



MEMORANDUM CIRCULAR NO. 2021- 01

Series of 2021

19 February 2021

TO : ALL HEADS OF TRADE REGULATORY GOVERNMENT AGENCIES

SUBJECT : GUIDELINES ON THE MANDATORY ONBOARDING OF TRADE REGULATORY GOVERNMENT AGENCIES TO THE TRADENET AS ENDORSED BY THE EODB-ART ADVISORY COUNCIL THROUGH THEIR RESOLUTION NO. 12, SERIES OF 2020

1. BACKGROUND AND LEGAL BASES

- 1.1.** Trading Across Borders is one of the indicators of the Doing Business Index of the World Bank which looks at an economy's regulatory environment in terms of the ease of importing and exporting. This indicator is being measured because trade plays an important role in the growth and development of economies. Inefficient processes and unharmonized procedures hinder a country in achieving its potential. Corollarily, the ease of trading in different countries positively affects a country's competitiveness. According to the latest Doing Business report, the Philippines ranked 113th in terms of ease of trading across borders among the 190 economies covered by the report.¹

- 1.2.** In order to achieve efficiency and harmonization of procedures across various government agencies concerning trade, the Department of Finance and the Department of Information and Communications Technology developed and implemented the TradeNet in 2017. The TradeNet is an interoperable online platform that aims to reduce processing time and harmonize the permitting procedures involving import and export clearances.² It can also serve as the link of the Philippines to the ASEAN Single Window which can advance interconnectivity within the region and facilitate ease of trading between and amongst countries. However, since its implementation, the platform only have 2 agencies that are live pilot users: 4 in the preparatory stage of going live, 13 agencies are undergoing process refinements, and 26 are admitted for configuration and linking.³

¹ World Bank Group (2020) *Economy Profile: Philippines Doing Business 2020*. Retrieved from: <https://www.doingbusiness.org/content/dam/doingBusiness/country/p/philippines/PHL.pdf>

² Umali, Teresa (2019) *Philippine Government Agencies Work Together for TradeNet Portal*. Retrieved from: <https://opengovasia.com/philippine-government-agencies-work-together-for-tradenet-portal/>

³ Data from the Department of Finance and Department of Information and Communications Technology



- 1.3. Republic Act No. 11032, otherwise known as “*The Ease of Doing Business and Efficient Government Service Delivery Act of 2018*”, was enacted with the primordial aim of ensuring the efficient delivery of government services. In furtherance of this objective, it mandated all government agencies in the Executive Branch including Local Government Units (LGUs), Government-Owned and Controlled Corporations (GOCCs), and State Universities and Colleges (SUCs) to streamline and harmonize their process to reduce, if not eradicate, red tape in the bureaucracy.
- 1.4. In the same law, the Ease of Doing Business and Anti-Red Tape (EODB-ART) Advisory Council was created and is mandated, among other things, to design and identify systems that will continuously enhance the delivery of services and improve the ease of doing business in the country.⁴ It is composed of the Secretary of the Department of Trade and Industry (DTI) as Chairperson, the Director General of the Anti-Red Tape Authority (ARTA) as Vice-Chairperson, the Secretaries of the Department of Information and Communications Technology (DICT), Department of the Interior and Local Government (DILG) and the Department of Finance (DOF), and two (2) representatives from the private sector appointed by the President of the Philippines as members.
- 1.5. Cognizant of this mandate of the law, the EODB-ART Advisory Council believes that the TradeNet online platform has the potential to improve the efficiency of the permitting and licensing services of Trade Regulatory Government Agencies (TRGAs) by reducing the steps and processing times of these services through streamlining, integrating, and interconnecting into one platform, to wit:
- “WHEREAS, one of the systems recognized by the Council that would help improve the streamlining initiatives of government is the TradeNet, an interoperable online platform developed by the Department of Finance and the Department of Information and Communications Technology, that aims to reduce the permitting procedures involving import and export clearances;”*
- “WHEREAS, in order to effectively implement trade facilitation in the country, promote whole-of-government approach, generate more investments, and improve ease of doing business, it is necessary to have a complete mandatory onboarding of the identified 73 trade regulatory government agencies involved in approving import and export permits and clearances, processing and monitoring entry of goods, and other trading requirements in economic zones;”*
- 1.6. The endorsement of the EODB-ART Advisory Council mandating the onboarding of the identified 73 TRGAs is pursuant to Sections 5 and 9(e) of RA 11032 to wit:
- “Section 5. Reengineering of Systems and Procedures. – All offices and agencies which provide government services are hereby mandated to regularly*

