	PSCC 1977	Product Description	HS	Nature of QR
(1)	(2)	(3)	(4)	(5)
78.	334.51-09	Preparations not elsewhere specified or included, cntng. not less than 70% by wt. of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations	ex 2710.00.90	Import Licensing
79.	341.39-02	Liquefied petroleum gas (LPG)	ex 2711.19.00	Import Licensing
80.	541.71-04	Penicillin	ex 3003.10.00 ex 3004.10.00	Discretionary Import Licensing
81.	541.71-19	Other antibiotics, n.e.s.	ex 3003.10.00 ex 3003.20.00 ex 3004.10.00 ex 3004.20.00	Discretionary Import Licensing
82.	625.99-01	Automobile tires, of all sizes, used	ex 4012.20.10	Import Licensing
83.	625.99-07	Truck tires, of all sizes, used	ex 4012.20.10	Import Licensing
84.	625.99-02	Motorcycles tyres, of all sizes, used	ex 4012.20.20	Import Licensing
85.	625.99-03	Bicycle tyres, of all sizes, used	ex 4012.20.20	Import Licensing
86.	625.99-06	Tractor tyres of all sizes, used	ex 4012.20.90	Import Licensing
87.	625.91-03	Automobile tubes of all sizes, used	ex 4013.10.00	Import Licensing
88.	625.91-12	Bicycle tubes of all sizes, used	ex 4013.20.00	Import Licensing
89.	625.91-09	Motorcycle tubes, of all sizes, used	ex 4013.90.00	Import Licensing
90.	ex 713.22-05	Gasoline and kerosene engines for trucks and buses, used	ex 8407.31.90 ex 8407.32.90 ex 8407.33.90 ex 8407.34.90	Import Licensing
91.	ex 713.22-06	Gasoline and kerosene engines for tractors, used	ex 8407.31.10 ex 8407.31.90 ex 8407.32.10 ex 8407.32.20 ex 8407.32.90 ex 8407.33.20 ex 8407.33.90 ex 8407.34.20 ex 8407.34.90	Import Licensing
92.	ex 713.21-02	Diesel and semi-diesel engines for tractors, used	8408.20.90 8408.20.20	Import Licensing
93.	781.02-00[1]	Passenger cars (excluding buses), other than diesel or semi-diesel, unassembled, with not more than 4 cylinders completely knocked down and specially fabricated for local assembly (may be imported only by duly licensed assemblers of passenger cars)	ex 8703.21.00 ex 8703.22.00 ex 8703.23.00 ex 8703.24.00	Import Licensing

No.	PSCC 1977	Product Description	HS	Nature of QR
(1)	(2)	(3)	(4)	(5)
94.	781.08-00[1]	Passenger cars (excluding buses), other than diesel or semi-diesel, assembled with not more than 4 cylinder, new	ex 8703.21.00 ex 8703.22.00 ex 8703.23.00 ex 8703.24.00	Import Licensing
95.	781.14-00	Passenger cars (excluding buses), other than diesel or semi-diesel, with 6 cylinders, used	ex 8703.23.00 ex 8703.24.00	Discretionary Import Licensing
96.	781.18-00[1]	Station wagons, new	ex 8703.21.00 ex 8703.22.00 ex 8703.23.00 ex 8703.24.00 ex 8703.31.00 ex 8703.32.00 ex 8703.33.00	Discretionary Import Licensing
97.	781.19-00[2]	Station wagons, used	ex 8703.21.00 ex 8703.22.00 ex 8703.23.00 ex 8703.24.00 ex 8703.31.00 ex 8703.32.00 ex 8703.33.00	Discretionary Import Licensing
98.	781.05-00[3]	Jeeps and similar vehicles with 4 cylinders, CKD, and specially fabricated for assembly (may be imported only by duly licensed assemblers)	ex 8703.21.00 ex 8703.22.00 ex 8703.23.00 ex 8703.31.00 ex 8703.32.00 ex 8703.33.00	Import Licensing
99.	781.16-00[3]	Jeeps, jeepstars and similar vehicles, new	ex 8703.21.00 ex 8703.22.00 ex 8703.23.00 ex 8703.31.00 ex 8703.32.00 ex 8703.33.00	Import Licensing
100.	781.17-00	Jeeps, jeepstars and similar vehicles, used	ex 8703.21.00 ex 8703.22.00 ex 8703.23.00 ex 8703.31.00 ex 8703.32.00 ex 8703.33.00	Import Licensing

