

Philippines Update: Export control authorizations commence

The Strategic Trade Management Office (STMO) begun authorizations for exports of strategic goods on 1 July 2020 under Republic Act no. 10697, also known as the Strategic Trade Management Act.

The authorization scheme initially focuses on export activities and will in future gradually be expanded to cover other types of activities, such as transit/transshipment, re-export, reassignment, related services, and importation.

Exporters of strategic goods must first register with the STMO before filing an application for authorization. There are three types of authorization, depending on the number of destinations or end-users. As of this time, only individual and global authorizations can be applied for, because the guideline for general authorizations is not yet available.

Type	End user and country location	Validity
Individual	One end user	2 years
Global	Two or more end-user/s, located in different countries	5 years
General	Limited to specific countries	Lifetime

An authorization must be presented to the Bureau of Customs before the departure of the carrying vessel or airline.

The Act regulates the movement of strategic goods which can potentially be used as or for weapons of mass destruction. Strategic goods are defined as products and technologies that fall into the Philippines' National Strategic Goods List (NSGL). This list consists of three categories: military goods, dual use goods, and nationally controlled goods.

The STMO is also issuing 'Non-Strategic Goods Certificates' for goods that do not meet the technical specifications in the NSGL, but are similar to controlled strategic goods, so as to avoid unnecessary inquiries and delays by border control agencies.

Due to the COVID-19 situation, the administrative penalties related to export authorization are suspended until further notice.

Let's talk

If you would like further advice in relation to the topic outlined above or a deeper discussion of how this issue might affect your business, please contact:

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