
ISSUANCE OF STAFF REPORT AND NOTICE OF PUBLIC HEARING: Formal Investigation on the Imposition of Definitive Safeguard Measures Against Importations of Corrugating Medium from Various Countries [TCI (SG) No. SG-2025-OC-Corrugating Medium]

1 message

Tariff Commission <tc.assist@mail.tariffcommission.gov.ph>

Wed, Nov 12, 2025 at 3:32 PM

Dear Sir/Madam:

Pursuant to Commission Order No. 2021-02, or the Revised Rules of Procedure for the Conduct of Formal Investigations Pursuant to Republic Act No. 8800 (Safeguard Measures Act), and in accordance with the Order of Preliminary Conference issued on 10 September 2025, the Commission hereby provides a copy of its Staff Report on the afore-captioned Formal Investigation (see attached).

Please be reminded that within five (5) working days from receipt of the Staff Report, parties are required to submit comments on the aspects of product comparability and volume of increased imports, copy furnished other parties, as these matters will be excluded for discussion in the public hearings. If no comment is filed, the findings on product comparability and volume of increased imports of the Commission contained in its Staff Report will be binding to the party who did not submit a comment.

Likewise, please be informed that this Commission has set the schedule for the conduct of public hearings for this instant case. Attached is the Notice of Public Hearing issued on 12 November 2025.

For any inquiries and concerns, please feel free to get in touch with Ms. Jean C. Alberto, Head of the Commission's Task Force for this case, at email addresses TC.Assist@mail.tariffcommission.gov.ph and/or Records@tariffcommission.gov.ph.

Kindly acknowledge receipt of this email.

Thank you.

TARIFF COMMISSION

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2 attachments

 Attachment 1 - Public Version_Staff Report_SG Corrugating Medium - with complete annexes.pdf
7003K

 Attachment 2 - Notice of Public Hearing_TCI (SG) No. SG-2025-OC-Corragating Medium - signed (with hologram).pdf
496K



REPUBLIC OF THE PHILIPPINES

TARIFF COMMISSION

STAFF REPORT

**FORMAL INVESTIGATION
ON THE IMPOSITION OF DEFINITIVE SAFEGUARD MEASURES
AGAINST IMPORTATIONS OF CORRUGATING MEDIUM
(AHTN 2022 Subheading Nos. 4805.12.00, 4805.19.10, and
4805.19.90)
FROM VARIOUS COUNTRIES**

TCI (SG) No. SG-2025-OC-Corrugating Medium

Public Version

12 November 2025

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Acronyms

AE	United Arab Emirates
AHTN	ASEAN Harmonised Tariff Nomenclature
ASEAN	Association of Southeast Asian Nations
AU	Australia
BIS	Bureau of Import Services
BOC	Bureau of Customs
BPS	Bureau of Philippine Standards
CA	Canada
CD	Cross-Direction
cmT	Concora medium test
cmT30	Corrugated Medium Test with 30 minutes of conditioning
CN	China
COGS	Cost of Goods Sold
Commission or TC	Tariff Commission
DAO	Department Administrative Order
DDR	Direct Drive Rotary
DE	Germany
DFT	Department of Foreign Trade, Ministry of Commerce of the Kingdom of Thailand
DIP	Deinked Pulp
DLK	double liner kraft
DTI	Department of Trade and Industry
EIEDs	Electronic Import Entry Declarations
EMS	Environmental Management System
EN	Explanatory Notes
EO	Executive Order
ETP	Effluent Treatment Plant
FCR	Flat Crush Resistance
FI	Finland
FTA	Free Trade Agreement
g	Gram
GATT	General Agreement on Tariffs and Trade
GOI	Government of Indonesia
GSM or g/m ²	Grams per square meter
HS	Harmonized Commodity Description and Coding System
ID	Indonesia
IN	India
IRRs	Implementing Rules and Regulations
ISO	International Organization for Standardization
JP	Japan
kg	kilogram
kgf	kilogram-force
KR	Korea
m	meter
m ²	square meter
MFN	Most Favoured Nation
min	minute
MT	metric ton

MWp	megawatt-peak
MY	Malaysia
N	newton
NTM	Non-Tariff Measure
OCC	old corrugated cartons
PHP	Philippine Peso
PM1	Paper Machine 1
PM3	Paper Machine 3
PM7	Paper Machine 7
PNS	Philippine National Standard
POI	Period of Investigation
PULPAPEL	Pulp and Paper Manufacturers Association of the Philippines, Inc.
QCS	Quality Control System
RA	Republic Act
RCR	Ring Crush Resistance
RU	Russia
SE	Sweden
SG	Singapore
SGA	Selling, General and Administrative
TAPPI	Technical Association of the Pulp and Paper Industry
TH	Thailand
TRAINS	Trade Analysis Information System
TW	Taiwan
UNCTAD	United Nations Conference on Trade and Development
UPPC	United Pulp and Paper Company, Inc.
VN	Viet Nam
WP3	Waste Paper 3
WTO	World Trade Organization

1. TERMS OF REFERENCE

1.1. Background

1.1.1. Initiation

Following receipt of a properly documented application from the Philippine corrugating medium industry, represented by Pulp and Paper Manufacturers Association of the Philippines, Inc. (PULPAPEL) and two of its member-companies, United Pulp and Paper Company, Inc. (UPPC) and Bataan 2020, Inc., the Department of Trade and Industry (DTI) initiated¹, on 11 February 2025, a preliminary investigation on the application of safeguard measures on the importation of corrugating medium from various countries, after finding the existence of a *prima facie* case that justified the initiation for the same.

In a letter of even date, the Secretary of Trade and Industry (Secretary) informed the Tariff Commission (Commission or TC) of the initiation of said preliminary investigation.

The product covered by the preliminary investigation is corrugating medium classified under Association of Southeast Asian Nations (ASEAN) Harmonised Tariff Nomenclature (AHTN) 2022 Subheading Nos. 4805.12.00, 4805.19.10, and 4805.19.90. The period of investigation (POI) was from 2019 to 2023, and was updated until 2024.²

1.1.2. Preliminary Determination and Imposition of Provisional Measure

The DTI, in its Preliminary Determination Report issued on 01 August 2025, established the existence of a causal link between the increased imports of the product under consideration and the serious injury to the domestic industry. In addition, the DTI likewise found the existence of critical circumstances which warranted the imposition of provisional safeguard measures on subject product classified under AHTN Subheading Nos. 4805.12.00, 4805.19.10, and 4805.19.90.³

Thus, on 01 August 2025, the DTI issued Department Administrative Order (DAO) No. 25-11 (series of 2025), imposing a provisional safeguard measure, in the form of a cash bond equivalent to PHP 3,438/metric ton (MT) on importations of corrugating medium, except for imports originating from developing countries, pursuant to Rule 8.8 of the Implementing Rules and Regulations (IRRs) of Republic Act (RA) No. 8800. The provisional measure is effective for 200 days from the issuance by the Bureau of Customs (BOC) of the relevant Customs Memorandum Order (CMO) or Customs Memorandum Circular (CMC).⁴

¹ Notice of Initiation of a Preliminary Investigation on the Application for Safeguard Measures on the Importation of Corrugating Medium from Various Countries issued on 11 February 2025.

² Report on the Preliminary Affirmative Findings on the Application for Safeguard Measures on the Importation of Corrugating Medium from Various Countries (SGM Case No. SG01-2025), 01 August 2025, DTI.

³ Ibid.

⁴ Ibid.

On 08 October 2025, the BOC issued CMC No. 188-2025 to implement DTI-DAO No. 25-11 (series of 2025).

1.2. Endorsement of Case to the Tariff Commission

Following affirmative preliminary determination, the Secretary, in a letter dated 01 August 2025 and received by the Commission on 07 August 2025, requested the conduct of formal investigation to determine the merits of imposing a definitive safeguard measure on imported corrugating medium, and transmitted a copy of DTI-DAO No. 25-11 (series of 2025) along with the records of the case to the Commission, *viz*:

Table 1.1. Case Records Received from the DTI

Folder I	DTI Reports on the Initiation of a Preliminary Investigation and on the Preliminary Affirmative Findings on the Application for Safeguard Measures on the Importation of Corrugating Medium from Various Countries (confidential and non-confidential versions)
Folder II	Importer's Response to DTI-BIS Questionnaire
Folder III	Exporter's Response to DTI-BIS Questionnaire
Folder IV	Other Correspondences

On 14 August 2025, the DTI-Bureau of Import Services (BIS) endorsed a flash drive containing soft copies of the complete the records of the case, particularly information submitted by the interested parties.

The Commission commenced its formal investigation on 27 August 2025.

2. THE FORMAL INVESTIGATION

Section 9 of RA No. 8800 provides the legal basis for the Commission to conduct a formal investigation on the merits of imposing a definitive safeguard measure against importations of corrugating medium:

“Section 9. Formal Investigation. – Within five (5) working days from receipt of the request from the Secretary, the Commission shall publish the notice of the commencement of the investigation, and public hearings which shall afford interested parties and consumers an opportunity to be present, or to present evidence, to respond to the presentation of other parties and consumers and otherwise be heard. Evidence and positions with respect to the importation of the subject article shall be submitted to the Commission within fifteen (15) days after the initiation of the investigation by the Commission.

The Commission shall complete its investigation and submit its report to the Secretary within one hundred twenty (120) calendar days from receipt of the referral by the Secretary, except when the Secretary certifies that the same is urgent, in which case the Commission shall complete the investigation and submit the report to the Secretary within sixty (60) days.”

2.1. Period of Investigation

As discussed earlier, the DTI's POI for determination of surge of imports and serious injury or threat thereof to the domestic corrugating medium industry covered the years 2019 to 2024.

For purposes of this formal investigation, the POI is extended to include the most recent data available, specifically until June 2025, in accordance with *Argentina-Safeguard Measures on Imports of Footwear (EC)*⁵, where the World Trade Organization (WTO) Appellate Body stated that investigating authorities must assess recent imports, rather than merely considering trends in imports over the past five years or any other extended period.

2.2. Notice of Commencement of Formal Investigation

The Commission commenced its formal investigation through the issuance of a *Notice of Commencement of Formal Investigation and Conduct of Preliminary Conference* on 27 August 2025 (Annex A). Said Notice was published in *The Manila Times* and *Manila Standard* (Annex B) and was uploaded on the Commission's website (<http://www.tariffcommission.gov.ph>) on the same date. Additionally, individual notices were sent via electronic mail to all parties on record.

⁵ WTO Document: WT/DS121/9

2.3. Conduct of Preliminary Conference

The Preliminary Conference was held (*via* Videoconferencing using the Microsoft Teams platform) on 05 September 2025. During the Preliminary Conference, the parties were apprised about the investigation's timelines and rules of procedure under Commission Order No. 2021-02 (*Revised Rules of Procedure for the Conduct of Formal Investigations Pursuant to Republic Act No. 8800*), including the nature of the investigation; the appearance of counsel and parties; inclusion/exclusion of parties; modes of service/notice; submission of initial memoranda/position papers; recourse to other data and information; treatment of confidential information; maintenance of public file; conduct of inspection/verification activities; submission of adjustment plans; issuance of the Commission's Staff Report and submission of comments thereto; submission of affidavits of witnesses and list of additional issues for the Public Hearing; conduct of Public Hearing; and submission of amended and/or final memoranda/position papers, among others.

Among the attendees to the Preliminary Conference were representatives and/or counsels of the following: (a) Petitioner PULPAPEL and its cooperating member-companies UPPC and Bataan 2020, Inc.; (b) importers - Davao Packaging Corporation, Primeline Paper Sales, Inc. and Well-Pack Container Corporation; (c) exporters - Japan Pulp and Paper Co., Ltd. and PT. Indah Kiat Pulp & Paper Tbk; (d) embassies - Indonesian Embassy in Manila and the Taipei Economic and Cultural Office; (e) national government agencies - DTI-BIS and Philippine News Agency; (f) foreign government bodies - Trade Remedies Authority, Ministry of Industry and Trade of Viet Nam; Department of Foreign Trade, Thailand; and Directorate of Trade Defense, Ministry of Trade, Republic of Indonesia; (g) industry associations - Indonesian Pulp and Paper Association and Philippine Chamber of Commerce and Industry; and (h) media - Business Mirror, Business World, Manila Bulletin, Manila Times, Philippine Daily Inquirer, and Philippine Star.

On 10 September 2025, the Commission issued an *Order of Preliminary Conference* containing the matters discussed and agreed upon by the parties during the Preliminary Conference (*Annex C*). Said *Order* was posted on the Commission's website on the same date and was provided to all parties that attended the Preliminary Conference.

2.4. Request for Information

Simultaneous with the issuance of the *Notice of Commencement of Formal Investigation and Preliminary Conference*, the Commission requested domestic producers⁶, foreign manufacturers/exporters, importers and/or other interested parties who have participated during the DTI's Preliminary Investigation, or those who wish to participate in this Commission's Formal Investigation, to accomplish TC Forms (i.e., TC Form 5-A for domestic producers, TC Form 5-B for exporters, or TC Form 5-C for importers), as deemed applicable and appropriate.

⁶ PULPAPEL member-companies (through PULPAPEL) as well as non-members

The following parties submitted their accomplished TC Forms:

Table 2.1. Submissions of TC Forms by Parties

Parties	Date of Submission
Domestic Producers:	
1. UPPC	03 October 2025
2. Bataan 2020, Inc. ⁷	15 October 2025
Foreign Producers/Exporters	
1. Soltis Kagit-Dis Tic. A.S. (Turkey)	05 September 2025
2. PT. Indah Kiat Pulp & Paper Tbk. (Indonesia)	09 October 2025

2.5. Ocular Inspection / Data Verification / Meetings

As provided in its *Order of Preliminary Conference* issued on 10 September 2025, the Commission shall conduct on-site investigations, to include ocular inspections and visits, to verify information submitted or to obtain further details.

The following on-site investigations have been conducted to date:

Table 2.2. Ocular Inspection / Data Verification Activities

Domestic Producers	Date
Ocular Inspection/Visit:	
1. UPPC	08 October 2025
2. Bataan 2020, Inc.	09 October 2025
Data Verification:	
1. UPPC	16 October 2025
2. Bataan 2020, Inc. ⁸	24 October 2025

During the course of the ocular inspections/data verification activities, the Commission requested additional relevant information (e.g., product specifications; manufacturing process; production, trade, financial indicators, and market shares) from concerned parties in order to gain more insights and a greater understanding of the Philippine corrugating medium industry (Table 2.3).

