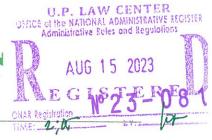


Republic of the Philippines DEPARTMENT OF AGRICULTURE

NATIONAL TOBACCO ADMINISTRATION

3rd & 4th Floor, Ben-Lor Building, 1184 Quezon Ave., Quezon City Tel No. (02) 8374-3987 / Fax. No. (02) 8374-2505 / Website: nta.da.gov.ph ISO 9001: 2015 QMS CERTIFIED



MEMORANDUM CIRCULAR NO. 001, SERIES OF 2023

TO

ALL CIGAR/CIGARETTE MANUFACTURERS/PROCESSORS OF

TOBACCO PRODUCTS

SUBJECT

AMENDMENT OF RULES 1, 2, 3 AND 4, REGULATION XII (COMPETITIVENESS ENHANCEMENT FEE) OF THE 2018 REVISED RULES AND REGULATIONS GOVERNING TRADING

AND REDRYING OF LOCALLY GROWN LEAF TOBACCO

DATE

03 July 2023

WHEREAS, the National Tobacco Administration (NTA), pursuant to Executive Order No. 245, has issued the 2018 Revised Rules and Regulations Governing Trading and Redrying of Locally Grown Tobacco Leaf (2018 Trading Rules and Regulations (2018 TRR) for brevity).

WHEREAS, the 2018 TRR provides for the procedures for the recording, reporting and billing of Competitiveness Enhancement Fee (CEF) for every kilogram of locally grown leaf tobacco actually delivered to domestic cigar/cigarette manufacturers (CMs) for the purpose of developing the locally produced tobacco to be competitive in the global market.

WHEREAS, to attain a more efficient and effective monitoring, reporting and validation of actual volume of tobacco deliveries to CMs, there is a need to amend CEF provisions of the 2018 TRR.

NOW, THEREFORE, for and in consideration of the foregoing premises and by virtue of the powers vested into the NTA, Rules 1, 2, 3 and 4 of Regulation XII, 2018 TRR, are hereby amended to be read as follows:

"x x x.

Rule 1, Regulation XII. Competitiveness Enhancement Fee - There shall be a Competitiveness Enhancement Fee (CEF) for every kilogram of tobacco, excluding stems, delivered to local CM, which shall be collected from and paid by the local CMs based on the following weight categories: REGULATION DEPARTMENT

Purchased/Accepted (kgs)

Amount (Php)

A. Competitive Enhancement Fee (CEF):

1. Green/Fresh Weight

0.75/net kg* 1.20/net kg*

2. Pack Weight

3. Dry Weight

2.00/net kg*

* - amended as per Memorandum Circular No. 002, series 2018

AUG 15 2023 DATE / TIME

CERTIFIED TRUE COPY

Rule 2. Basis of the CEF - The basis of the CEF shall be the Summary of Received Tobacco From Local Supplier/s to CMs (Appendix "i" rev 01) which shall form part of the Semestral Reports (January - June and July - December) or Report of Inspection by the Concerned NTA Branch Offices of local tobacco deliveries/purchases, excluding stems, to be submitted by the CMs to the NTA, through the Regulation Department.







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copy furnished the Branch Office concerned where the manufacturing plant of the CM is located, whichever is higher.

Rule 3. Billing and Collection of CEF - The Central/BO where the accepting CM is located shall be responsible for the billing and collection of the CEF, based on the consolidated report of the Regulation Department (RD). The NTA Finance Manager/Branch Manager shall prepare the Notice of Billing of CEF within three (3) working days upon receipt of the consolidated report from the RD.

Rule 4. Payment of CEF - The CM shall pay the CEF fees to the Central Office/NTA BO where such CM is located, within thirty (30) calendar days from receipt of the notice of billing. Late payments of CEF shall be subject to the provisions of paragraph (c.3.6), Regulation XIV hereof.

X X X."

Effectivity and Miscellaneous Provisions. This Memorandum Circular shall take effect immediately starting with the 1st Semestral Report for CY 2023. Copy of this Memorandum Circular shall be filed with the Office of the Administrative Registrar (ONAR), U.P. Law Center and/or published in a newspaper of general circulation.

Repealing/Amending Clause. All previous Memorandum Circulars, other issuances and/or notices issued by the NTA which are inconsistent or conflicting herewith are hereby repealed or amended accordingly.

For the guidance and compliance of all concerned.

APPROVED UNDER BOARD RESOLUTION NO. 094, S. 2023 DATED JUNE 27, 2023.

BY AUTHORITY OF THE NTA GOVERNING BOARD:

BELINDA S. SANCHEZ Administrator and CEO

Attachment: Appendix "i" rev 01 Form

REGULATION DEPARTMENT CERTIFIED TRUE COPY

Note: Published in the Manila Standard on August 1, 2023, page B2.



Semester:

20_

Sub-Total/Total												(mm/dd/yyyy	0	Assessment Number DATE ODI/GUIA/ATRIG No.	
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														T N	
													Assessment NO.	Accommont No	
													Transaction Type		Annual Statement
											(in kgs)	STRIP	VIRG		
											(in kgs)	STEM	VIRGINIA		
											(in kgs)	STRIP	BURLEY	LOCALLY GROWN TOBACCO LEAF	
											(in kgs)	STEM	RLEY	N TOBACC	
- 1000											(in kgs)	STRIP	NATIV	OLEAF	
											(in kgs)	STEM	NATIVE/DACT		
											(in kgs	Local	TOTA		

fn: Appendix i Template Details Received Tob From Suplier To Manufacturer/Sheet Template

Reviewed by:

Certified Correct:

REGULATION DEPARTMENT CERTIFIED TRUE COPY

SIGNATURS
AUG 15 7073
DATE/TIME