









ABOUTTHE BUSINESS GUIDE

This Business Guide on Exporting Textiles and Garments to the EU is part of a series of business guides developed for the Philippines.

These guides are developed under the ASEAN Regional Integration Support – Philippines Trade-Related Assistance Project for the Philippines (ARISE Plus Philippines), funded by the European Union. The International Trade Centre (ITC) is the technical agency implementing the ARISE Plus Philippines project. The Department of Trade and Industry (DTI) of the Philippines is the focal agency for the project.

Under the scope of the ARISE Plus Philippines project, ITC is providing support to strengthen the Philippines' access to the EU market, including by strengthening utilisation of the EU's unilateral trade preferences under the EU's Generalised Scheme of Preferences Plus (GSP+).

In this context, activities are underway to build awareness on and capacity to access the EU market and benefit from the opportunities delivered by the EU's unilateral trade preferences – including through the development of this series of business guides on exporting to the EU market, and making use of the GSP scheme, where relevant.

This Business Guide focuses on the garments and textiles sector – providing information on access to the EU market, technical and regulatory requirements to be complied with in the Philippines to export garments and textiles to the EU and measures to meet to cross the EU border. This guide should be ready in conjunction with the general Business Guide.

Alongside the general Business Guide, the other sector-specific guides in the series cover the following sectors: agricultural products, processed food products, machinery, and electrical equipment. These sectors were prioritised drawing from their current export status, priorities in the Philippines' development plans, and GSP market access related concerns.

Information for the guide was collected over the period from March to October 2022.

This document has been produced with the assistance of the European Union.

The contents of this brochure can in no way be taken to reflect the views of the European Union.

ACKNOWLEDGEMENTS

The International Trade Centre (ITC) would like to thank to all parties involved in the development of the Business Guide Series on Exporting to the EU from the Philippines.

Tobias Dolle and Jasminda Magsino developed this report under the guidance of ITC and the Department of Trade and Industry (DTI) of the Philippines. Vidya Nathaniel and Angela Louise Velasquez (from ITC) facilitated the development and finalization of the business guides. Jean-Sebastien Roure (Senior Business Officer, Business and Trade Policy, ITC) provided overall guidance.

ITC would like to express its gratitude to Bureau of International Trade Relations (BITR) and the Export Marketing Bureau (EMB) of the DTI Philippines for the detailed reviews and technical inputs, and continuous guidance and advice in the development and refinement of these business guides. This includes, Atty. Allan Gepty for providing overall guidance on the project; from BITR: Director Angelo Salvador M. Benedictos, Ma. Regina C. Serafico, Irish C. B. Tongohan, and Lattice Angelique Andriano; and from EMB: Director Bianca Sykimte, Asnia R. Bayabao, and Rudolph Jay Velasco.

ITC also wishes to thank the inputs received from stakeholders in the conceptualization of the business guides and the continuous support received from stakeholders to respond to queries, access information and relevant material, and advise on procedures/mechanisms to feed into the Guide. This includes representatives from BITR and EMB as noted above, and from the Board of Investment, Department of Agriculture, and the Philippines Trade and Investment Centre (PTIC) – Brussels from the government agencies; and the Confederation of Wearable Exporters of the Philippines (CONWEP), European Chamber of Commerce of the Philippines (ECCP), the Philippines Exporters Confederation (PHILEXPORT), and the Women's Business Council Philippines, Inc. (WomenBizPH). ITC wishes to also recognise the advisory support of Ms. Magnolia Ashley of PTIC – Brussels, and Mr. Senen Perlada of PHILEXPORT in the development of these business guides.

ITC would also like to thank Rami Hourani, Gabrielle D. Sajo and Camille Roy (of ITC) for the coordination and related support under this project; and Nilangika Fernando for the design and layout of this report.

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ABBREVIATIONS

AAPMI Association of Abaca Pulp Manufacturers Inc.