Table 2.3. Submission of Additional Information by Parties

Domestic Producers	Date of Submission
UPPC	09 October and 10 October 2025
	22 October 2025
PULPAPEL	09 October 2025
	20 October 2025
Bataan 2020, Inc.	30 October 2025

⁷ Request for extension of time to submit TC Form 5-A until 15 October 2025 (from the original deadline of 08 October 2025) was granted.

⁸ Request for rescheduling of data verification from 20 October to 24 October was granted.

3. THE PARTIES' SUBMISSIONS

All position papers, affidavits and other documentary evidence received by the Commission to date are tabulated in *Annex D*. A public file containing non-confidential information/submissions is being maintained by the Commission and is available, upon request, to all interested parties.

3.1. The Petitioner: PULPAPEL

To support its application for the imposition of safeguard measures against importations of corrugating medium from various countries, petitioner PULPAPEL, by counsel, submitted the following arguments:⁹

Table 3.1. Positions of Petitioner: PULPAPEL

Issue	Positions
On the imported product under consideration	<ul style="list-style-type: none">The tariff heading, appearance, physical characteristics, use and application, general manufacturing process, and raw materials of corrugating medium produced by the Philippine producers are the same as imported corrugating medium.The only difference in corrugating medium produced by Philippine producers and imported corrugating medium is on the marketing/distribution system.<ul style="list-style-type: none">Locally produced corrugating medium are sold directly to box-makers and converters.Imported corrugating medium are distributed in the Philippines by local agents; and box-makers also purchase directly from mills abroad. These agents serve as middlemen between the exporters (foreign producers) and the importers (box-makers and converters). Box-makers and converters convert the corrugating medium to corrugated boxes which are then sold to end-users.
On increased imports	<ul style="list-style-type: none">Imports have increased sharply in both absolute and relative terms<ul style="list-style-type: none">In 2019, imports were 74,984 MT. By 2023, imports had climbed to 89,311 MT, marking a 19% increase compared to 2019. From 2022 to 2023, imports surged sharply by 77%, increasing from 50,345 MT to 89,311 MT. In the first half of 2025, imports already reached 135,364 MT, which is more than double the imports from 2022 (50,345 MT). If this trend continues, imports in 2025 are projected to match or exceed the record levels of 2024 (261,263 MT).This sharp rise in imports is a major concern for domestic producers, as it indicates a growing reliance on foreign supply, reducing the ability of local industries to capture market share. The dramatic increase in imports directly competes with local production, leading to price suppression and financial strain on domestic manufacturers.The DTI, in its Initiation Report, described this surge as “<i>substantial both in absolute terms and relative to domestic production.</i>” The 2025 data confirms that this surge is accelerating, not plateauing. The growth is not

⁹ Memorandum received by the Commission on 29 September 2025

Issue	Positions
	an anomaly but a sustained trend that places the Philippine corrugating medium industry in direct peril.
On serious injury and/or threat of serious injury	<ul style="list-style-type: none"> • The industry's impairment is significant, sustained, and multi-dimensional <ul style="list-style-type: none"> - Declining production: Domestic production was relatively stable until 2020, when it decreased significantly, dropping to an index of 76 MT due to the effects of the COVID-19 pandemic. Production began to recover in 2021, reaching an index of 89 MT, and continued to increase in 2022, rising to an index of 124 MT. However, in 2023, despite increased production capacity (127 MT), production growth showed little improvement. The surge in imports, with 89,311 MT of imports in 2023, displaced domestic products, preventing local producers from capitalizing on stable demand. This decline in domestic production, despite rising imports, illustrates the strain the industry faces in maintaining market share. - Rising inventories: As imports surged, particularly in 2023 and 2024, domestic sales stagnated at 100 MT in 2023, the same level as 2019, despite increased production capacity. This mismatch led to an accumulation of unsold stock, contributing to a significant rise in inventories. By 2024, with imports projected to reach 261,263 MT, inventories are expected to rise further, confirming that local producers are unable to absorb the growing market demand, which is increasingly captured by imports. The continued displacement of local products is evident as imports dominate the market. - Negative profitability: The domestic industry was profitable up until 2021, with positive returns from 2019 to 2021. However, by 2022, profitability began to decline as domestic sales stagnated at 101 MT despite a significant rise in production. The 2023 figures reveal a continued struggle, as mills were unable to expand sales in a market increasingly dominated by imports. Producers were forced to sell at lower prices, unable to compete with cheaper imports, which led to financial strain. This trend in declining, if not negative, profitability reflects significant impairment of the industry, as producers struggle to remain viable in an increasingly competitive market. - Employment and social impact: The domestic industry supports approximately 6,000 workers directly and 8,000 wastepaper collectors indirectly. As profitability declines, these workers face increased job insecurity and reduced incomes. In particular, wastepaper collectors, who depend entirely on the recycling chain, are at risk. Negative profitability and the rising displacement of local products by imports threaten their livelihoods. Every year of declining profitability directly endangers the jobs of thousands of individuals who rely on the sector for their income. - Environmental impact: The continued rise in imports, particularly the anticipated increase in imports of more than 270,000 MT in 2025, threatens to displace local production and the recycling chain. Without a robust domestic industry, the country's recycling infrastructure could collapse, leading to increased waste and environmental degradation. • The DTI Initiation Report confirmed that the industry's financial position has "significantly weakened" and stated that "<i>these events seriously affected their</i>

Issue	Positions
	<p><i>overall bottom line as illustrated in their financial statement.</i>" These factors, taken together, amount to serious injury within the meaning of RA No. 8800 and the WTO rules.</p>
On causality	<ul style="list-style-type: none"> • Imports are the proximate and substantial cause of injury <ul style="list-style-type: none"> - The causal link between increased imports and serious injury is clear. The DTI Initiation Report concluded that "<i>the surge of imports at depressed prices is a substantial cause of the serious injury suffered by the domestic industry.</i>"¹⁰ This conclusion is reinforced by the fact that no other factor explains the downturn. Domestic demand has remained stable. Input costs rose globally but affected foreign and local producers alike. Only imports, priced significantly below domestic costs, can explain the industry's collapse. - The 2025 data show that injury is accelerating because imports are now entering at record volumes on a monthly and quarterly basis, giving domestic producers no opportunity to recover. - This rapid acceleration demonstrates that the domestic industry cannot withstand another year without relief. Every month imports displace more local production, deepen financial losses, and erode employment and environmental sustainability. A delay will result in irreversible damage: plant closures, layoffs, and the collapse of the recycling chain.
Other issues	<ul style="list-style-type: none"> • Public interest <ul style="list-style-type: none"> - Safeguard measures must also be viewed in the context of public interest. Granting relief to the sector will protect thousands of workers and wastepaper collectors, ensure that over 1.1 million MT of recyclable waste continues to be processed annually, and provide stability for downstream packaging industries that depend on corrugating medium. - If the industry collapses, imports will monopolize the market.

Submission of Adjustment Plan

Rule 4.1 of the IRRs of RA No. 8800 defines adjustment plan as an "*action plan which a domestic industry is required to submit, that describes a set of quantified goals, specific plans, and timetables that a concerned industry commits to undertake in order to facilitate positive adjustment of the industry to import competition.*"

Pursuant to the Commission's directive in its *Order of Preliminary Conference* issued on 10 September 2025, UPPC and Bataan 2020, Inc. submitted on 13 October and 14 October 2025, respectively, their adjustment plans containing specific measures which the companies commit to implement and/or adopt by 2025 to facilitate their positive adjustment to import competition (Table 3.2).

¹⁰ Page 26 of DTI Report on the Initiation of a Preliminary Investigation on the Application for Safeguard Measures on the Importation of Corrugating Medium from Various Countries, 11 February 2025.

Table 3.2. Adjustment Plans: UPPC and Bataan 2020, Inc.

Specific Measures to be Undertaken	Positive Effects	Expenditure (PHP)	Percentage of Completion (as of 13 October 2025)	Period of Implementation
UPPC:				
Effluent Treatment Plant (ETP) Fiber Recovery	<ul style="list-style-type: none"> ➤ Increase recovery of short and fine fibers to lower fiber cost ➤ Reduce chemical cost at ETP 	■■■■■	15%	December 2025
Increase Waste Paper 3 (WP3) Pulper Pump Capacity	<ul style="list-style-type: none"> ➤ Increase life of pulper pump impeller ➤ Opportunity increase on capacity of Pulping Group 	■■■■■	5%	April 2026
Use of Retention Aide Chemicals at Paper Machine 3 (PM3)	<ul style="list-style-type: none"> ➤ Increase retention of fibers which results to fiber savings 	■■■■■	10%	March 2026
PM3 Web Break Monitoring	<ul style="list-style-type: none"> ➤ Increase machine running time by reduction of sheet breaks 	■■■■■	5%	Quarter 4, 2026
PM3 Turbo Vacuum Blower	<ul style="list-style-type: none"> ➤ Reduce power consumption 	■■■■■	10%	March 2027
Solar Farm 2.45 megawatt-peak (MWp)	<ul style="list-style-type: none"> ➤ Reduce cost for power consumption 	■■■■■	5%	Quarter 4, 2027
Roll Grinder Project	<ul style="list-style-type: none"> ➤ Reduce cost for the grinding of machine rolls 	■■■■■	5%	Quarter 4, 2027
PM3 Cross-Direction (CD) Moisture Profile Control	<ul style="list-style-type: none"> ➤ Reduce roll rejects due to bad profile 	■■■■■	5%	Quarter 1, 2028
PM3 Thickener for Broke System	<ul style="list-style-type: none"> ➤ Increase recovery of fibers to lower fiber cost 	■■■■■	5%	Quarter 1, 2028
Bataan 2020:				
Deinked Pulp (DIP) Rehabilitation, Low Density Cleaner	Improve stickies removal and machine runnability	■■■■■	30%	2025-July 2026
Maglev Vacuum Pump	Achieve 45% power savings and improve machine efficiency	■■■■■		2026-2027
Replacement of direct drive rotary (DDR) Motor	Reduce power consumption	■■■■■		2026

Specific Measures to be Undertaken	Positive Effects	Expenditure (PHP)	Percentage of Completion (as of 13 October 2025)	Period of Implementation
Environmental Management System (EMS) Upgrade	Ensure compliance with environmental regulations	[REDACTED]	60%	2025-2026
Headbox Upgrade in Paper Machine 7 (PM7)	Improve moisture consistency and profile	[REDACTED]		2027-2028
DIP 1 Thickener	Increase capacity and output	[REDACTED]		2027
Replacement Kneading Machine (Disperger)	Improve cleaning system	[REDACTED]		2027
Installation of Size Press	Improve paper quality	[REDACTED]		2028
Replacement of Quality Control System (QCS)	Enhance paper quality testing	[REDACTED]		2029
Upgrade High Efficiency Motors	Reduce power usage	[REDACTED]		2026-2029
Replacement of Air Compressor	Reduce power usage	[REDACTED]		2026-2027
Annual Maintenance of Spares for Paper Machine 1 (PM1) Drives	Improve machine runnability	[REDACTED]		2026-2035
Sludge Handling as Fuel to Boiler	Save on utility cost (power and steam)	[REDACTED]		2028

3.2. The Oppositors/Other Interested Parties

Several parties (e.g., foreign governments, exporters) expressed opposition to the imposition of safeguard measures on corrugating medium. Based on their submissions to the Commission, the arguments to support their respective positions are summarized below:

Table 3.3. Positions of Other Interested Parties

Party	Positions
Foreign Government	
Directorate General of Foreign Trade, Ministry of Trade of the Republic of Indonesia	<ul style="list-style-type: none"> No Serious Injury or Threat of Serious Injury to the Domestic Industry as shown by improvement of several key performance indicators: <ul style="list-style-type: none"> Domestic Sales: Increased from an index of 100 in 2023 to 154 in 2024 (54.15% in volume); sales value rose from 123 to 157 (28.08%). Production: Recovered from 76 index points in 2020 to 157 in 2024, a twofold increase.

Party	Positions
	<ul style="list-style-type: none"> - Productivity: Improved from 100 in 2019 to 157 in 2024, indicating greater efficiency. - Finished Goods Inventory: Declined sharply from 638 in 2023 to 228 in 2024, consistent with higher sales, production, and productivity. <p>Overall, these data indicate stronger and improving performance of the domestic industry, not deterioration.</p> <p>Consequently, the DTI's determination is not consistent with the requirements of Article 4 of the WTO Agreement on Safeguards, which sets out the legal standard for establishing the existence of serious injury or threat of serious injury to the domestic industry.</p> <ul style="list-style-type: none"> • Other Factors Causing Serious Injury or Threat Thereof <ul style="list-style-type: none"> - Decline in Export Performance: <ul style="list-style-type: none"> o Export volume dropped from 823 to 555 index points between 2023 and 2024, a 268-point decrease. o This decline shows weakened export performance, which significantly affected the domestic industry. - High Operating Costs: <ul style="list-style-type: none"> o The DTI acknowledged that Philippine producers face high utility and raw material costs, making local corrugating medium less competitive. o Domestic producers (Bataan 2020, Inc. and UPPC) also recognized these cost challenges in their own petition. - Rising Cost Structure: <ul style="list-style-type: none"> o Cost of Goods Sold (COGS) rose from 134 to 198 index points (47.7%). o Selling, General and Administrative (SGA) expenses increased from 146 to 364 index points (149%). <p>These factors show that the real causes of injury are the decline in exports and high operating costs, not increased imports.</p> <p>Therefore, the DTI's finding fails to establish the causal link required under Article 4.2(b) of the WTO Agreement on Safeguards.</p> <ul style="list-style-type: none"> • DTI fails to prove that unforeseen developments caused the import surge <ul style="list-style-type: none"> - DTI stated that the oversupply from Indonesia and other countries constitutes an "unforeseen development". However, imports from Indonesia during the POI constitutes only a minor percentage of the Philippine market, despite Indonesia's proximity as a neighbor and ASEAN member-partner. - Pursuant to Article XIX of the General Agreement on Tariffs and Trade (GATT) 1994, a further analysis is required regarding unforeseen developments that result in an import surge.