⁴ Section 19, RA 11032

undertake cost compliance analysis, time and motion studies, undergo evaluation and improvement of their transaction systems and procedures and reengineer the same if deemed necessary to reduce bureaucratic red tape and processing time. XXX;

“Section 9. Accessing Government Services. – The following shall adopted by all government offices and agencies:

XXX

(e) Electronic Versions of Licenses, Clearances, Permits, Certifications or Authorizations. – All government agencies covered under Section 3 of this Act shall, when applicable, develop electronic versions of licenses, clearances, permits, certifications or authorizations with the same level of authority as that of the signed hard copy, which may be printed by the applicants or requesting parties in the convenience of their offices. XXX”

- 1.7. In addition to these, the President issued Administrative Order 23 on 21 February 2020 which directs all agencies to eliminate overregulation in the government bureaucracy in order to promote efficient delivery of services, increase the competitiveness and ease of doing business in the country as part of the Administration’s Ten-Point Socio-economic Agenda to wit:

“Section 1. Elimination of Overregulation. All national government agencies covered by Section 3 of RA No. 9485, as amended, are directed to hasten reform of their processes in order to eliminate overregulation. They shall retain only such steps, procedures and requirements as may be necessary to fulfill their legal mandates and policy objectives. All processes in excess thereof, including those which are redundant or burdensome to the public, shall be deemed manifestations of overregulation and shall be removed accordingly....”

2. PURPOSE

This **Memorandum Circular** (Memorandum) is issued to provide guidelines on the mandatory onboarding of all the identified Trade Regulatory Government Agencies (referred hereafter as “TRGAs”) to the TradeNet platform in order to simplify and harmonize the permitting and licensing processes concerning imports and exports.

3. SCOPE

This **Memorandum** shall cover all the trade regulatory government agencies in the Executive Department that provide permitting and licensing services involving importations and exportations.

The identified TRGAs per cluster are the following but shall not be limited to:

Priority Agencies <i>(Agencies that make use of the old National Single Window and those which are part of the NEHEMIA Program on Logistics)</i>	
Department of Agriculture	Bureau of Plant Industry
	Bureau of Animal Industry
	Bureau of Fisheries and Aquatic Resources
	Bureau of Agriculture and Fisheries Standards
	National Meat Inspection Service
	Sugar Regulatory Administration
	Philippine Coconut Authority
	Fertilizer and Pesticides Authority
Office of the President	Optical Media Board
Department of Trade and Industry	Board of Investments
	Bureau of Import Services
	Bureau of Philippine Standards
	Export Marketing Bureau
Department of Health	Bureau of Quarantine
	Food and Drug Administration
Department of Interior and Local Government	PNP Firearms and Explosives Office
Department of Finance	Bureau of Internal Revenue
Department of Foreign Affairs	Office of Protocol
Department of Environment and Natural Resources	Environment Management Bureau (HWMS/CMS/POD)
	Forest Management Service/Bureau
Department of Information and Communications Technology	National Telecommunications Commission
Department of Science and Technology	Philippine Nuclear Research Institute
Logistics and Port Operations Sector	
Department of Finance	Bureau of Customs
Department of Trade and Industry	Board of Investments
	Fair Trade and Enforcement Bureau
Department of Transportation	Land Transportation Franchising and Regulatory Board
	Land Transportation Office
	Philippine Ports Authority
	Maritime Industry Authority
	Philippine Coast Guard
	Civil Aeronautics Board
	Civil Aviation Authority of the Philippines
	Office for Transportation Security
Government-Owned or Controlled Corporation	Manila International Airport Authority
	Mactan-Cebu International Airport Authority