AFCOT The French Cotton Association
CFI Certificate of Fiber Inspection

CITES Convention on International Trade in Endangered Species of Wild Fauna and Flora

CN Combined Nomenclature

CONWEP Confederation of Wearables Exporters of the Philippines

DOT Dioctyltin

DTI Philippine Department of Trade and Industry

EBA Everything But Arms

ECCP European Chamber of Commerce of the Philippines

EMB European Chemical Agency
Export Marketing Bureau

EU European Union

EURATEX The European Apparel and Textile Confederation FOBAP Foreign Buyers Association of the Philippines

FPI Federation of Philippine Industries
FTSC Foreign Trade Service Corps
GBE Grading/Baling Establishment

GSP Generalised Scheme of Preferences
GSP+ Generalised Scheme of Preferences Plus

i³S Inclusive Innovation Industrial Strategy

ITC International Trade Centre
LDCs Least developed countries
MFN Most-Favoured Nation
NFA Nordic Fashion Association

PBB Polybrominated biphenyls

PCCI Philippine Chamber of Commerce and Industry

PEDP Philippine Export Development Plan

PH The Philippines

PHILEXPORT Philippine Exporters Confederation, Inc.

PhilFIDA Philippine Fiber Industry Development Authority

PO Provincial Office

PPE Personal protective equipment

REACH Regulation Registration, Evaluation, Authorisation and Restriction of Chemicals

REX Registered Exporter
RO Regional Office
RoO Rules of Origin

SMI-ATI The Federation of Italian Textile and Fashion Companies

TEXPAP Textile Producers Association of the Philippines Inc.

TMAP Textile Mills Association of the Philippines Inc.

WomenBizPH Womens' Business Council Philippines, Inc.

INTRODUCTION

The International Trade Center (ITC), under the scope of the ARISE Plus Philippines project, is providing support to strengthen the Philippines' access to the EU market, including by making use of preferential market access benefits.

In this context, ITC is undertaking activities to build awareness on and capacity to access the EU market and benefit from the preferential market access opportunities available, including through the development of this series of business guides on exporting to the EU market and making use of the EU's GSP scheme, where relevant.

ITC has developed a General Business Guide for businesses seeking to export to the EU – to understand market access opportunities available to the Philippines under the Generalised Scheme of Preferences Plus (GSP+) and requirements to comply with to export to the EU (at the domestic and EU level). The General Business Guide is the key general reference for exporting to the EU.

To complement the General Business Guide, a series of sector-specific business guides have been developed for target sectors in the Philippines exporting to the EU, providing detailed sector-specific information and discussing the respective market requirements.

This Business Guide focuses on exports of garments and textiles from the Philippines to the EU.

Materials reviewed include studies/information published by the EU and Philippine authorities, as well as the ITC Export Potential Analysis.

The Guide is organised as follows:

Key Steps	Summary of the main steps to be followed by Philippine exporters to the EU for the relevant products	
Context	Setting out the Philippines' current exports and potential for the relevant products, and other general information in this regard	
Technical Requirements	Covering the - relevant tariffs/duties applicable, - specifics of rules of origin requirements for products within the sector, and - other technical export/import rules in relation to permits/licences, documentation and checks at the borders	
Key regulatory requirements	Providing details on matters relating to SPS, chemical restrictions, health checks, etc.	
Labelling Requirements	Setting out requirements for the labelling of products	
Further information/Key contacts	Providing contact details for key agencies and organizations in the EU which can be contacted for the relevant sectors	

MAIN STEPS FOR EXPORTING TEXTILE AND GARMENT PRODUCTS

Comply with the steps required in the Philippines



- Register the enterprise in accordance with specified procedures
- Prepare export documents
- Request and obtain an export clearances/permits (for regulated products)
- Prepare forms for Customs clearance

Comply with the importing requirements of the EU



- Check and ensure compliance with the applicable rules of origin
- Ensure registration with the EU's Registered Exporter (REX) system
- Prepare all relevant documents and documentation

Comply with any product-specific rules that apply to products to be placed on the EU market:



- Check the relevant labelling rules
- Check the relevant textile fibre names
- Check the environmental labelling options
- Check the restrictions on the use of certain chemical substances in textile products
- Check the special restrictions relating to the type of animal from which the textile product is manufactured

PART I:

The Philippines' Garments and Textiles Exports to the EU market

Significance of the garments and textiles sector: In 2021, Philippine exports of textiles and garments (HS Chapters 50 to 63) to the EU had a total value of EUR 108 million, corresponding to 9% of the total Philippine textile and garments exports.¹

Philippine garment exports have been identified as a laggard or underachiever in the *Philippine Export Development Plan (PEDP) 2018-2022*, leaving much room for improvement in terms of export performance.² The *Philippine Export Development Plan (PEDP) 2023-2028* places significant emphasis on 8 key sectors that contribute to nearly 90% of the country's total export earnings, which includes textiles and garments. The garments and textiles sector holds substantial importance for the Philippines, with the EU serving as the second largest export destination. Despite its significance, this sector has been facing challenges in terms of limited competitiveness.