Party	Positions
	<p>The Government of Indonesia (GOI) argues strongly that the requirements under Article XIX of the GATT 1994 do not apply to imports from Indonesia.</p> <ul style="list-style-type: none"> The legal requirements under Article XIX of GATT 1994 and WTO Agreement of Safeguards are not fulfilled accordingly. Thus, the GOI respectfully reaffirms its position and requests that the TC will exclude Indonesia from this investigation.
Department of Foreign Trade (DFT), Ministry of Commerce of the Kingdom of Thailand	<ul style="list-style-type: none"> The DFT observes that the Philippines has no binding tariff obligation with respect to the product under investigation in its WTO schedule of concessions. Therefore, the imposition of safeguard measures is inconsistent with Article XIX of the GATT 1994 and Article 1 of the Agreement on Safeguards. For this fundamental reason, the DFT asserts that the investigation is irrelevant and should be immediately terminated, as it cannot result in a safeguard measure. Should the TC insist on imposing a safeguard measure that cannot be imposed, then, under Article 2.1 of the Agreement on Safeguards, safeguard measures can be justified "only" when, as a result of unforeseen developments and the effect of obligations incurred (including tariff concessions), a product is being imported in quantities as to cause or threaten to cause serious injury to the domestic industry. The DFT further cites Article 9.1 of the Agreement on Safeguards, which provides that safeguard measures shall not be applied against products from developing country Members whose import share does not exceed 3%. Imports of corrugating medium from Thailand were negligible and below 3% during 2022–2024, as shown in the DTI Report.
Exporter	
PT. Indah Kiat Pulp & Paper Tbk.	<ul style="list-style-type: none"> The domestic industry is not suffering from serious injury or a threat thereof which warrants the imposition of a safeguard measure. The domestic industry has caused and originated the purported "injury" that they are using to justify the imposition of a safeguard measure. <ul style="list-style-type: none"> Inability to Meet Market Demand <ul style="list-style-type: none"> The domestic industry operates at only 41% capacity utilization, despite increased capacity between 2022–2023, reflecting underleveraged production. This low utilization demonstrates that imports are necessary to fill the supply gap and sustain downstream operations. Industry participants confirm persistent domestic supply shortages. <ul style="list-style-type: none"> Well-Pack Container Corporation: Local mills cannot supply orders due to production schedule constraints and limited runs for corrugating medium. Japan Pulp & Paper Co., Ltd.: Local production of recycled paper is insufficient to meet packaging industry needs, necessitating imports. Asian Stationery Corporation: Import volumes increased due to insufficient local supply during the period of investigation. Inability to Meet Quality Standards

Party	Positions
	<ul style="list-style-type: none"> ○ Multiple importers attest that imported corrugating medium offers superior quality and consistency compared to local products. <ul style="list-style-type: none"> • Metro Ace Packaging Corporation: Imported paper shows better moisture resistance; no local paper meets their required standards. • Allied Corrugator Corporation: Local corrugating medium is inferior, with high humidity absorption that damages products. • Asian Stationery Corporation: Imported paper has greater stiffness and more stable quality. ○ These testimonies show that imports fill a quality gap, not create injury. - Inability to Offer Competitive Pricing <ul style="list-style-type: none"> ○ Local mills' expansion and new machinery installations in 2021–2022 led to sharp cost increases in: COGS and SGA expenses. ○ Consequently, domestic prices rose, compelling buyers to prefer competitively priced imports. ○ Import preference is market-driven, not injury-inducing, as buyers respond to price competitiveness and cost efficiency. - Broader Economic Downturn from Safeguard Measures <ul style="list-style-type: none"> ○ The imposition of additional safeguard duties would: increase production costs for downstream industries (corrugators and box makers); trigger a domino effect of higher prices for brand owners and consumers; and exacerbate inflation and negatively affect macroeconomic stability. ○ Importers and users warned of these impacts: <ul style="list-style-type: none"> • 818 East Asia Group Corporation: Safeguard duties will raise packaging and food prices, fueling inflation. • Jennson Packaging Corporation: Higher costs and supply instability will burden end-users and affect trade relations. • Triple Star Packaging Corporation: Price increases in paper commodities will burden the economy and limit competitiveness. • There is no causal link between the volume of imports and the alleged deterioration of the performance of the domestic industry. <ul style="list-style-type: none"> - No factual or legal basis: Under Section 12 of the Safeguard Measures Agreement and Article 4.2(b) of the WTO Agreement on Safeguards, a safeguard measure requires a proven causal link between increased imports and serious injury. The available evidence shows none. - Industry performance improved despite import growth: Imports rose sharply in 2023–2024, yet domestic production increased by 27% and sales grew by 54% in 2024, showing market recovery and adaptation, not injury. - Imported and local products are not “like products”: Importers report superior quality, stability, and moisture resistance in imported corrugating medium. Local mills cannot meet comparable standards, refuting the DTI’s “like product” claim. - Import volume increase driven by necessity: The rise in imports resulted from the domestic industry’s inability to meet market demand,

Party	Positions
	<p>quality requirements, and competitive pricing, not from injurious trade behavior.</p> <ul style="list-style-type: none"> - Domestic setbacks caused by internal factors: The industry's overcapacity, high operating costs, inefficient production planning, and underutilization of 64% are self-inflicted problems unrelated to import competition. - External market conditions explain the downturn: Global oversupply, rising input costs, weak export demand, and post-pandemic inflationary pressures contributed more directly to performance declines. - Admissions by the domestic industry: Local producers themselves acknowledge high costs, global oversupply, and weak export markets as the main causes of their difficulties, not imports. - The alleged injury stems from internal inefficiencies and external market forces, not importation. The causal link requirement under Section 12 of the Safeguard Measures Agreement is therefore absent, and no safeguard measure should be imposed.

4. PRODUCT UNDER CONSIDERATION

4.1. Subject Article/s Based on the Application

Based on its Application, PULPAPEL requested the imposition of safeguard measures on imported corrugating medium classified under AHTN 2007 Subheading Nos. 4805.12.10 and 4805.12.90 (straw fluting paper), and 4805.19.10 and 4805.19.90 (recycled corrugating medium).

It should be noted, however, that PULPAPEL used an older tariff code for said articles in its Application. Under the AHTN 2017¹¹, the two tariff lines for straw fluting paper were merged into one tariff line, AHTN 2017 Subheading No. 4805.12.00. This AHTN 2017 tariff line remained unchanged under the present AHTN 2022. Meanwhile, the tariff lines for recycled corrugating medium remain unchanged from the 2007 version of the AHTN, up to the present.

Considering the above, under the current AHTN 2022, PULPAPEL's Application covers corrugating medium under AHTN 2022 Subheading Nos. 4805.12.00, 4805.19.10, and 4805.19.90, as affirmed by the DTI in its Report on the Preliminary Affirmative Findings dated 01 August 2025 and DTI-DAO No. 25-11 (series of 2025).

4.2. Subject Article: Corrugating Medium

Corrugating medium, also referred to as fluting paper or fluting medium, is the paper used to form the fluted portion of the corrugated fibreboard.¹² Corrugating medium is classified under AHTN 2022 Heading 48.05, and has different types, which includes straw fluting paper and recycled corrugating medium, the products covered by PULPAPEL's application.

Straw fluting paper, which is classified under AHTN 2022 Subheading No. 4805.12.00, is mainly produced from cereal straws (e.g., wheat, rice, barley, oat, etc.). Subheading Note 4 to Chapter 48 of the AHTN 2022, in particular, states that Subheading No. 4805.12 covers paper, in rolls, made mainly of straw pulp obtained by a combination of mechanical and chemical processes, and having a cmt30 (Corrugated Medium Test with 30 minutes of conditioning) crush resistance exceeding 1.4 newtons/g/m² at 50 % relative humidity, at 23 °C.

Meanwhile, recycled corrugating medium, falling under AHTN 2022 Subheading No. 4805.19, is manufactured using recycled fibers as its primary raw input. The pertinent Harmonized Commodity Description and Coding System (HS) Subheading Explanatory Notes (EN) to Subheading No. 4805.19 state that it includes "Wellenstoff fluting paper (recycled medium)", being paper in rolls made mainly of pulp of recovered (waste and scrap) paper or paperboard, with additives (e.g., starch),

¹¹ The 2017 version of the AHTN (AHTN 2017) was applicable during the first three-and-a-half years of the POI (2019-June 2022). The AHTN 2022 was adopted/implemented by the Philippines starting July 2022.

¹² PNS 166:2002. Paper, board and pulps – Corrugating medium – specification. Bureau of Philippine Standards.

weighing at least 100 g/m², and having a cmT30 crush resistance exceeding 1.6 newtons/g/m² at 50 % relative humidity, at 23 °C.

Table 4.1 shows the structure of straw fluting paper and recycled corrugating medium in the current AHTN 2022 version.

Table 4.1. AHTN 2022 Tariff Structure: Straw Fluting Paper and Recycled Corrugating Medium

AHTN 2022 Code	Product Description
48.05	Other uncoated paper and paperboard, in rolls or sheets, not further worked or processed than as specified in Note 3 to this Chapter. - Fluting paper :
4805.12.00	- - Straw fluting paper
4805.19	- - Other :
4805.19.10	- - - Weighing more than 150 g/m ² but less than 225 g/m ²
4805.19.90	- - - Other

Both straw fluting paper and recycled corrugating medium serve as the fluted inner layer between two outer sheets of flat testliner, which form the characteristic sandwich structure of corrugated cartons/cardboards. This sandwich structure provides strength and cushioning for packaged goods by enhancing the structural integrity and resistance of the corrugated board against side pressure and crushing.

4.3. Product Under Consideration

Section 5, Chapter II, of RA No. 8800 provides for the conditions for the application of a general safeguard measure, *to wit*:

“SEC. 5. Conditions for the Application of General Safeguard Measures. - The Secretary shall apply a general safeguard measure upon a positive final determination of the Commission that a product is being imported into the country in increased quantities, whether absolute or relative to the domestic production, as to be a substantial cause of serious injury or threat thereof to the domestic industry; however, in the case of non-agricultural products, the Secretary shall first establish that the application of such safeguard measures will be in the public interest.” (underscoring supplied)

Based on the above, the product under consideration refers to the product being imported into the country in increased quantities, and under such conditions, cause or threaten to cause serious injury to the domestic industry.

Following the Commission’s review of the Electronic Import Entry Declarations (EIEDs) of the BOC and the submissions of the members of the industry, as verified during ocular inspections, it was found that there are no importations of straw fluting paper (AHTN 2022 Subheading No. 4805.12.00) during the POI. Neither is there any domestic production of the same product in the country.

Considering the absence of importations of straw fluting paper during the POI of 2019 to June 2025, one of the conditions for applying a general safeguard measure, in so far as this product is concerned, is not met. Thus, the product under consideration for this Formal Investigation is limited to recycled corrugating medium classified under AHTN 2022 Subheading Nos. 4805.19.10 and 4805.19.90.

5. OVERVIEW OF THE DOMESTIC INDUSTRY AND MARKET

5.1. The Domestic Recycled Corrugating Medium Industry

The local recycled corrugating medium industry processes over 1.1 million MT of recyclable solid waste annually, employing 6,000 direct workers and sustaining 8,000 wastepaper collectors nationwide¹³. Locally produced recycled corrugating medium, together with liner boards, are converted into corrugated boxes which protect products from possible damage during shipment and storage. These corrugated boxes are also designated for piling or stacking to withstand top and side pressure, and for crush resistance.

The industry association, PULPAPEL, currently has 11 member-companies (Table 5.1). Except for Paperland, Inc., the PULPAPEL members are all engaged in the production of recycled corrugating medium.

Table 5.1. Domestic Producers: PULPAPEL

PULPAPEL Member Companies		Location
1	UPPC	Calumpit, Bulacan
2	Container Corporation of the Philippines	Balintawak, Quezon City
3	Bataan 2020, Inc.	Samal, Bataan
4	Certified Mills Inc.	Cabuyao, Laguna
5	Cascade Enterprises Inc. (formerly Trans-National Paper Corporation)	Tanza, Cavite
6	Batangas Paper Corporation	Santo Tomas, Batangas
7	Liberty Paper Mills	Valenzuela City, Metro Manila
8	Multi Ply Paper Ventures Inc. [formerly Trust International Paper Corporation]	Mabalacat City, Pampanga
9	Fiber Sorting Inc.	Mabalacat City, Pampanga
10	Paperland Inc.	Balon Bato, Quezon City
11	First Interscrap Trading Corporation	Baesa, Quezon City

Source: PULPAPEL's Memorandum received on 29 September 2025

There are four other producers of recycled corrugating medium who are not members of the industry association. These are the following:

Table 5.2. Other Domestic Producers

Company		Location
1.	Danao Paper Mills, Inc.	Danao City, Cebu
2.	Dowell Container and Packaging Corporation-Paper Division	Carmona, Cavite
3.	Hansson Paper Philippines, Inc.	Pasig City, Metro Manila
4.	Vanson Paper Corporation	Valenzuela City, Metro Manila

Source: PULPAPEL

¹³ PULPAPEL's Memorandum received on 29 September 2025

5.2. Petitioner: Domestic Manufacturers

As mentioned in Part 1.1.1 of this Report, the Petitioner of this investigation is the industry association PULPAPEL. Of the 10 member-companies of PULPAPEL that are engaged in the production of recycled corrugating medium, only two companies, UPPC and Bataan 2020, Inc., cooperated in this investigation.

UPPC is a subsidiary of Siam Cement Group Packaging (Thailand), and its manufacturing plant is situated on a 44-hectare land area at Km.48 Iba Este, Calumpit, Bulacan. UPPC is engaged in the manufacture of recycled corrugated medium and testliner board and has been in the industry since 1969. The company uses 100% reclaimed paper as a major raw material, recovered from its nationwide network of baling stations, to produce its products.

Meanwhile, Bataan 2020, Inc., a pioneer in the Philippine manufacturing paper industry, produces recycled corrugating medium, linerboard, printing and writing paper, and tissue parent rolls, among others. It operates its paper mills in Samal, Bataan and in Baesa, Quezon City, and has been in the industry since 1956.

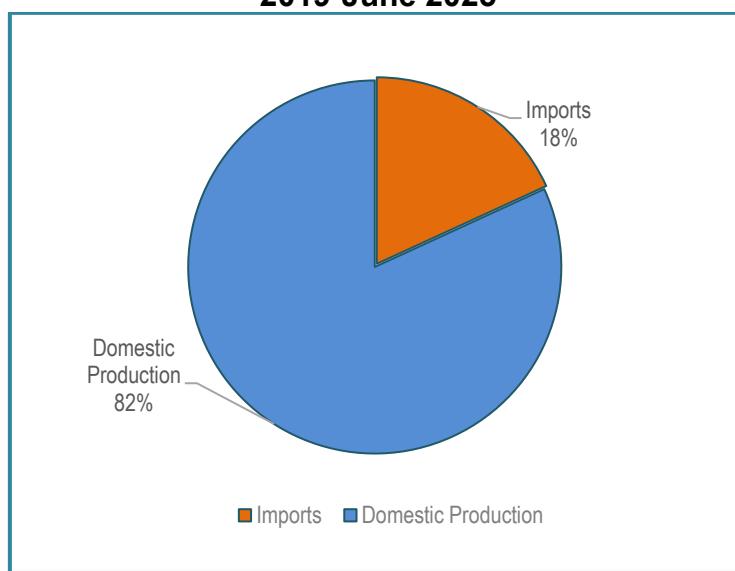
5.3. The Domestic Market

5.3.1. Supply

The supply of recycled corrugating medium in the Philippine market is composed of both the locally manufactured and imported products.