Agriculture and Food Cluster	
Department of Agriculture	National Tobacco Administration
	Bureau of Plant Industry
	Bureau of Agriculture and Fisheries Standards
	National Meat Inspection Service
	Bureau of Fisheries and Aquatic Resources
	Philippine Fiber Industry Development Authority
	Bureau of Animal Industry
	Sugar Regulatory Administration
	Fertilizer and Pesticide Authority
	National Food Authority
	Philippine Coconut Authority
Department of Environment and Natural Resources	Biodiversity Management Bureau
	Forest Management Bureau
Department of Finance	Bureau of Internal Revenue
Department of Health	Food and Drugs Administration
Department of Trade and Industry	Export Marketing Bureau
National Economic Development Authority	Tariff Commission

Chemicals, Oils, Minerals, Environment Cluster	
Department of Agriculture	National Tobacco Administration
Department of Energy	Oil Industry Management Bureau
	Energy Resource Development Bureau
Department of Environment and Natural Resources	Environment Management Bureau
	Mines and Geosciences Bureau
Department of Finance	Bureau of Customs
	Bureau of Internal Revenue
Department of Health	Bureau of Quarantine
	Food and Drugs Administration
Department of Interior and Local Government	PNP Civil Security Group – Firearms and Explosives Office
Department of Science and Technology	Philippine Nuclear Research Institute
Department of Trade and Industry	Strategic Trade Management Office
Office of the President	Philippine Drug Enforcement Agency
	Dangerous Drugs Board

General Merchandise and Retail	
Department of Agriculture	National Tobacco Administration
Department of Education	National Book Development Board
Department of Environment and Natural Resources	Forest Management Bureau

Department of Finance	Bureau of Customs
	Bureau of Internal Revenue
Department of Health	Food and Drugs Administration
Department of Information and Communications Technology	National Telecommunications Commission
Department of Interior and Local Government	PNP Civil Security Group – Firearms and Explosives Office
Department of Trade and Industry	Fair Trade and Enforcement Bureau
	Bureau of Philippine Standards
Department of Transportation	Civil Aviation Authority of the Philippines
	Civil Aeronautics Board
	Maritime Industry Authority
	Philippine Ports Authority
Government-Owned or Controlled Corporation (GOCC)	Bangko Sentral ng Pilipinas
Office of the President	Optical Media Board
	National Museum
	National Commission for Culture and the Arts
	Philippine Gaming Corporation

Tax and Duty Exempt Cluster	
Department of Agriculture	Fertilizer and Pesticides Authority
Department of Education	National Book Development Board
Department of Energy	Energy Resource Development Bureau
Department of Finance	Bureau of Customs
	Bureau of Internal Revenue
	Revenue Office
Department of Foreign Affairs	Office of Protocol
Department of Health	Food and Drugs Administration
Department of Information and Communications Technology	National Telecommunications Commission
Department of Tourism	Tourism Infrastructure and Enterprise Zone Authority
Department of Trade and Industry	Board of Investments
	Fair Trade and Enforcement Bureau
Department of Transportation	Civil Aviation Authority of the Philippines
	Maritime Industry Authority
Government-Owned or Controlled Corporation (GOCC)	Clark Development Corporation
National Economic Development Authority	Trade, Services, and Industry Staff
Office of the President	Philippine Gaming Corporation

Relief Consignment and Foreign Donations Cluster	
Department of Trade and Industry	Fair Trade and Enforcement Bureau
Department of Finance	Bureau of Customs
Department of Social Welfare and Development	Standards Bureau
Department of Foreign Affairs	Office of the Protocol