Special Significance of Abaca: In terms of natural fibres, the Philippines is the world's leading producer of abaca or Manila hemp, followed by Ecuador. Almost all abaca is exported mainly to Europe, Japan, and the US.³ Most of abaca fibre is pulped and processed into specialty papers for use in, *inter alia*, tea and coffee bags, sausage casing, currency notes, cigarette filters, medical/food preparation disposal papers, high quality writing papers, and vacuum bags. Abaca is currently being used in the automotive industry for bolster and interior trim parts. Given its strength, it has a great potential for different industrial applications, including as a substitute to glass fibres in automotive parts.

In 2021, the Philippines exported abaca products with a value of EUR 2.4 million to the EU.⁴ The abaca fibres that the Philippines exports to the EU already enter the EU at 0% MFN tariffs and there is still potential to further expand exports to the EU as a major consumer of abaca given the potential industrial uses of abaca, such as in the automotive industry.

Table 1: PH exports of abaca to the EU, 2021 (value in EUR)⁵

HS Code	Product	EU Imports from PH, 2021 (EUR)
Abaca		
530500	Coconut, abaca "Manila hemp or Musa textilis Nee", ramie, agave and other vegetable textile fibres, n.e.s., raw or processed, but not spun; tow, noils and waste of such fibres, incl. yarn waste and garnetted stock	2,417,980

Export Potential to the EU: Apparel and textile products are among the top sectors identified with export potential to the world in the International Trade Centre (ITC) *Export Potential Analysis.*⁶

The ITC Export Potential Analysis notes that, to global export destinations, there is significant export potential with respect to garments and textile products.⁷ While textiles and garments are currently not among the top

Philippine exports to the EU, it is an important market for the Philippines. The EU is the second largest export destination of these products after the US. From 2015-2019, an average of almost 13% of the Philippines' garments exports were destined for the EU.⁸

Based on the *Export Potential Analysis*, textile and garment products, taken as a single sector, have the following unrealised export potential to the EU:

Table 2: Export potential for garments and textile products

Product	Unrealized export potential (values in USD '000)
Apparel and textile products	327,602

As a response to the global pandemic, the Philippines has also developed its manufacturing capacity for supplies of relevance in view of the *COVID-19* pandemic, including facemasks and personal protective equipment (PPE) under HS Chapters 61 to 63, in a bid to become a manufacturing hub for exports for these critical products.⁹ This has provided an additional opportunity for Philippine exporters to benefit.

Utilisation of GSP+ preferences: Notably, Philippine exports of garments and textiles are covered by the EU's GSP+ preferences, but utilization rates remain low for most of these chapters (see Table 3 below). This limited utilisation of GSP+ preferences has been attributed to difficulties of complying with the relevant rules of origin.

Table 3. EU import values and GSP utilization rates for textile and garment products, 2021¹⁰

Product	EU28 imports from PH 2021 (values in EUR)	GSP+ Utilization Rate ¹¹
Chapter 50 - Silk	5,361	0.00%
Chapter 51 - Wool, fine or coarse animal hair; horsehair yarn and		
woven fabric	41,533	0.00%
Chapter 52 - Cotton	64,102	64.12%
Chapter 53 - Other vegetable textile fibres; paper yarn and woven		
fabrics of paper yarn	2,556,727	38.51%
Chapter 54 - Man-made filaments; strip and the like of man-made		
textile materials	470,279	62.62%
Chapter 55 - Man-made staple fibres	1,901,295	94.83%
Chapter 56 - Wadding, felt and nonwovens; special yarns; twine,		
cordage, ropes and cables and articles thereof	5,144,356	81.47%
Chapter 57 - Carpets and other textile floor coverings	260,198	56.14%
Chapter 58 - Special woven fabrics; tufted textile fabrics; lace;		
tapestries; trimmings; embroidery	1,818,756	90.33%
Chapter 59 - Impregnated, coated, covered or laminated textile		
fabrics; textile articles of a kind suitable for industrial use	149,222	49.55%
Chapter 60 - Knitted or crocheted fabrics	128,812	4.13%
Chapter 61 - Articles of apparel and clothing accessories, knitted or		
crocheted	48,845,737	20.31%
Chapter 62 - Articles of apparel and clothing accessories, not knitted		
or crocheted	36,174,030	25.33%
Chapter 63 - Other made-up textile articles; sets; worn clothing and		
worn textile articles; rags	10,889,763	88.12%
Total	108,450,171	

Complying with relevant rules of origin: As noted above, compliance with the relevant rules of origin is one of the main reasons for the low GSP utilisation rates of the sector. More specifically, the Philippine textile and garments industry is not able to abide by the double transformation rule, in which non-originating yarn is woven into fabric and then made into clothing, since the industry is heavily reliant on imported textiles and other raw materials. Businesses could rely on cumulation to abide by the rules of origin.