During the POI, total supply of recycled corrugating medium (composed of domestic industry production and imports) aggregated to approximately 3.1 million MT. The domestic industry accounted for about 82% (2.5 million MT) of this volume (Figure 1). Annual supply ranged from 366,389 MT (2020) to 573,580 MT (2024).

**Figure 1. Supply of Recycled Corrugating Medium:
2019-June 2025**



Sources of basic data: Imports - BOC-EIEDs; Domestic Production – PULPAPEL

5.3.2. Demand

The primary users of recycled corrugating medium in the Philippines are converters or carton manufacturers who process it, as well as linerboard, into finished corrugated boxes and cardboards to carry and protect items (e.g., canned goods, home appliances, electronic products, glassware, ceramics) from possible damage during handling, transportation/shipment, and while in storage.

5.4. Tariff Rates

5.4.1. Most Favoured Nation

As previously discussed, recycled corrugating medium, produced from 100% recycled fibers, is classified under AHTN 2022 Codes 4805.19.10 and 4805.19.90.

Under Executive Order (EO) No. 62 (s. 2024), which prescribed the 2024-2028 Most Favoured Nation (MFN) tariff structure of the Philippines, the MFN rates of duty for recycled corrugating medium is 7% *ad valorem* for the five-year period (Table 5.3). These tariffs have been unchanged since 2019 (the beginning year of the POI).

**Table 5.3. MFN Tariff Rates (2019-2028) and WTO Bindings:
Recycled Corrugating Medium**

AHTN 2022 Code	Product Description	MFN Tariff Rate (%): 2019-2028	WTO Bound Rate
48.05	Other uncoated paper and paperboard, in rolls or sheets, not further worked or processed than as specified in Note 3 to this Chapter.		
	- Fluting paper :		
4805.19	-- Other :		
4805.19.10	-- Weighing more than 150 g/m ² but less than 225 g/m ²	7	Unbound
4805.19.90	-- Other	7	Unbound

There is no WTO tariff binding for recycled corrugating medium.

5.4.2. Preferential

Under the 11 Free Trade Agreements (FTAs) that the Philippines is a party to, recycled corrugating medium may be imported duty-free (subject to compliance with Rules of Origin requirements) under eight FTAs (Table 5.4). For the remaining four FTAs (ASEAN-China FTA, ASEAN-Hong Kong, China FTA, ASEAN-India FTA, and the Philippines-European Free Trade Association FTA), the Philippines did not grant duty-free treatment and the 2025 FTA rates are 1%, 5%, or 7%.

Table 5.4. Preferential Tariffs (2019-2025): Recycled Corrugating Medium

	Free Trade Agreement	FTA Tariff Rate (%): 2019-2025						
		2019	2020	2021	2022	2023	2024	2025
1	ASEAN-Australia-New Zealand FTA	0/0	0/0	0/0	0/0	0/0	0/0	0/0
2	ASEAN-China FTA	5/5	5/5	5/5	5/5	5/5	5/5	5/5
3	ASEAN-Hong Kong, China FTA	5/7	2/7	0/7	0/7	0/7	0/7	0/7
4	ASEAN-India FTA	5/5	5/5	5/5	5/5	5/5	5/5	5/5
5	ASEAN-Japan Comprehensive Economic Partnership Agreement	0/0	0/0	0/0	0/0	0/0	0/0	0/0
6	ASEAN-Korea FTA	0/0	0/0	0/0	0/0	0/0	0/0	0/0
7	ASEAN Trade in Goods Agreement	0/0	0/0	0/0	0/0	0/0	0/0	0/0
8	Philippines-Japan Economic Partnership Agreement	0/0	0/0	0/0	0/0	0/0	0/0	0/0
9	Philippines-European Free Trade Association FTA							
	Switzerland/Liechtenstein	5/5	5/5	3/3	3/3	3/3	1/1	1/1
	Iceland	5/5	5/5	3/3	3/3	3/3	1/1	1/1
	Norway	5/5	5/5	3/3	3/3	3/3	1/1	1/1
10	Philippines-Korea FTA	N.A.*	N.A.*	N.A.*	N.A.*	N.A.*	0/0	0/0
11	Regional Comprehensive Economic Partnership Agreement	N.A.*	N.A.*	N.A.*	N.A.*	0/0	0/0	0/0

*Note: N.A. – Not applicable since FTA was not yet in effect

5.5. Non-Tariff Measures

Based on the Trade Analysis Information System (TRAINS) database of the United Nations Conference on Trade and Development (UNCTAD), there was no non-tariff measure (NTM) imposed by the Philippines on recycled corrugating medium as of 2018.

6. DETERMINATION OF COMPLIANCE WITH DOMESTIC INDUSTRY REQUIREMENT

6.1. Domestic Industry Requirement

Section 5 of RA No. 8800 provides the conditions for the application of general safeguard measures, *to wit*:

"The Secretary shall apply a general safeguard measure upon a positive determination of the Commission that a product is being imported into the country in increased quantities, whether absolute or relative to the domestic production as to be substantial cause of serious injury or threat thereof to the domestic industry." (underscoring supplied)

Section 4(f) of RA No. 8800 defines "domestic industry" as referring to *"the domestic producers, as a whole, of like or directly competitive products manufactured or produced in the Philippines or those whose collective output of like or directly competitive products constitutes a major proportion of the total domestic production of those products."* (underscoring supplied)

Rule 4.1 of the IRRs of RA No. 8800 further provides that: *"(1) in the case of a domestic producer which also imports the product under consideration, only its domestic production of the like or directly competitive product shall be treated as part of the domestic production, or (2) in the case of a domestic producer which produces more than one product, only that portion of its production of the like or directly competitive production may be treated as part of such domestic production."*

Corollary to the above, Section 4.1(c) of the WTO Agreement on Safeguards states that *"in determining serious injury or threat thereof, a "domestic injury" shall be understood to mean the producers as a whole of the like or directly competitive products operating within the territory of a Member, or those whose collective output of the like or directly competitive products constitutes a major proportion of the total domestic production of those products."*

The definition of 'major proportion' was expounded in *EC-Fasteners*¹⁴, where the Appellate Body stated that *"the proper interpretation of the term 'a major proportion' xxx requires that the domestic industry defined on this basis encompass producers whose collective output represents a relatively high proportion that substantially reflects the total domestic production. This ensures that the injury determination is based on wide-ranging information regarding domestic producers and is not distorted or skewed."*

Based on the above, the necessity to define the domestic industry is relevant to the determination of serious injury or its threat thereof. Further, to ensure the accuracy of the injury analysis, the data gathered must either cover the whole

¹⁴ WTO Document: WT/DS397/AB/RW

domestic industry; or if not feasible, represent the domestic producers whose collective output constitute a major proportion of the product.

6.2. Compliance with Domestic Industry Requirement

As mentioned in Part 5.1 of this Report, the domestic recycled corrugating medium industry is comprised of 10 PULPAPEL member-companies and four other domestic producers.

Based on PULPAPEL data, annual industry production of recycled corrugating medium ranged from 293,000 MT (2020) to 432,000 MT (2019) over the POI (Table 6.1). The PULPAPEL member-companies accounted for at least 90% of annual industry production, or an average 91% share of 2019-2024 annual volumes, during the POI.

Table 6.1. Production of Recycled Corrugating Medium, Total Industry: 2019-June 2025

Particulars	Total Industry Production (MT)						
	2019	2020	2021	2022	2023	2024	2025 (January-June)
PULPAPEL Member-Companies	399,000	265,000	366,660	382,718	340,930	391,830	174,185
Other Companies (Non-Members of PULPAPEL)	33,000	28,000	37,200	42,115	37,500	31,205	15,413
Total	432,000	293,000	403,860	424,833	378,430	423,035	189,600
Share of PULPAPEL Member-Companies to Total Industry Production	92.36	90.44	90.79	90.09	90.09	92.62	91.87

Source of basic data: PULPAPEL

It bears stressing, however, that out of the 10 PULPAPEL member-companies producing subject article, only two companies - UPPC and Bataan 2020, Inc. - cooperated in this investigation and have consequently submitted information before the Commission. The two producers accounted for an average share of only 31% of annual domestic industry production from 2019 to 2024, *viz*:

**Table 6.2. Production of Recycled Corrugating Medium,
UPPC and Bataan 2020, Inc.: 2019-June 2025**

Particulars	Production of UPPC and Bataan 2020, Inc. (MT)						
	2019	2020	2021	2022	2023	2024	2025 (January-June)
UPPC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Bataan 2020, Inc.	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total ^{1/}	108,188	82,121	96,137	134,545	140,378	170,329	64,644
Total Industry Production ^{2/}	432,000	293,000	403,860	424,833	378,430	423,035	189,600
Combined Share of UPPC and Bataan 2020, Inc. to Total Industry Production	25	28	24	32	37	40	34

Sources of basic data on production: ^{1/}Verified submissions (TC Form 5-A) of both companies; ^{2/}PULPAPEL

In *US – Lamb*, the Appellate Body explained that “*to make a determination concerning the overall situation of an industry, means that competent authorities must have sufficient factual basis xxx. The need for such sufficient factual basis, in turn, implies that the data examined, concerning the relevant factors, must be representative of the ‘domestic industry.’ Indeed, a determination made on the basis of insufficient data would not be a determination about the state of the ‘domestic industry’, as defined in the Agreement, but would, in reality, be a determination pertaining to producers of something less than ‘a major proportion of the total domestic production’ of the products at issue.”*

While it is true that Petitioner, the association PULPAPEL itself, accounted for at least 90% of annual industry production, for an average 91% share, during the POI, the combined production volume of its members UPPC and Bataan 2020, Inc. who cooperated in the investigation and whose data/information shall be used for purposes of determining serious injury or threat thereof to the industry, do not constitute a major proportion of the domestic production of recycled corrugating medium.

Guided by the above WTO jurisprudence, this insufficiency of data may mean that findings on injury will only pertain to the state of UPPC and Bataan 2020, Inc., rather than accurately reflect the overall state of the domestic recycled corrugating medium industry.

7. DETERMINATION OF LIKE PRODUCT OR DIRECTLY COMPETITIVE PRODUCT

Rule 9.4.a of the IRRs of RA No. 8800 requires the Commission to determine *“if the domestic product is a like or directly competitive product to the imported product under consideration.”*

Section 4(h) of RA No. 8800 defines “like product” as *“a domestic product which is identical, i.e., alike in all respects to the imported product under consideration, or in the absence of such a product, another domestic product which, although not alike in all respects, has characteristics closely resembling those of the imported product under consideration.”* Section 4(e) defines “directly competitive products” as *“domestically-produced substitutable products.”*

7.1. Subject Article

7.1.1. Imported Product Under Consideration

As discussed in Chapter 4, the imported product under consideration is recycled corrugating medium classified under AHTN 2022 Subheading Nos. 4805.19.10 and 4805.19.90.

7.1.2. Domestic Product

Based on the submissions of UPPC and Bataan 2020 Inc., and as verified by the Commission during ocular inspections conducted on their respective plant facilities, the domestic industry exclusively produces recycled corrugating medium made from 100% recycled paper, with various grades and grammages.

7.2. WTO Requirement

Like Products

In the Appellate Body Report on “Japan – Taxes on Alcoholic Beverages”, it adopted the Panel’s findings that *“like products”* must be narrowly construed, noting that *“the term ‘like products’ suggest that for two products to fall under this category they must share, apart from commonality of end-uses, essentially the same physical characteristics”* (emphasis supplied).¹⁵ The Report further stated that: *“Tariff classification has been used as a criterion for determining “like products” in several previous adopted panel reports.”*¹⁶

¹⁵ WTO Appellate Body Report of the Panel. 1996. *“Japan – Taxes on Alcoholic Beverages”*. WTO Document Code WT/DS8/AB/R; WT/DS10/AB/R; WT/DS11/AB/R

¹⁶ WTO Appellate Body Report. 1996. *“Japan – Taxes on Alcoholic Beverages”*. WTO Document Code WT/DS8/AB/R; WT/DS10/AB/R; WT/DS11/AB/R

Directly Competitive Products

Paragraph 91 of the WTO Appellate Body Report on “Korea – Taxes on Alcoholic Beverages”¹⁷ identified the following key elements for the interpretation of the term “directly competitive”:

- i. *The word “competitive” means “characterized by competition”. The context of the competitive relationship is necessarily the marketplace, since that is the forum where consumers choose different products that offer alternative ways of satisfying a particular need or taste. As competition in the marketplace is a dynamic and evolving process, the competitive relationship between products is not to be analyzed exclusively by current consumer preferences; competitive relationship extends as well to potential competition.*
- ii. *According to the ordinary meaning of the term “directly competitive”, products are competitive or substitutable when they are interchangeable or if they offer alternative ways of satisfying a particular need or taste.*
- iii. *“Like” products are a subset of directly competitive or substitutable products: all like products are, by definition, directly competitive or substitutable, whereas not all “directly competitive or substitutable” products are “like”.*

7.3. Factors for Consideration

In making a determination on “like product” or “directly competitive product”, the Commission was guided by the requirements of the Safeguard Measures Act and the WTO Agreement on Safeguards.

The Commission considered all submissions received, its findings from the plant inspections and technical discussions held with parties, and the results of its own research, including the use of best information available.

7.3.1. Production Process

In general, the manufacturing process of recycled corrugating medium, whether locally produced or imported, can be grouped into three major phases: raw material preparation, stock preparation, and papermaking process.

- a. **Raw material preparation** - The primary inputs for recycled corrugating medium are recycled paper which may consist of old corrugated cartons (OCC), prime OCC (used corrugated containers with higher strength, commonly sourced from tobacco boxes), double liner kraft (DLK), and mixed paper (composed of used office papers, receipts, and discarded books). The recovered papers are inspected and sorted to remove contaminants including plastics, metals, textiles, and other non-paper materials. Bales are then broken and fed into the pulping system, where coarse impurities such

¹⁷ WTO Appellate Body Report, 1998. “Korea – Taxes on Alcoholic Beverages”: WTO Document Code WT/DS75/AB/R; WT/DS84/AB/R

as wires, strings, and large debris are removed through detrashing mechanisms. This phase ensures that only acceptable fiber material enters the stock preparation line.