Monitoring and Oversight Cluster	
Department of Agriculture	Philippine Fiber Industry Development Authority
	National Dairy Authority
	National Food Authority
	Philippine Coconut Authority
Department of Environment and Natural Resources	Environment Management Bureau
Department of Finance	Bureau of Customs
	Bureau of Internal Revenue
	Bureau of Treasury
	Insurance Commission
Department of Justice	National Bureau of Investigation
	Bureau of Immigration
Department of Labor and Employment	Philippine Overseas Employment Administration
	Overseas Workers Welfare Administration
Department of Trade and Industry	Intellectual Property Office
	Bureau of Import Services
	Export Development Council
	Philippine Economic Zone Authority
	Philippine International Trading Corporation
Department of Transportation	Civil Aeronautics Board
	Land Transportation Office
	Philippine Ports Authority
National Economic Development Authority	Tariff Commission
	Philippine Statistics Authority
Office of the President	Anti-Red Tape Authority
	Dangerous Drugs Board
	National Intelligence Coordinating Agency

Ecozones and Freeport Zones Cluster	
Department of Finance	Bureau of Customs
	Bureau of Internal Revenue
Department of Tourism	Tourism Infrastructure and Enterprise Zone Authority
Department of Trade and Industry	Authority of Freeport Area of Bataan
	Aurora Pacific Economic Zone and Freeport Authority

	Philippine Economic Zone Authority
Government-Owned or Controlled Corporation	Subic Bay Metropolitan Authority
	Cagayan Economic Zone Authority
	Clark Development Corporation
	Zamboanga City Special Economic Zone Authority
	John Hay Management Corporation
Office of the President	Bases Conversion and Development Authority
	Phividec Industrial Authority

ASEAN Single Window	
Department of Agriculture	Bureau of Plant and Industry
	Bureau of Animal Industry
	Bureau of Fisheries and Aquatic Resources
Department of Finance	Bureau of Customs
Department of Trade and Industry	Bureau of International Trade Relations

4. GENERAL GUIDELINES

4.1. Mandatory Onboarding of the Identified Trade Regulatory Government Agencies

4.1.1. Office-in-Charge / Person-in-Charge. Within one week from receipt of this Memorandum, the TRGA should inform the Anti-Red Tape Authority (“Authority”), either in writing or electronically, the office and the head and/ or focal person responsible for the coordination and the implementation of the compulsory onboarding of the agency to the TradeNet platform.

4.1.2. Compliance to AO 23 and Section 5 of RA 11032. TRGAs shall, in light of their mandatory onboarding to the TradeNet, ensure that all their processes and procedures are simple, convenient, fast, effective, and efficient for the transacting public in keeping with the provisions of Administrative Order 23 and Section 5 of RA 11032 on Reengineering of Systems and Procedures.

4.1.3. Reportorial Requirements. Within two weeks from receipt of this Memorandum, the TRGA must submit an initial report on the actions taken by their office in compliance with this Memorandum. Every two weeks thereafter, the TRGA must regularly submit a report on the status of their onboarding to the TradeNet platform to the Department of Finance as Chair of the Steering Committee and copy furnished the

Anti-Red Tape Authority (ARTA) as Vice-Chair for Onboarding Matters of the National Single Window Technical Working Group (NSW-TWG).

4.1.4. Assistance on Technical and System Requirements and Specifications. For matters concerning the technical or system specifications of the TradeNet, TRGAs are advised to coordinate the matter with the TradeNet Project Management Office under the Department of Finance. TRGAs shall ensure that their government services shall not be disrupted in lieu of their onboarding with the National Single Window.

4.1.5. Issuance of Policies, Rules, and/ or Guidelines. TRGAs may issue pertinent policies, rules, and/or guidelines, as may be needed, to ensure full implementation of TradeNet. TRGAs shall also provide copies of the said policies, rules, and/or guidelines to the TradeNet Project Management Office within one week from the receipt of this Memorandum.