Exports from this sector have been lagging behind, which may potentially be due to the limited competitiveness of these products when exported under the higher MFN tariff rates, particularly in comparison to countries such as Bangladesh that benefit from duty-free, quota-free access under the

EU's Everything But Arms (EBA) scheme. While the Philippines also benefits from duty-free access under the EU's GSP+ scheme, the requirements to meet the rules of origin governing this sector are stricter than for least developed countries (hereinafter, LDCs) that benefit from the EU's EBA scheme. These comparatively stricter rules may make it challenging to effectively export to the EU under the GSP+ benefits and to compete with EBA beneficiaries such as Bangladesh. The rules of origin requirements will be discussed in the Part II of this business guide.

The challenges and the low utilisation rate for these products mean that Philippine exporters are not able to take full advantage of the available tariff preferences under the GSP+ scheme:

Table 4: MFN tariffs and GSP+ rates for garments and textile products¹²

Product	MFN Tariff Rate/Range	GSP+ Rate
Textiles	0% - 12%	0%
Clothing	6.3% - 12%	0%

Textiles and Garments sectors have been prioritised in this guide as:



 There are still certain products under the textile and garments sectors subject to high MFN tariff rates for which the GSP+ scheme would be relevant to provide Philippines' exporters with a comprehensive edge in comparison to other non-GSP countries; and



2. Given that there is large export potential for such products in the EU market, which has yet to be tapped into, it would be relevant for exporters to understand the export processes in place and requirements to comply to export to the EU.

PART II:

Utilising the EU GSP+ benefits for garments and textiles exports from the Philippines

This section will focus on the relevant technical requirements for exports of garments and textiles products from the Philippines to the EU to benefit from the preferential market access under the EU's GSP+ Scheme.

2.1. Step 1: Tariff Preferences for exports of garments and textiles under the EU GSP+ scheme

The first step that a Philippine trader must take is to determine the proper EU Combined Nomenclature (hereinafter, CN) code for the particular product it produces. Relevant Chapters are as follows:

Textiles and Garments	Chapters 50 - 63
Apparel	Chapter 61 and 62

Article 12(1) of the GSP Regulation provides that customs tariffs are suspended for all products listed in Annex IX. Chapters 50 to 63 are all included in Annex IX, thus indicating that these products benefit from this suspension.

Figure 1: Excerpt of Annex IX of the GSP Regulation

Section	Chapter	CN code	Description
S-11a	50	Chapter 50	Silk
	51	ex Chapter 51	Wool, fine or coarse animal hair, excluding the products under heading 5105; horsehair yarn and woven fabric
	52	Chapter 52	Cotton
	53	Chapter 53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn
	54	Chapter 54	Man-made filaments; strip and the like of man-made textile materials
	55	Chapter 55	Man-made staple fibres
	56	Chapter 56	Wadding, felt and non-wovens; special yarns; twine, cordage, ropes and cables and articles thereof
	57	Chapter 57	Carpets and other textile floor coverings
	58	Chapter 58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery
	59	Chapter 59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use
	60	Chapter 60	Knitted or crocheted fabrics

Section	Chapter	CN code	Description
S-11b	61	Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted
	62	Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted
	63	Chapter 63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags

With respect to apparel, the EU applies a conventional MFN duty rate of 12% for most subheadings of Chapter 61, and of 8% and 8.9% for the remaining subheadings,

whereas GSP+ beneficiary countries like the Philippines can take advantage of the preferential tariff-rate for imports of textiles and garments into the EU of 0%.

2.2. Step 2: Ensure compliance with Rules of Origin requirements for Garments and textiles

The rules of origin (RoO) under the GSP Regulation note that in order to benefit from the tariff preferences, the products for which the tariff preferences are claimed must originate in a beneficiary country. ¹³ The product is deemed to 'originate' from the beneficiary country, when the products have been:

- "wholly obtained" in that country or
- "sufficiently worked or processed" in that country.