- b. **Stock preparation** - In this stage, the sorted wastepaper is disintegrated into the hydropulper or drum pulper, allowing fibers to separate. The resulting slurry passes through multi-stage coarse and fine screening systems to remove contaminants such as stickies, films, grit, and ink specks. Cleaning stages using centrifugal cleaners further remove heavy and light impurities. Chemical additives including cationic starch, dry-strength substances, and defoamers are introduced to optimize runnability and sheet strength. The treated stock is then blended and diluted to the target consistency for papermaking.
- c. **Papermaking process** - The prepared stock enters the approach flow system, where final screening and deaeration ensure uniform delivery to the headbox. The stock is evenly deposited onto the forming wire, where water drains to form a continuous paper web. The wet web then passes through the press section to remove additional water and consolidate the sheet. In the dryer section, steam-heated cylinders evaporate remaining moisture, bringing the sheet to final dryness. A size press is typically used to apply surface starch, enhancing the strength properties needed for corrugating applications. The sheet may undergo light calendering before being wound into reels and slit to customer-specified dimensions.

Findings

Based on the submission of the parties, ocular inspection conducted by the Commission, and other information gathered during the investigation, it was found that both locally produced and imported recycled corrugating medium are manufactured using the general process (raw material preparation, stock preparation, and papermaking process) discussed above.

7.3.2. Product Characteristics

The Philippine National Standard (PNS) 166:2002 specifies the characteristics, properties, and quality of corrugating medium (all types) to be used in the country, including the applicable standards for recycled corrugating medium manufactured from pulp and/or recycled/secondary fibers. However, corrugating medium is currently not included on the List of Products Under Mandatory Certification published by the DTI-Bureau of Philippine Standards (BPS)¹⁸ and therefore, compliance with the said PNS is currently not mandatory.

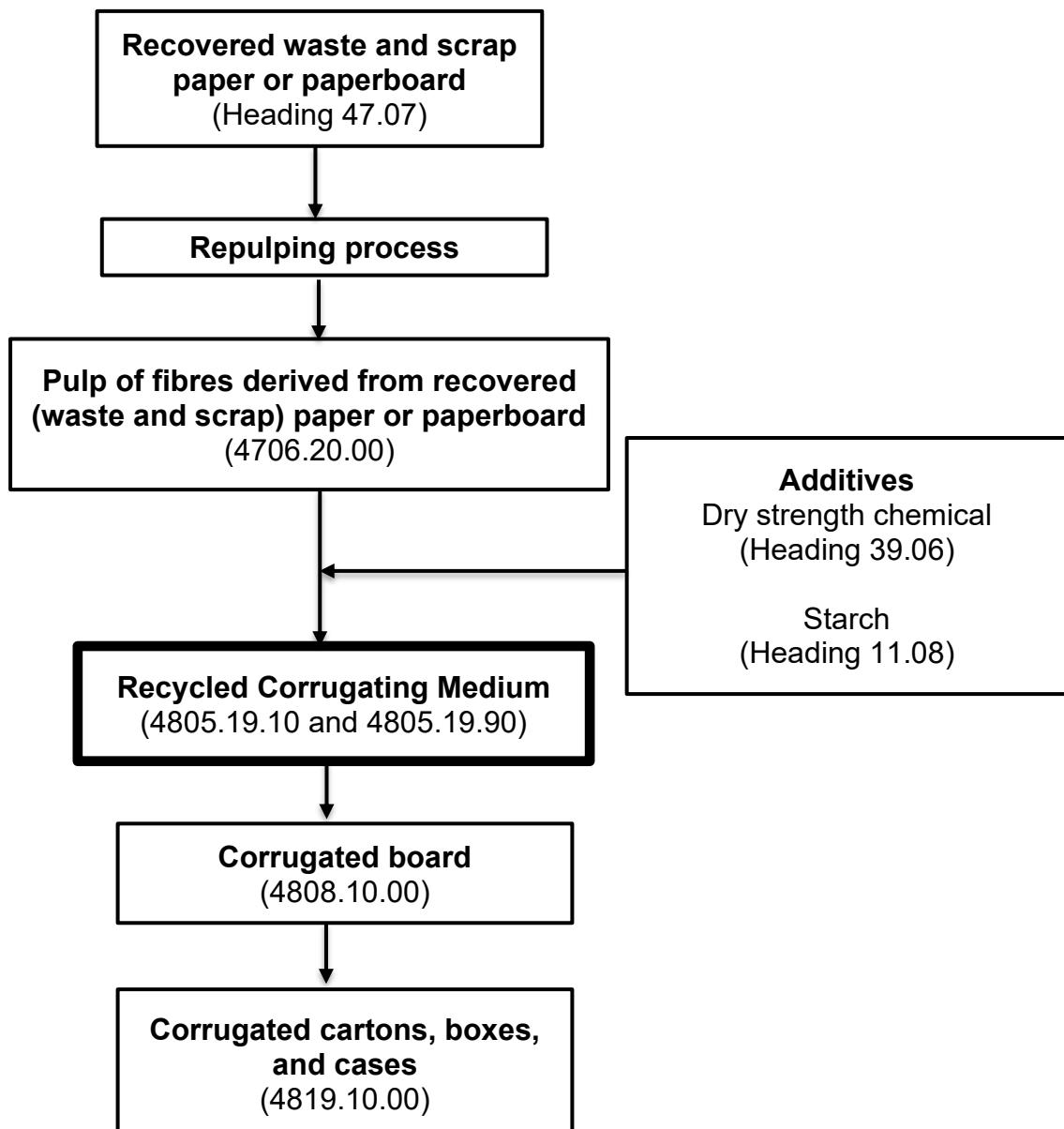
The EN of the HS and AHTN likewise provide technical parameters for products to be classified under a specific tariff line. Thus, they specify the requirements for recycled corrugating medium classified under AHTN 2022 Subheading Nos. 4805.19.10 and 4805.19.90.

¹⁸ List of Products Under Mandatory Certification. Standard Conformance Portal. DTI-BPS. Accessed on 10 November 2025 from <https://bps.dti.gov.ph/index.php/product-certification/list-of-products-under-mandatory-certification>

7.3.2.1. Product Composition

The primary raw material used in the production of recycled corrugating medium, whether domestically produced or imported, is recycled paper or paperboard. Recycled paper inputs may consist of OCC, prime OCC (used corrugated containers with higher strength, normally sourced from tobacco boxes), DLK, and mixed paper (used office papers, receipts, and discarded books). Additives such as dry-strength chemicals and starch may be added in the manufacture of subject article to enhance/increase the mechanical properties of the final product. Figure 2 shows the raw materials used in the manufacture of recycled corrugating medium.

Figure 2. Linkage Chart of Recycled Corrugating Medium



Findings

Based on the submissions of the local producers and exporters, ocular inspections conducted on the members of the domestic industry, and information gathered during the investigation, the Commission finds that both locally produced and imported recycled corrugating medium were made primarily from recycled paper.

7.3.2.2. Mechanical Properties

As previously stated, the HS EN and AHTN indicate product technical requirements.

The pertinent HS Subheading EN to Subheading No. 4805.19 defines the requirements for recycled corrugating medium classified under Subheading Nos. 4805.19.10 and 4805.19.90. Said EN states that recycled corrugating medium has a basis weight of at least 100 g/m² and a cmT30 crush resistance exceeding 1.6 newton (N)/gram/square meter (g/m²). The minimum flat crush resistance requirement is calculated by multiplying the basis weight by the cmT30 value, resulting in a threshold of 160 N.

To understand the foregoing technical requirement, the definitions of several key terms, which also refer to key properties of recycled corrugating medium, are provided below:

- a. **Grammage** - Basis weight or grammage is defined as the mass of a unit area of a paper expressed as grams per square meter¹⁹ (g/m² also referred to as GSM).
- b. **Flat Crush Resistance (FCR)** - The corrugating medium test with 30 minutes of conditioning (cmT30), also known as the Concora medium test (cmT), is a method used to determine the flat crush resistance of a laboratory fluted strip of corrugating medium.²⁰ This test is done according to the Technical Association of the Pulp and Paper Industry (TAPPI) Test Method T809.
- c. **Moisture Content** - The moisture content is the amount of water present in the paper or paperboard (expressed as a percentage of the dry weight). TAPPI T412 and International Organization for Standardization (ISO) 287 are test methods used to determine the moisture content. These methods involve weighing a sample of the paper or paperboard, then drying it at a specific temperature for a specified period of time until the weight no longer changes, indicating that all the moisture has been evaporated. The weight of the dried sample is then compared to the initial weight, and the difference is used to calculate the moisture content.²¹

¹⁹ PNS 166:2002. Paper, board and pulps – Corrugating medium – specification. Bureau of Philippine Standards.

²⁰ *Ibid.*

²¹ Overview for TAPPI T412 Moisture Content of Paper. Accessed on 12 October 2025 from <https://purple-diamond.com/testing-standards/tappi-testing-standards/tappi-t412-moisture-content-of-paper/>

d. **Ring Crush Resistance (RCR)**²² - Ring crush resistance test determines the compressive force sustained by the specimen held in ring form in a special jig. It correlates with edgewise compressive strength, which is a principal element in determining the box compression strength.

In its determination, the Commission focused on evaluating the foregoing key properties of recycled corrugating medium, namely, grammage, FCR, moisture content, and RCR.

Table 7.1 below shows the grades of recycled corrugating medium and their corresponding mechanical properties as produced by the domestic industry and foreign manufacturers.

Table 7.1. Mechanical Properties: Locally Produced and Imported Recycled Corrugating Medium

Basis Weight (g/m ²)	Mechanical Properties	Locally Produced		Imported Counterpart
		UPPC	Bataan 2020 Inc.	
105	RCR, N (min)			-
	FCR/cmT, N (min)			-
	Moisture, %			-
110	RCR, N (min)		-	-
	FCR/cmT, N (min)		-	-
	Moisture, %			
112	RCR, N (min)	-	-	
	FCR/cmT, N (min)	-	-	
	Moisture, %	-	-	
115	RCR, N (min)			-
	FCR/cmT, N (min)			-
	Moisture, %			-
125	RCR, N (min)			
	FCR/cmT, N (min)			
	Moisture, %			
140	RCR, N (min)		-	-
	FCR/cmT, N (min)		-	-
	Moisture, %		-	-
150	RCR, N (min)			
	FCR/cmT, N (min)			
	Moisture, %			
170	RCR, N (min)	-		-
	FCR/cmT, N (min)	-		-
	Moisture, %	-		-
175	RCR, N (min)	-	-	
	FCR/cmT, N (min)	-	-	
	Moisture, %	-	-	
185	RCR, N (min)		-	-
	FCR/cmT, N (min)		-	-

²² Overview for TAPPI T412 Moisture Content of Paper. Accessed on 12 October 2025 from <https://purple-diamond.com/testing-standards/tappi-testing-standards/tappi-t412-moisture-content-of-paper/>

Basis Weight (g/m ²)	Mechanical Properties	Locally Produced		Imported Counterpart
		UPPC	Bataan 2020 Inc.	
	Moisture, %		-	-

Legend:

- * – special grade not regularly produced
- a – recycled corrugating medium Grade A (CA)
- b – grade available upon request
- min – minimum

Note:

- For Bataan 2020 Inc. data, the given ring crush resistance and flat crush resistance values were in kilogram-force (kgf). For consistency purposes, these were converted to newtons (N) by multiplying the kgf by 9.81.

Based on the above, UPPC and Bataan 2020, Inc. produce more grades of recycled corrugating medium compared to foreign manufacturers. A comparison of the grades and physical properties of locally produced and imported recycled corrugating medium shows the following:

- a. The RCR and FCR of the domestically produced █ g/m² recycled corrugating medium are higher than those of the imported █ g/m² counterpart.
- b. For the █ g/m² grade, the imported recycled corrugating medium exhibits a slightly higher RCR but a lower FCR compared to the locally produced counterpart.
- c. For the █ g/m² grade, both the RCR and FCR values of the domestically produced recycled corrugating medium are significantly higher than those of the imported product.
- d. For the █ g/m², the imported product shows lower RCR and FCR values compared to the corresponding mechanical properties of the locally produced █ g/m² product.
- e. Across all grades, both domestic and imported recycled corrugating medium exhibit a moisture content ranging from █ to █

Notwithstanding the differences, both locally produced and imported recycled corrugating medium grades comply with the prescribed minimum basis weight and FCR under the pertinent HS Subheading EN to subheading 4805.19.

Findings

Based on the submissions of parties and the technical information gathered by the Commission, it was found that:

1. Local producers UPPC and Bataan 2020, Inc., collectively offer a wider range of recycled corrugating medium grade variants compared to the foreign producer.
2. Locally produced and imported recycled corrugating medium meet the minimum basis weight and flat crush resistance requirements prescribed under the HS Subheading EN to Subheading No. 4805.19.

7.3.3. Applications/End-Use

Locally produced recycled corrugating medium is used as the middle or fluted layer, sandwiched together with test linerboard or corrugated cartons/cardboards, to provide cushioning, shock resistance, and stacking strength. The resulting corrugated

cartons/cardboards may be used as packaging for canned goods, alcoholic and non-alcoholic beverages, fresh fruits, sanitary care products, cosmetics, and other consumer goods.

Similarly, imported recycled corrugating medium is utilized as the corrugated layer in cartons/cardboards to provide strength. The cartons/cardboards may be used to contain food, beverages, and other consumer goods.

Findings

Based on the submission of parties and the pertinent information collected during the course of the investigation, the Commission finds that both locally manufactured and imported recycled corrugating medium are used as the middle or fluted layer of corrugated cartons/cardboards. The corrugated cartons/cardboards are used as packaging for canned goods, alcoholic and non-alcoholic beverages, fresh fruits, and other consumer goods.

7.3.4. Tariff Classification

Heading 48.05 of the AHTN 2022 covers other uncoated paper and paperboard, in rolls or sheets, not further worked or processed than as specified in Note 3 to this Chapter. Fluting paper, or corrugating medium, is classified under the 4805.10 series (Table 7.2).

Table 7.2. AHTN 2022 Tariff Structure: Corrugating Medium

AHTN 2022 Code	Product Description
48.05	Other uncoated paper and paperboard, in rolls or sheets, not further worked or processed than as specified in Note 3 to this Chapter.
	- Fluting paper :
4805.11.00	-- Semi-chemical fluting paper
4805.12.00	-- Straw fluting paper
4805.19	-- Other :
4805.19.10	--- Weighing more than 150 g/m ² but less than 225 g/m ²
4805.19.90	--- Other

Heading 4805.19 covers fluting paper other than semi-chemical fluting paper (4805.11.00) and straw fluting paper (4805.12.00), and thus refers to recycled corrugating medium, the product under consideration. Under the AHTN 2022, heading 4805.19 was subdivided into two: (i) recycled corrugating medium weighing more than 150 g/m² but less than 225 g/m² under Subheading No. 4805.19.10 and (ii) recycled corrugating medium weighing 150 g/m² and below or weighing 225 g/m² and above under Subheading No. 4805.19.90.