4.1.6. Compliance to the TradeNet Integration Guidelines. TRGAs should comply with the guidelines to be issued by Department of Finance and Bureau of Customs related to the integration, operation, and maintenance of TradeNet.

4.2. Onboarding Activities and Timeline

Within 10 weeks from the issuance of this Memorandum Circular and receipt of a letter-request for onboarding signed by ARTA, Department of Trade and Industry, Department of Finance, and Bureau of Customs, TRGAs shall already be onboarded to the TradeNet platform.

The following timeline of onboarding activities must be observed by the TRGAs:

Activities/Task	Target Deadline:
1. Designation of Agency Counterpart Team (ACT)	
Re-engagement of Agencies for the TradeNet Onboarding: EODB-ARTA Council Resolution 12, TradeNet Handbook, Template of Manuals	Week 1
Agency to submit to TradeNet PMO the designated Agency Counterpart	Week 2
2. Agency General Orientation	
TradeNet Orientation	Week 3
Assignment of Agencies Counterpart Team to TradeNet Onboarding	
3. ACT Capacity Building	

Agency training on Basic Business Process Analysis	Week 4
Agency training on simplifying processes and creating desired outcomes	
Agency training on AHTN/HS Codes Classification/Identification	Week 5
Agency orientation on the preparation and creation of manuals and guidelines	
4. Development of TO-BE Processes and Agency Module in TradeNet	
Agency to develop Recommended Processes (To-Be) and submit to TradeNet Onboarding Team	Week 6
Agency to prepare UMLS for the processes and submit to TradeNet Onboarding Team	
Agency to submit AHTN Code of Regulated Commodities	Week 6 – Week 7
TradeNet Onboarding Team to configure Agency Workflows in TradeNet	Week 7
TradeNet Onboarding Team and ACT to test workflows in the Staging Environment	Week 8
5. Final Review and Approval of Agency Module, Trainings, Documentations, and Announcement	
Finalization and Approval of Agency Module (To-Be Processes, Workflows, Data fields)	Week 8
Agency and Pilot Market User Training	Week 8 – Week 9
Agency to prepare and issue operational guidelines and procedure, manuals and establish Customer Help Desk within the agency	
Agency to submit formal notification to BOC on the use of TradeNet	Week 9
Agency to release public announcement of their LIVE operation in the TradeNet platform	
Agency GO LIVE with Pilot Market Users	Week 10

4.3. Deadline of Integration

4.3.1. The deadline for the mandatory integration and onboarding of the TRGAs to the TradeNet platform should be **no later than the 10th week from the issuance of this Memorandum and receipt of the individual letter-request** as mentioned in Item 4.2 of this Memorandum.

4.3.2. A TRGA's failure to comply with this **Memorandum** may be a ground for the filing of appropriate administrative sanctions.

5. FEEDBACK

5.1. All inquiries and concerns about this Memorandum Circular shall be coursed through the Authority through any of the following means:

- Telephone Number: (02) 8478-5099
- E-mail address: info@arta.gov.ph
- Website: www.arta.gov.ph
- Facebook: Anti-Red Tape Authority
- Twitter: @ARTAgovph
- Instagram: @ARTAgovph

5.2. All inquiries and concerns regarding the onboarding activities shall be coursed through the TradeNet Project Management Office through any of the following means:

- Telephone Number: (02) 8525-4451
- Email address: tradenetsecretariat@dof.gov.ph

6. AMENDMENTS TO GUIDELINES

The guidelines outlined in this **Memorandum** are subject to change as may be deemed necessary by the Authority and shall be issued through a supplemental Memorandum.


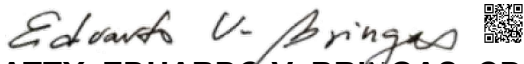
7. EFFECTIVITY

This **Memorandum** shall take effect immediately.

RECOMMENDED BY:



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Deputy Director General for Operations



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