No. (1)	PSCC 1977 (2)	Product Description (3)	HS (4)	Nature of QR (5)
101.	781.09-00[1]	Passenger cars (excl. buses) other than diesel or semi-diesel assembled, with six cylinders, new	ex 8703.23.00 ex 8703.24.00	Import Licensing
102.	781.28-00[1]	Passenger road motor vehicles, nes.	Various	Import Licensing
103.	781.03-00[1]	Passenger cars (excluding buses) other than diesel or semi-diesel, unassembled, with 6 cylinders, CKD and specially fabricated for local assembly (may be imported only by duly licensed assemblers of passenger cars)	ex 8703.23.00 ex 8703.24.00	Import Licensing
104.	781.14-00	Passenger cars (excl-buses), other than diesel or semi-diesel, with more than 6 cylinders, used	ex 8703.24.00	Import Licensing
105.	781.06-00[3]	Jeeps and similar vehicles with 6 cylinders, CKD and specially fabricated for assembly (may be imported only by duly licensed assemblers)	ex 8703.23.00 ex 8703.24.00	Import Licensing
106.	781.04-00[1]	Passenger cars (excluding buses), other than diesel or semi-diesel unassembled, with more than 6 cylinders, CKD and specially fabricated for local assembly (may be imported only by duly licensed assemblers of passenger cars)	ex 8703.24.00	Import Licensing
107.	781.11-00[1]	Passenger cars (excluding buses), other than diesel or semi-diesel, assembled with more than 6 cylinders, new	ex 8703.24.00	Import Licensing
108.	781.15-00[1]	Passenger cars (excluding buses), other than, diesel or semi-diesel, with more than 6 cylinders used	ex 8703.24.00	Import Licensing

No. (1)	PSCC 1977 (2)	Product Description (3)	HS (4)	Nature of QR (5)
109.	781.01-00	Passenger cars (excl. buses) e.g. automobiles, diesel or semi-diesel, unassembled, CKD and specially fabricated for assembly (may be imported only by duly licensed assemblers of passenger cars	ex 8703.90.12	Import Licensing
110.	781.07-00[1]	Passengers cars (excluding buses), e.g. automobiles, diesel or semi-diesel assembled, new	ex 8703.31.00 ex 8703.32.00 ex 8703.33.00	Import Licensing
111.	781.12-00	Passenger cars (excl. buses) e.g., automobiles, diesel or semi-diesel assembled, used	ex 8703.31.00 ex 8703.32.00 ex 8703.33.00	Import Licensing
112.	781.23-00	Components, parts and/or accessories imported from one or more countries for assembly of passenger cars by participants in the Progressive Car Manufacturing Program upon prior authorization and certification of the BOI	8703.90.12	Import Licensing
113.	784.11-00	Passenger motor car chassis fitted with engines, diesel or semi-diesel	ex 8706.00.90	Import Licensing
114.	784.12-00	Passenger motor car chassis fitted with engines, other than diesel or semi-diesel	ex 8706.00.90	Import Licensing
115	ex 784.15-00	Completely knocked down components for light commercial vehicles	ex 8703.90.11	Import Licensing
116	784.22-00	Motor vehicle bodies and/or shells (other than for trucks and buses) and cabs (may be imported only by qualified assemblers upon prior approval of the CB)	ex 8707.90.00	Import Licensing
117	ex 784.94-00	Accessories for road vehicles, nes.	Various	Import Licensing

No.	PSCC 1977	Product Description	HS	Nature of QR
(1)	(2)	(3)	(4)	(5)
118	785.13-00[4]	Motorcycles (including all types of motorized cycles) and side cars, assembled	ex 8711.10.00 ex 8711.20.00 ex 8711.30.00 ex 8711.40.00 ex 8711.50.00	Import Licensing
119	785.14-00[4]	Motorcycles, CKD, and especially fabricated for motorcycle assembly plants, not incl batteries (may be imported only by duly licensed assemblers of motorcycles)	ex 8711.90.10	Import Licensing
120	785.15-00[4]	Scooters, unassembled	ex 8711.10.00 ex 8711.20.00 ex 8711.30.00 ex 8711.40.00 ex 8711.50.00	Import Licensing
121	785.16-00[4]	Scooters, assembled	ex 8711.10.00 ex 8711.20.00 ex 8711.30.00 ex 8711.40.00 ex 8711.50.00	Import Licensing
122	785.17-00[4]	Other motorized cycles, nes, unassembled	ex 8711.90.90	Import Licensing
123	785.18-00[4]	Other motorized cycles, nes, assembled	ex 8711.90.90	Import Licensing
124	785.39-01	Motorcycle and sidecar parts (not including rubber tires, engines, electric parts, CKD parts and storage batteries	ex 8714.11.00 ex 8714.19.00	Import Licensing
125	ex 821.11-01	Seats of wood for motor vehicles	ex 9401.20.00	Import Licensing
126	ex 821.11-02	Seats of metal for motor vehicles	ex 9401.20.00	Import Licensing
127	ex 821.11-05	Seats of plastic for motor vehicles	ex 9401.20.00	Import Licensing
128	ex 821.11-09	Seats of other materials, n.e.s., for motor vehicles	ex 9401.20.00	Import Licensing

Footnote:
* Importation is prohibited, except for seedling purposes.
1 7 Items under 1993 PSCC are liberalized
2 6 items under 1993 PSCC are liberalized
3 6 items under 1993 PSCC are liberalized
4 7 items under 1993 PSCC are liberalized

Source: GATT 1994 document BOP/312/Add.1/Rev.1 and Central Bank of Philippines Office Circular No 92.