Findings

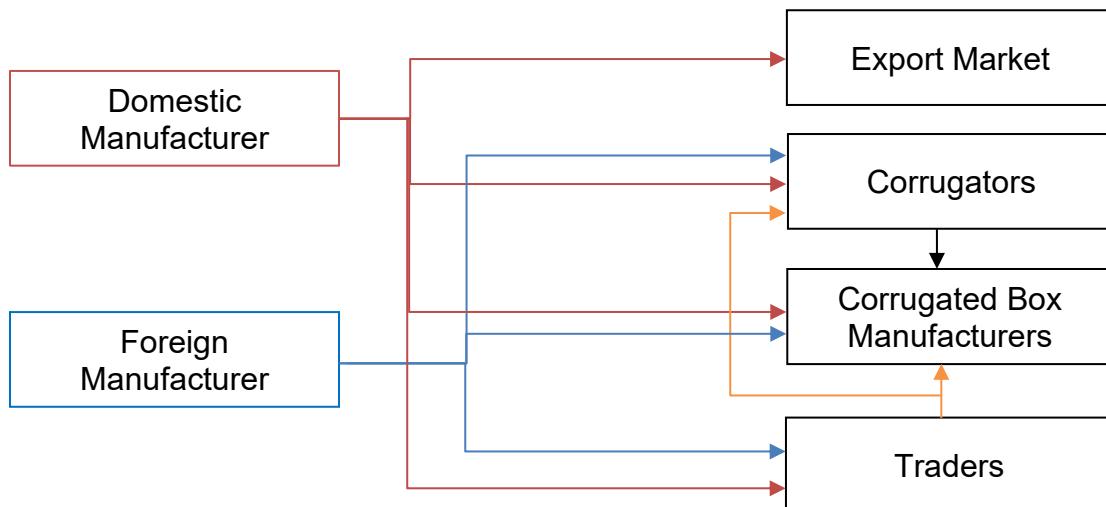
The Commission finds that recycled corrugating medium, whether locally produced or imported, is classified under AHTN 2022 subheadings 4805.19.10 and 4805.19.90.

7.3.5. Distribution Channels

A distribution channel is a chain of businesses or intermediaries through which a good or service passes until it reaches the final buyer or the end-user.

Figure 3 generally shows how recycled corrugating medium (whether locally produced or imported) is distributed in the Philippine market.

Figure 3. Distribution of Recycled Corrugating Medium



Locally manufactured recycled corrugating medium is primarily supplied to: (i) corrugators, or facilities equipped with corrugating equipment for the production of corrugated boards; (ii) corrugated box manufacturers; and (iii) traders. In some cases, corrugated box manufacturers that produce their own corrugated boards further supply such boards to smaller downstream converters or corrugated box manufacturers that do not own corrugating machines.

Imported recycled corrugating medium follows an identical supply chain structure, with distribution likewise coursed through corrugators, corrugated box manufacturers, and traders.

Findings

Based on the information gathered during the investigation and the submissions of parties, the Commission finds that recycled corrugating medium, whether locally produced or imported, uses similar distribution channels in the Philippine market.

7.4. Conclusion

In view of the foregoing, and in accordance with RA No. 8800, the Commission finds that locally produced recycled corrugating medium is a “like product” to imported recycled corrugating medium. Both are made from similar raw materials, are manufactured using the same general technology, conform to the HS and AHTN technical requirements, are used for similar applications, have similar distribution channels, and fall under the same tariff classification.

8. DETERMINATION OF INCREASED IMPORTS

Rule 9.4.b of the IRRs of RA No. 8800 provides that the Commission shall determine *“if the product (under consideration) is being imported into the Philippines in increased quantities whether absolute or relative to domestic production.”*

8.1. Period of Investigation

As mentioned in Part 2.1 of this Report, the POI for this Commission’s formal investigation is 2019 to June 2025, in order to include the most recent available data in accordance with the WTO Agreement on Safeguards and relevant WTO jurisprudence²³, where investigating authorities should examine recent data on imports.

8.2. WTO Requirement

In its Report on “Argentina – Safeguard Measures on Imports of Footwear”²⁴, the WTO Appellate Body provided guidance in interpreting increase in imports, to wit:

“The determination of whether the requirement of imports ‘in such increased quantities’ is met is not merely a mathematical or technical determination. In other words, it is not enough for an investigation to show simply that imports of the product this year were more than last year – or five years ago. Again, it bears repeating, not just any increased quantities of imports will suffice. There must be ‘such increased quantities’ as to cause or threaten to cause serious injury to the domestic industry in order to fulfill this requirement for applying a safeguard measure. And this language in both Article 2.1 of the Agreement on Safeguards and Article XIX:1(a) of the GATT 1994, we believe, requires that the increase in imports must have been recent enough, sudden enough, sharp enough, and significant enough, both quantitatively and qualitatively, to cause or threaten to cause ‘serious injury’.”

Moreover, in its Report on “United States – Definitive Safeguard Measures on Imports of Certain Steel Products”²⁵, the Appellate Body expounded on the interpretation of the phrase “*is being imported in such increased quantities*”, as follows:

“Article 2.1 does not require that imports need to be increasing at the time of the determination. Rather the plain meaning of the phrase ‘is being imported in such increased quantities’ suggests merely that imports

²³ Argentina – Safeguard Measures on Imports of Footwear (WTO Document WT/DS121/9); Korea – Definitive Safeguard Measure on Imports of Certain Dairy Products (WTO Document WT/DS98/12); United States – Measures Affecting Imports of Certain Passenger Vehicle and Light Truck Tyres from China (WTO Document WT/DS399/AB/R); United States – Safeguard Measure on Imports of Fresh, Chilled, or Frozen Lamb from New Zealand (WTO Document: WT/DS177/AB/R; WT/DS178/AB/R).

²⁴ WTO Document WT/DS121/9

²⁵ WTO Document: WT/DS252/AB/R

must have increased and that the relevant products continue “being imported” in such increased quantities...” (emphasis supplied)

8.3. Source of Import Data

To determine the volume of imports of subject article over the POI, the Commission made use of the EIEDs of the BOC showing shipments recycled corrugating medium classified under AHTN 2022 Subheadings Nos. 4805.19.10 and 4805.19.90. Each import transaction was carefully examined, and the following were excluded: medium kraft paper, testliner board, interleaf paper, and grinding paper, among others.

8.4. Total Importations

During the POI, importations of recycled corrugating medium were made by both “importers/traders” (i.e., non-manufacturers of the product) and domestic producer UPPC.

Annual imports of subject article grew from 75,508 MT in 2019 to 150,545 MT in 2024, and amounted to 48,244 MT in the first semester of 2025 (Table 8.1). Volumes aggregated to 564,214 MT with UPPC accounting for a minuscule 2% share as it ceased importations starting in 2023. UPPC’s importations of subject article in the first four years of the POI, totaling a minimal 10,497 MT, was a marketing strategy to introduce recycled corrugating medium – Grade A (an improved variant of standard recycled corrugating medium produced by UPPC which is characterized by higher RCR and FCR at the same basis weight, i.e., CA105, CA115, CA125, CA150 and CA185) in the market, which became locally available when the company’s PM3 became operational in March 2022.

Table 8.1. Import Volumes of Recycled Corrugating Medium: 2019-June 2025

Year	Import Volume (in MT)						% Share	
	By UPPC	Growth Rate (%)	By Importers/ Traders	Growth Rate (%)	Total Imports	Growth Rate (%)	By UPPC	By Importers/ Traders
2019	572	-	74,935	-	75,508	-	0.76	99.24
2020	3,262	470	70,127	(6)	73,389	(3)	4.44	95.56
2021	6,596	102	57,415	(18)	64,011	(13)	10.30	89.70
2022	67	(99)	52,134	(9)	52,201	(18)	0.13	99.87
2023	-	-	100,316	92	100,316	92	-	100.00
2024	-	-	150,545	50	150,545	50	-	100.00
2025 (January - June)	-	-	48,244	-	48,244	-	-	100.00
TOTAL	10,497	-	553,717	-	564,214	-	1.86	98.14

Source of basic data: BOC-EIEDs

8.4.1. Sources of Imports

During the POI, the bulk of Philippine imports of recycled corrugating medium (92%) was sourced from Asia. Japan was the major country source with imports totaling 234,282 MT for a 42% import share (Table 8.2). Other Asian suppliers were Australia (13% import share), China (11%), Indonesia (10%), Viet Nam (8%), and Thailand (8%).

Table 8.2. Country Suppliers of Imported Recycled Corrugating Medium: 2019-June 2025

Origin	Import Volume (in MT)							% Share
	2019	2020	2021	2022	2023	2024	2025 (January-June)	
Japan	6,624	19,169	23,759	36,061	49,248	69,770	29,651	234,282
Australia	30,516	18,775	7,059	525	14,737	216	1,209	73,037
China	8	15	36	15	3,999	48,436	10,156	62,665
Indonesia	3,901	2,550	1,024	6,590	15,368	21,293	4,262	54,987
Viet Nam	3,325	4,101	11,366	6,773	13,385	6,360	1,752	47,063
Thailand	15,083	16,006	8,651	74	2,079	2,971	831	45,694
United Arab Emirates	6,463	1,383	1,740	-	626	-	-	10,212
Taiwan	3,073	3,236	2,555	90	402	16	-	9,372
Malaysia	1,360	3,580	2,490	-	-	129	65	7,624
Sweden	1,964	2,944	1,150	1,063	-	24	-	7,146
Rest of World	3,191	1,630	4,181	1,010	472	1,329	319	12,132
Total	75,508	73,389	64,011	52,201	100,316	150,545	48,244	564,214
								100

Source of basic data: BOC-EIEDs

8.4.2. Top Importers and Exporters

Top Importers

Based on the BOC-EIEDs, the Commission identified 131 importers/traders of recycled corrugating medium during the POI. The 10 top importers accounted for 76% (423,142 MT) of total Philippine imports, led by Corbox Corporation with 26% import share (145,321 MT), SC Brothers Packaging Corporation with 18% share (101,659 MT), and Twinpack Container Corporation with 13% (72,419 MT) (Table 8.3).

Table 8.3. Top Ten Importers of Recycled Corrugating Medium: 2019-June 2025

Importer	Top Country Source/s	Volume of Imports (in MT)								% Share
		2019	2020	2021	2022	2023	2024	2025 (January -June)	Total	
Corbox Corporation	AE, AU, ID, JP, KR, MY, RU, SE, TH, TW, VN	29,029	24,908	20,179	18,945	22,407	22,452	7,401	145,321	26
SC Brothers Packaging Corporation	AE, AU, ID, JP, MY, TH	6,137	6,271	6,453	16,577	23,681	28,453	14,087	101,659	18
Twinpack Container Corporation	AE, AU, CA, DE, ID, JP, KR, TW, VN	14,849	10,898	9,251	2,253	22,585	9,126	3,457	72,419	13
Philippine International Trading Corporation	AE, AU, FI, JP, MY, RU, SE, TH, TW, VN		8,771	8,489	3,806	2,384			23,450	4
Advance Paper Corporation	CN, ID, JP, KR					49	18,231		18,280	3
Triple Star Packaging Corporation	AU, ID, JP, TH	2,991	1,712	1,796	1,123	3,531	3,125	1,131	15,410	3
Ascendancy Grand Industries And	CN						14,771		14,771	3
Amky Consumer Goods Trading	CN						1,030	9,997	11,027	2
Precision Crestec Inc.	AU, CA, JP, TW, VN	2,073	2,808	1,074		71	3,952	890	10,867	2
Well-Pack Container Corporation	AU, ID, JP, TH	1,853	1,797	75	1,965	1,884	991	1,373	9,939	2
Sub-Total		56,933	57,165	47,317	44,668	76,592	102,130	38,338	423,142	76
Others		18,003	12,963	10,098	7,466	23,723	48,415	9,907	130,574	24
Grand Total		74,935	70,127	57,415	52,134	100,316	150,545	48,244	553,717	100

Note: Excludes imports of UPPC

Source of basic data: BOC-EIEDs

Legend: AE = Arab Emirates; AU = Australia; CA = Canada; CN = China; DE = Germany; FI = Finland; ID = Indonesia; JP = Japan; KR = Korea; MY = Malaysia; SE = Sweden; TH = Thailand; RU = Russia; TW = Taiwan; VN = Viet Nam

Top Exporters

With respect to exporters, the Commission identified 409 foreign companies with exports of recycled corrugating medium to the Philippines during the POI. The top ten exporters accounted for the majority (70%) of total volumes with 387,363 MT in export sales (Table 8.4). The three leading exporters were Kyokuyo Co., Ltd (31% export share), Visy Trading Singapore Pte Ltd (12%), and Marubeni Corporation (7%).

Table 8.4. Top Ten Exporters of Recycled Corrugating Medium to the Philippines: 2019- June 2025

Exporter	Origin	Volume of Exports (in MT)								% Share
		2019	2020	2021	2022	2023	2024	2025 (January-June)	Total	
Kyokuyo Co., Ltd	JP, CN	4,373	14,343	17,657	31,421	35,795	47,840	22,986	174,415	31
Visy Trading Singapore Pte Ltd	SG, AU	30,516	18,648	7,059	525	10,944	-	-	67,691	12
Marubeni Corporation	ID, JP, TH	-	-	49	369	13,207	19,259	5,920	38,805	7
Siam Kraft Industry Co., Ltd	JP, VN	15,052	12,025	245	74	2,079	2,971	831	33,277	6
Pt Indah Kiat Pulp & Paper Tbk	IN	-	-	622	1,276	11,045	689	2,451	16,083	3
Vina Kraft Paper Co., Ltd	VN	1,643	2,822	7,595	1,489	77	30	-	13,655	2
April International Enterprise Pte	SG	-	-	-	-	-	13,177	-	13,177	2
Union Paper Mills	AE	6,463	1,383	1,740	-	626	-	-	10,212	2
Hung Thinh Phat Export Import and Trading Co., Ltd	VN	-	-	379	3,721	4,642	1,400	-	10,141	2
UPM Asia Pacific Ltd	CN, SG	-	-	-	-	-	9,908	-	9,908	2
Sub-Total		58,047	49,220	35,346	38,875	78,415	95,273	32,188	387,363	70
Others		16,889	20,907	22,069	13,259	21,901	55,272	16,056	166,353	30
Grand Total		74,935	70,127	57,415	52,134	100,316	150,545	48,244	553,717	100

Note: Excludes imports of UPPC

Source of basic data: BOC-EIEDs

Legend: AE = Arab Emirates; AU = Australia; CN = China; ID = Indonesia; IN = India; JP = Japan; TH = Thailand; SG = Singapore; VN = Viet Nam

8.5. Findings on Increased Imports

In making a determination on increased imports, the Commission was guided by the relevant requirements of the Safeguard Measures Act and the WTO Agreement on Safeguards. The Commission also considered all submissions received and undertook its own research.

For purposes of determining whether recycled corrugating medium is being imported into the Philippines in increased quantities, whether absolute or relative to domestic production, the importations of domestic producer UPPC were excluded.

8.5.1. Increased Volume of Imports: In Absolute Terms

From 74,935 MT in 2019, imports of recycled corrugating medium successively declined in the next three years, and fell to their lowest level of 52,134 MT in 2022 (Table 8.5).

**Table 8.5. Imports of Recycled Corrugating Medium,
In Absolute Terms: 2019-June 2025**

Year	Import Volume (MT)	Growth Rate (%)
2019	74,935	-
2020	70,127	(6)
2021	57,415	(18)
2022	52,134	(9)
2023	100,316	92
2024	150,545	50
2025 (January-June)	48,244	-
January – June		
2024	88,844	-
2025	48,244	(46)

Note: Excludes imports of UPPC

Source of basic data: BOC-EIEDs

The decreasing trend in imports for the first four years of the POI was reversed in 2023. Imports nearly doubled to 100,316 MT, and surpassed the previous all-time-high recorded during the first year of the POI by a considerable 34%. In 2024, imports expanded further, this time by another 50% over the previous year's level, and reached a new peak volume of 150,545 MT.

In February 2025, the DTI initiated its preliminary investigation on the application by the domestic industry for safeguard measures. The resulting uncertainty surrounding the imposition of a potential future trade restriction had a chilling effect and a slowdown in import activity was observed between the first semesters of 2024 and 2025. Nevertheless, imports remained elevated at 48,244 MT in the first semester of 2025. Said half-year volume nearly equaled the 2022 whole-year amount that was recorded prior to the spike in import numbers starting in 2023. If annualized, the resulting projected figure of about 96,000 MT would not only nearly match the 2023 record volume but would also significantly exceed the annual amounts from 2019 to 2022, indicating that the trend in increased imports of recycled corrugating medium would persist.

8.5.2. Increased Volume of Imports: Relative to Domestic Production

The shares of imports of recycled corrugating medium to production volumes by the domestic industry of the local good during the first four years of the POI reached a maximum of 24% in 2020 then progressively contracted to their lowest levels of 14% in 2021 and 12% in 2022 (Table 8.6).

**Table 8.6. Imports of Recycled Corrugating Medium
Relative to Domestic Production: 2019-June 2025**

Year	Imports (MT)	Growth Rate (%)	Domestic Production (MT)	Growth Rate (%)	Share of Imports to Production (%)
2019	74,935		432,000	-	17
2020	70,127	(6)	293,000	(32)	24
2021	57,415	(18)	403,860	38	14
2022	52,134	(9)	424,833	5	12
2023	100,316	92	378,430	(11)	27
2024	150,545	50	423,035	12	36
2025 (January-June)	48,244	-	189,600	-	25

Note: Excludes imports of UPPC

Source of basic data: Imports - BOC-EIEDs; Production – PULPAPEL

In 2023, the share of imports to production more than doubled to 27% due to import volumes expanding by a substantial 92% while production contracted by 11%. In 2024, a peak share of 36% was posted, triple the 12% share of 2022, as imports rose further by 50% and topped 150,000 MT while domestic industry production barely rebounded to its pre-2023 volume of approximately 425,000 MT. In the first half of 2025, the share of imports to production was 25%, approaching the record 27% share in 2023 and far higher than the shares in 2021 and 2022 before imports spiked.

8.6. Conclusions

Based on import data from 2019 to June 2025, the Commission finds the following:

1. Imports of recycled corrugating medium decreased steadily from 2019 (74,935 MT) to 2022 (52,134 MT). This declining trend did not continue in the following years.

In 2023, imports suddenly spiked to 100,316 MT, more than double the previous year's quantity and 34% higher than the prior four years' peak recorded in 2019. In 2024, imports swelled further to 150,545 MT, a new peak volume that is double the 2019 figure, as a 50% year-on-year growth rate was posted. In the first half of 2025, imports remained elevated, nearly equaling the full-year 2022 volume and projected to significantly exceed the quantities recorded in 2019 to 2022 by the end of the year, indicating that the trend in increased imports of recycled corrugating medium would persist.

2. The share of imports of recycled corrugating medium to domestic production rose to 24% in 2020 (from 17% the previous year) but then shrank to 14% in 2021 and further to 12% in 2022. These reductions were not repeated in the subsequent years.

A sharp rise was recorded in 2023 when the share more than doubled to 27% compared to the prior year's figure due to a 92% increase in imports while production weakened by 11%. The following year, a top share of 36% was recorded as imports increased by another 50% relative to the 2023 level while production barely recovered its 2022 volume. In the first semester of 2025, the share remained at a high 25%, significantly greater than the shares in 2021 and 2022 before imports escalated.

In view of the foregoing, and in accordance with RA No. 8800, the Commission finds that recycled corrugating medium was being imported into the Philippines in increased quantities, both in absolute terms and relative to domestic production, starting in 2023. The increase in the volume of imports was recent, sudden, sharp and significant.

8.7. *De Minimis* Volumes

Rule 13.1.d of the IRRs of RA No. 8800 provides that “*a general safeguard measure shall not be applied to a product originating from a developing country if its share to total Philippine imports of the said product is less than three percent (3%). Provided, however, that developing countries with less than three percent (3%) share collectively account for not more than nine percent (9%) of the total Philippine imports of the product concerned.*”

During the POI, there were five developing countries whose individual shares of total Philippine imports of recycled corrugating medium were found to be below the 3% threshold, namely, the United Arab Emirates, Malaysia, Russia, India and Singapore (Table 8.7). Their collective imports of subject article aggregated to only 3.89% and thus did not exceed the 9% benchmark.

Table 8.7. Developing Countries with *De Minimis* Exports of Recycled Corrugating Medium to the Philippines During the POI

	Country Sources	2019-June 2025	
		Philippine Imports (MT)	Share to Total Philippine Imports (%)
	Developing Countries* With <i>De Minimis</i> Import Shares	21,975	3.89
1	United Arab Emirates	10,212	1.81
2	Malaysia	7,624	1.35
3	Russia	3,971	0.70
4	India	147	0.03
5	Singapore	21	0.00
	Other Sources	542,239	96.11
1	Top Asian suppliers: Japan, Australia, China, Indonesia, Viet Nam, Thailand	517,728	91.76
2	Rest of World	24,511	4.34
	Total Imports	564,214	100.00

Sources of data: List of developing countries = Based on World Bank definition [i.e., using annually updated threshold levels of Gross National Income (GNI) per capita, countries are classified as low, lower-middle, upper-middle, or high income; the low and middle income groups taken together are referred to as the “developing world”]; Philippine Imports = BOC EIEDs

Notice of Commencement of Formal Investigation and Conduct of Preliminary Conference



REPUBLIC OF THE PHILIPPINES
TARIFF COMMISSION

IN THE MATTER OF THE FORMAL
INVESTIGATION ON THE IMPOSITION
OF DEFINITIVE SAFEGUARD
MEASURES AGAINST IMPORTATIONS
OF CORRUGATING MEDIUM PAPER
FROM VARIOUS COUNTRIES

(AHTN 2022 Subheading Nos.
4805.12.00, 4805.19.10, and 4805.19.90)

FOR: SAFEGUARD MEASURE
TCI (SG) No. SG-2025-OC-Corrugating Medium

NOTICE OF COMMENCEMENT OF FORMAL INVESTIGATION AND CONDUCT OF PRELIMINARY CONFERENCE

Pursuant to Republic Act (RA) No. 8800 (Safeguard Measures Act), as adopted by Section 712 of RA No. 10863 (Customs Modernization and Tariff Act), notice is hereby given that the Tariff Commission (TC) commenced on 27 August 2025 its Formal Investigation on the merits of imposing a definitive safeguard duty against importations of Corrugating Medium Paper (AHTN 2022 Subheading Nos. 4805.12.00, 4805.19.10, and 4805.19.90) from various countries, following receipt of the request from the Secretary of Trade and Industry and the complete case records.

Relative thereto, a **Preliminary Conference** (via Videoconferencing through the Microsoft Teams Platform) is scheduled on **05 September 2025 at 10:00 a.m. (GMT +8)**. Matters for discussion include the timelines, nature of investigation, appearance of counsel and parties, number of witnesses, notification, accessibility of documents and public file, confidentiality of information/documents, submission of position paper/s and memoranda, conduct of onsite inspection and data verification, schedules of public hearing and other activities, and other topics that may aid in the prompt disposition of the case.

All interested parties, including those on record in the preliminary investigation by the Department of Trade and Industry, are required to attend the Preliminary Conference. Interested parties are likewise required to register their participation thereto **on or before 3:00 p.m. (GMT +8) of 04 September 2025** using the registration link posted on the Commission's website <https://tariffcommission.gov.ph> or by scanning the QR Code provided.

For inquiries, please contact Ms. Jean C. Alberto, Head of the TC Task Force for this case, at email addresses TC.Assist@mail.tariffcommission.gov.ph and Records@tariffcommission.gov.ph.

Issued this 27th day of August 2025, at Quezon City, Metro Manila.



Mari lou P. Mendoza
Digitally signed
MARILOU P. MENDOZA
Chairperson

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NOTICE OF COMMENCEMENT OF FORMAL INVESTIGATION AND CONDUCT OF PRELIMINARY CONFERENCE PUBLISHED IN THE MANILA TIMES

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REPUBLIC OF THE PHILIPPINES

TARIFF COMMISSION

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AGAINST IMPORTATIONS OF
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PCV Registration Form

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Issued this 27th day of August 2025, at Quezon City, Metro Manila.



Mariou P. Mendoza
Mariou P. Mendoza
Chairperson

MT - Aug. 28, 2025

NOTICE OF COMMENCEMENT OF FORMAL INVESTIGATION AND CONDUCT OF PRELIMINARY CONFERENCE PUBLISHED IN MANILA STANDARD

B2

THURSDAY, AUGUST 28, 2025
extrastory2000@gmail.com

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BUSINESS



REPUBLIC OF THE PHILIPPINES

TARIFF COMMISSION

IN THE MATTER OF THE FORMAL
INVESTIGATION ON THE IMPOSITION
OF DEFINITIVE SAFEGUARD
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Issued this 27th day of August 2025, at Quezon City, Metro Manila.




Marilou P. Mendoza
Chairperson

PCV Registration Form

**NOTICE OF COMMENCEMENT OF FORMAL INVESTIGATION
AND CONDUCT OF PRELIMINARY CONFERENCE PUBLISHED
IN THE TARIFF COMMISSION WEBSITE**

ONGOING INVESTIGATIONS

Trade Remedy Cases

**Formal Investigation on the Imposition of
Definitive Safeguard Measures Against
Importations of Corrugating Medium Paper from
Various Countries [TCI (SG) No. SG-2025-OC-
Corrugating Medium]**

Please see the following Notices / References:

- [Notice of Commencement and Conduct of Preliminary Conference](#) issued on 27 August 2025
- Registration link:
<https://forms.office.com/r/GcvMPvDVxA>



REPUBLIC OF THE PHILIPPINES
TARIFF COMMISSION

IN THE MATTER OF THE FORMAL
INVESTIGATION ON THE IMPOSITION OF
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TCI (SG) No. SG-2025-OC-Corrugating Medium

ORDER OF PRELIMINARY CONFERENCE

Pursuant to paragraph 2, Section 6 of Commission Order No. 2021-02 (*Revised Rules of Procedure for the Conduct of Formal Investigations Pursuant to Republic Act No. 8800*), this Commission hereby issues this Order covering matters that were taken up, discussed, and agreed upon by the parties who were present during the Preliminary Conference held on 05 September 2025.

1. TIMELINES

ACTIVITY	DATE/DEADLINE
Submission of request of other interested parties to be included in the Formal Investigation	16 September 2025
Submission of Initial Memoranda / Position Papers	26 September 2025
Submission of accomplished TC Form/s (i.e., Form 5-A for domestic producers, Form 5-B for exporters, and Form 5-C for importers, as applicable)	08 October 2025
Conduct of Ocular Inspection / Verification of Submissions	October 2025
Submission of Adjustment Plan by the Domestic Industry	13 October 2025
Conduct of TC Public Hearings (<i>indicative</i>)	03 - 07 November 2025

The date/s denoted as “indicative” may be subject to change due to circumstances beyond the Commission’s control, which may include requests for extension of deadlines for the submission of required information or documents and requests for re-scheduling of data verification.

2. RULES OF PROCEDURE

Commission Order (CO) No. 2021-02 provides the procedure that will govern the conduct of the Formal Investigation of the present petition for the imposition of safeguard measures against importations of corrugating medium paper from various countries.

3. NATURE OF INVESTIGATION

The investigation of the Commission is fact-finding and administrative in nature. It shall be conducted in a summary manner. However, the Commission may require interested parties to formally present evidence for purposes of determining and clarifying factual matters that are relevant in the conduct of the investigation.

During the course of the investigation, the Commission may issue and apply procedural directions to secure just and expeditious determination of matters in issue.

4. APPLICATION OF THE RULES OF COURT

The relevant provisions of the 2019 Revised Rules of Court of the Philippines, whenever practicable and convenient, may be applied suppletory or by analogy in the implementation of CO No. 2021-02. However, no dilatory tactics or unnecessary or unjustified delays shall be allowed, and the technical rules of evidence shall not be applied.

5. APPEARANCE OF COUNSELS AND PARTIES

Parties may appear by themselves or through their counsel/s or authorized representative/s. Should parties be represented by counsel/s or authorized representative/s, the necessary authority and the contact details of the counsel/s or representative/s thereof must be submitted to the Commission on or before the scheduled Preliminary Conference. Counsel/s or authorized representative/s of parties shall have authority to bind their clients in all matters of procedure.

The Commission has posted the list of counsels/representatives of interested parties, with their respective contact details, on the Commission's website for purposes of copy furnishing of submissions to other parties.

6. INCLUSION AND EXCLUSION OF PARTIES

As a general rule, parties who did not submit answers to the required questionnaires during the preliminary investigation shall have no legal personality to participate in the Formal Investigation, including the public hearings.

However, for valid reasons, an interested party may file a written request with the Commission to be included in the formal investigation within seven (7) working days after the Preliminary Conference. Once the request is approved, the party shall be required to submit a fully accomplished Commission questionnaire and other relevant data and information that can be subjected to verification, within fifteen (15) working days from receipt of notice, as an indispensable requirement for inclusion of a party in the proceedings.

7. FORMAL REQUIREMENTS

The original copy of all written submissions (i.e., pleadings and/or other documents/evidence) must: (i) indicate the names of all persons in whose behalf the filing is made; (ii) be signed by the party or authorized representative/s and shall show the contact details of the same; and (iii) indicate the case number/docket designation assigned by the Commission.

The signature of the party or its representative on any document filed with the Commission constitutes as a certification that the signatory has read and knows the content of the submission and that to the best of the signatory's knowledge, the information contained therein is based on a well-grounded fact and is warranted by existing law or it is not interposed for any improper purpose.

All written submissions, including supporting documents, shall be in hard copies [eight (8) copies of confidential version and two (2) copies of non-confidential version], clearly marked confidential or non-confidential, with accompanying electronic copies in the file format acceptable to the Commission. Copies of submissions not otherwise confidential shall be served to the other parties.

8. MODES OF SERVICE/NOTICE

Service of pleadings and notices may be made using personal service, registered mail, special courier, facsimile, or electronic mail. The date of transmission for facsimile or electronic mail shall be deemed to be the date of service. A notice to counsel representing a party is considered notice to the latter.

In case of voluminous pleadings or documents and/or numerous parties, the Commission may, upon proper motion of a party, waive the requirement of service, provided that a copy of such pleadings or documents together with its annexes is filed with the Commission and made available for examination and reproduction and the notice of such filing and availability is duly served on the parties by the party filing it.

9. TREATMENT OF CONFIDENTIAL INFORMATION

Information which is confidential shall not be disclosed to the public without the express authority of the owner of the information.

Parties providing confidential information shall submit two (2) copies of non-confidential summaries thereof to be placed in a public file and made available to all interested parties upon the initiation of the investigation. These summaries must contain sufficient details to permit a reasonable understanding of the confidential information to enable other parties to respond to claims based on such information. In exceptional circumstances wherein summarization of confidential information is not possible, the party must state the reason/s why it cannot be provided.

A party claiming confidentiality is required to provide justifications why said information can be considered as such. Should there be an issue on the nature of the information, the Commission shall issue an appropriate Order stating the reasons for its finding/s.

Where any request for confidentiality is not warranted or the party is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, such information may be disregarded by the Commission, unless it can be demonstrated to the Commission's satisfaction from appropriate sources that the information is correct.

10. MAINTENANCE OF PUBLIC FILE

A public file shall be maintained by the Commission. Except for confidential information, it shall contain a copy of all submissions from interested parties and all relevant correspondences concerning the investigation including the list of counsels/authorized representatives of interested parties. The Commission may, upon written request, make available for examination and reproduction to interested parties all relevant information in its custody that are not considered confidential.

11. SUBMISSION OF INITIAL MEMORANDA/POSITION PAPERS

The parties shall, within fifteen (15) working days from termination of the Preliminary Conference, submit to the Commission their respective memoranda/position papers and documentary evidence and information in support of their position/s. Copies of these submissions not otherwise confidential shall be served to the other parties, subject to the provisions on Modes of Service/Notice.

12. RE COURSE TO OTHER DATA AND INFORMATION

In addition to the information and/or submissions by the parties, the Commission may request additional data and information from other sources, both domestic and foreign, to enable it to support its findings. Without the required submissions from the parties, the Commission shall base its findings on the best available information. If necessary, the Commission may seek the opinion of experts or other resource persons on an issue or subject matter relevant to the present case.

As agreed during the Preliminary Conference, the submission of TC Form/s¹ by the Petitioner, exporters, and importers, as applicable, shall be on **08 October 2025**.

13. CONDUCT OF ON-SITE/ONLINE INVESTIGATIONS AND DATA VERIFICATION

The Commission will verify information provided and obtain further details through the conduct of on-site/online investigations, to include ocular inspections, visits, and data verifications.

Any interested party shall, when required, allow the Commission access to necessary information, or otherwise provide the necessary information to enable the Commission to expedite the investigation. The Commission may also visit other domestic producers, importers, foreign exporters or producers who have not provided a submission to the investigation. Visits or inspections may be conducted by the Commission even without the presence of other interested parties.

Prior to the scheduled visit/s, parties shall be advised of the general nature of the information to be verified and the pertinent documents that may be required during the on-site investigation. However, the Commission is not precluded from conducting further verification and inquiry on other relevant information during the said investigation.

14. SUBMISSION OF ADJUSTMENT PLAN

The concerned domestic industry, or other parties representing the domestic industry, shall submit to the Commission their adjustment plan to import competition on or before **13 October 2025**.

The adjustment plan shall provide a clear quantification of the domestic industry's proposed goals and detail efforts that the domestic industry and other concerned parties will make to place the domestic industry in a more competitive position.

The adjustment plan shall include specific efforts to be undertaken by the domestic industry for each year of progressive liberalization of the measure. It shall likewise include a timeframe to enable the Commission to monitor attainment of submitted goals and efforts over the specified period.

15. ISSUANCE OF STAFF REPORT AND COMMENTS THERETO

At least five (5) working days before the scheduled public hearing, the Commission shall issue a public version of a Staff Report which shall cover, among others, its findings on product comparability, volume of increased imports, and other relevant data and information pertinent to the investigation duly verified.

All identified interested parties shall be provided a copy of the Staff Report and within five (5) working days from receipt thereof, submit their comments thereon, copy furnished other parties. If no comment is filed, then the factual findings in the Staff Report will be binding to the party who did not submit its comment.

The findings of the Commission in its Staff Report are preliminary, subject to the comments submitted by the Parties.

¹ The said TC Forms were attached to the *Notice of Commencement of Formal Investigation and Conduct of Preliminary Conference* dated 27 August 2025.

16. SUBMISSION OF AFFIDAVITS OF WITNESSES AND LIST OF ADDITIONAL ISSUES FOR THE PUBLIC HEARING

At least five (5) working days before the scheduled public hearing, parties are required to submit to the Commission affidavits of their witnesses which shall serve as the direct examination of the witness, copy the opposing parties.

Should a party desire to submit additional issues for the public hearing, other than the issues on product comparability and volume of increased imports which are excluded in the coverage of matters for discussion in the public hearing, the same shall be submitted at least five (5) working days before the scheduled hearing for consideration of the Commission.

17. CONDUCT OF PUBLIC HEARING

The Commission, after due notice, shall conduct a public hearing to give all interested parties who submitted themselves to the jurisdiction of the Commission the opportunity to be heard and to present evidence, including the opportunity to respond to the presentations of other parties and to submit their views, among others, on the effect/s of imposing a safeguard measure on the welfare of consumers and/or the general public, and other related local industries. The public hearing shall be conducted continuously for not more than five (5) working days unless otherwise determined or earlier terminated by the Commission.

All interested parties may appear at the public hearing and present, under oath, evidence relevant and material to the subject matter of the investigation.

The order of the hearing shall be as follows:

- a. Presentation of evidence by the domestic industry;
- b. Clarificatory questions/examination by oppositor/s or other interested parties;
- c. Presentation of evidence by the oppositor/s or other interested parties; and
- d. Clarificatory questions/examination by the domestic industry.

Issues on product comparability and volume of increased imports are excluded from the coverage of the matters for discussion in the public hearing. A party who did not submit affidavits or list of issues may be deemed to have no controversial/contestable matter to raise and hence, will be given less priority in the order of parties to ask clarificatory questions during the public hearing.

Failure to appear on the scheduled public hearings is considered a waiver to propound clarificatory questions to the witnesses who were presented on that day.

18. SUBMISSION OF AMENDED AND/OR FINAL MEMORANDA/POSITION PAPER

Parties who earlier submitted their respective memoranda/position papers may submit amended and/or final memoranda/position papers to the Commission within ten (10) calendar days from termination of the public hearing.

Copies of submissions not otherwise confidential shall be served to the other parties.

19. TERMINATION OF INVESTIGATION

The Commission shall terminate its investigation if:

- a. there is no domestic like or directly competitive product to the imported product under consideration; or

b. the product is not being imported into the Philippines in increased quantities whether absolute or relative to domestic production.

The Commission shall give public notice of the termination of the investigation through publication in two (2) newspapers of general circulation. Said Notice shall be posted on the website of the Commission.

20. OTHER ISSUES/MATTERS RAISED

Counsels representing parties were directed by the Commission to file their entry of appearance for purposes of record.

SO ORDERED.

Issued at Quezon City, Metro Manila, 10 September 2025.


Digitally signed

MARILOU P. MENDOZA
Chairperson



LIST OF SUBMISSIONS

No.	Company	Submission	Date
Petitioner – Domestic Manufacturer			
1	Pulp And Paper Manufacturers Association of the Philippines (PULPAPEL), Through Counsel, Cuisin Daguinod Mendoza-Martelino Chavez & Estepa Law Offices	Entry of Appearance	11 September 2025
2		Memorandum with Annexes A-G	26 September 2025
3		Hard Copy of Memorandum with Annexes A-G	29 September 2025
4		Manifestation and Submission - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Annex 1 - Manifestation and Submission - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Affidavit of Electronic Service and Filing - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Affidavit of Filing - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium;	29 September 2025
5		List of Non-PULPAPEL Member Mills Producing Corrugating Medium Paper	09 October 2025
6		Letter of Confirmation and Adjustment of Data Verification Schedules of UPPC and Bataan 2020, Inc.	15 October 2025
7	United Pulp and Paper Co., Inc. (UPPC)	Confidential and Non-Confidential Copy of TC Form 5-A	03 October 2025
8		UPPC Specification Sheet and Imports CM Specification Sheet	09 October 2025
9		Adjustment Plans	13 October 2025
		Updated TC Form 5-A and supplemental data	22 October 2025
10	Bataan 2020, Inc.	Letter Request for Extension on Submission of TC Form 5A	08 October 2025
11		Adjustment Plans	14 October 2025
12		Confidential and Non-Confidential Copy of TC Form 5-A	15 October 2025

No.	Company	Submission	Date
		Additional Confidential Data	29 October 2025
Exporter			
13	Soltis Kagit Ticaket A.S.	Confidential Copy of TC Form 5-B	04 September 2025
14	PT. Indah Kiat Pulp & Paper	Entry of Appearance with Notice of Appearance	05 September 2025
15		Confidential and Non-Confidential of the following: Manifestation and Submission dated October 8, 2025 - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Affidavit of Filing dated October 8, 2025 - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Affidavit of Electronic Filing dated October 8, 2025 - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Annex 1 - Tariff Commission Form 5-b dated October 6, 2025 - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 1.4 a (i) - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 1.4 a (ii) - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 1.4 a (iii) - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 1.4 a (iv) - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 2.1 - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 2.1h - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium;	08 October 2025

No.	Company	Submission	Date
		Attachment 2.1i - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 2.2 - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 2.2a - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium; Attachment 3.1 - Safeguard Measure TCI (SG) No. SG-2025-OC-Corrugating Medium	
Other Interested Party			
16	Department of Foreign Trade, Ministry of Commerce in Thailand	Comments on the regarding the Initiation of the formal investigation of safeguard measure against the importation of Corrugating Medium Paper from various countries (SG-2025-OC- Corrugating Medium) and the report on the preliminary affirmative findings on the application for safeguard measures on the importation of corrugating medium from various countries	05 September 2025
17	Embassy of the Republic of Indonesia	Confirmation of Indonesia's Participation and Registration as Interested Party in the Corrugating Medium Safeguard Investigation	09 September 2025
18	Ministry of Trade of the Republic of Indonesia	Comments of the Government of Indonesia (GOI) in the Formal Investigation on the Imposition of Definitive Safeguard Measures Against Importations of Corrugating Medium Paper from Various Countries	26 September 2025



REPUBLIC OF THE PHILIPPINES
TARIFF COMMISSION

IN THE MATTER OF THE FORMAL
INVESTIGATION ON THE IMPOSITION OF
DEFINITIVE SAFEGUARD MEASURES
AGAINST IMPORTATIONS OF CORRUGATING
MEDIUM FROM VARIOUS COUNTRIES

(AHTN 2022 Subheading Nos. 4805.12.00,
4805.19.10, and 4805.19.90)

FOR: SAFEGUARD MEASURE
TCI (SG) No. SG-2025-OC-Corrugating Medium

NOTICE OF PUBLIC HEARING

Pursuant to Section 712 of Republic Act (RA) No. 10863 (*Customs Modernization and Tariff Act*), which adopts the provisions of RA No. 8800 (*Safeguard Measures Act*), and in relation to Section 20 of Commission Order No. 2021-02 (*Revised Rules of Procedure for the Conduct of Formal Investigations Pursuant to Republic Act No. 8800*), notice is hereby given that public hearings on the Formal Investigation on the merits of imposing a definitive safeguard measure against importations of Corrugating Medium (AHTN 2022 Subheading Nos. 4805.12.00, 4805.19.10, and 4805.19.90) from various countries shall be conducted (*via Videoconferencing through the Microsoft Teams Platform*) on the following dates and times:

DATE	TIME (GMT +8)
02 December 2025 (Tuesday)	10:00 A.M.
03 December 2025 (Wednesday)	10:00 A.M.
04 December 2025 (Thursday)	10:00 A.M.
05 December 2025 (Friday)	10:00 A.M.
09 December 2025 (Tuesday)	10:00 A.M.

All interested parties are hereby directed to attend the first day of the Public Hearing via Videoconferencing (PHV). Likewise, prior to the conduct of the PHV, interested parties are required to register their participation **on or before 3:00 pm (GMT +8) of 28 November 2025**, using the registration link posted on the Commission's website <https://tariffcommission.gov.ph> or by scanning the QR Code provided.

Should a party desire to submit additional issues for the Public Hearing, other than the issues on product comparability and volume of increased imports, said party shall submit the same at least five (5) working days before the scheduled date of hearing, or by **24 November 2025 (end of business hours)**. Finally, parties are likewise required to submit affidavits of their witnesses on the same date, copy furnished other parties. The updated list of parties and their respective counsel/s or authorized representative/s shall be posted on the Commission's website.



PHV Registration Form

For inquiries, please coordinate with Ms. Jean C. Alberto, Head of the Task Force for this case, at these email addresses TC.Assist@mail.tariffcommission.gov.ph and/or Records@tariffcommission.gov.ph.

Issued this 12th day of November 2025, at Quezon City, Metro Manila.



Mari Lou P. Mendoza
Digitally signed

MARILOU P. MENDOZA
Chairperson