For textile products and garments – the rules of origin are laid out in Part II of Annex 22-03 of *Commission Delegated Regulation (EU) 2015/2446.*¹⁴

Annex 22-03 is organised into three columns as demonstrated in Figure 2 below, which provides an extract of the table setting out the rules of origin for the relevant sections S-11 and S-11b.

Figure 2: Extract from Annex 22-03

	+			
S-11a	50	Chapter 50	Silk	
	51	ex Chapter 51	mapter 51 Wool, fine or coarse animal hair, excluding the products under heading 5105; horsehair yarn and wove fabric	
	52	Chapter 52	Cotton	
	53	Chapter 53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	
	54	Chapter 54	Man-made filaments; strip and the like of man-made textile materials	
	55	Chapter 55	Man-made staple fibres	
	56	Chapter 56	dding, felt and non-wovens; special yarns; twine, cordage, ropes and cables and articles thereof	
	57	Chapter 57	pets and other textile floor coverings	
	58	Chapter 58	ecial woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	
	59	Chapter 59	pregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial	
	60	Chapter 60	Knitted or crocheted fabrics	
S-11b	61	Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted	
	62	Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted	
	63	Chapter 63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	

In order to be deemed as 'originating in the Philippines', the non-originating materials used in the working and

processing of the final product cannot be of the same CN code as the final product. To illustrate further:

For Headings ex 5003:

"Silk waste (including cocoon unsuitable for reeling, yarn waste and garneted stock" carded or combed (Referred to in Column 2)

To be deemed as originating in the Philippines

The non-originating materials used in the working and processing of the final product must undertake operations of "carding or combing of silk waste" (As set out in Column 3)

For Headings 5004 to ex 5006:

"Silk yarn and yarn spun from silk waste" (Referred to in Column 2)

To be deemed as originating in the Philippines

Producers in the Philippines using material not originating in the Philippines must at least provide additional working and processing to said material of "spinning of natural fibres or extrusion of man-made fibres accompanied by spinning or twisting" (Footnote 9) (As set out in Column 3)

Similarly, *for Heading 5007* – the RoO should be interpreted in the same way as described above. It should be noted, however, that the Column 3 is split for this particular product, with separate rules for LDCs (*i.e.*,

those that benefit from EBA status) in column 3(a), and other beneficiary countries (*i.e.*, Standard GSP and GSP+ beneficiaries) in column 3(b). Accordingly:

For Headings 5004 to ex 5006:

"Woven fabrics of silk or of silk waste" (Referred to in Column 2)

To be deemed as originating in the Philippines

Producers in the Philippines using material not originating in the Philippines must at least undertake weaving or printing accompanied by at least two preparatory or finishing operations where the value of the unprinted fabric used does not exceed 47.5% of the ex-works price of the product.

Accordingly, producers in the Philippines will need to review the chapters covering textile products and garments in Annex 22-03 in the abovementioned regulation and identify the type of working and processing that should be undertaken in order for the final product to be deemed as originating from the Philippines.

Table 5 below summarises these requirements for Chapters 50, 52 and 61 which cover textile products and garments (as set out in Annex 22-03 of the Commission Delegated Regulation (EU) 2015/2446)¹⁵:

Table 5: Rules of origin requirements for Chapters 50, 52 and 61 (Textile products and garments)

Chapter No.	Description of Product	Qualifying operation (working non-originating materials, which		
Ex Chapter 50	Silk; except for	Manufacturing from materials of any heading, except that of the product		
Ex 5003	Silk waste (including cocoons unsuitable for reeling, yarn waste and garneted stock), carded or combed	Carding or combing of silk waste		
5004 to ex 5006	Silk yarn and yarn spun from silk waste	Spinning of natural fibres or ext accompanied by spinning or tw Tolerances)		
5007	Woven fabrics of silk or of silk waste	Weaving (⁷ see below under Tolerances) or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising calendaring, shrink resistance processing, permanent finishing, decatising, impregnating, mending, and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product	(b) Other beneficiary countries Spinning of natural and/or man-made staple fibres or extrusion of man-made filament yarn or twisting, in each case accompanied by weaving or Weaving accompanied by dyeing or Yarn dyeing accompanied by weaving or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising calendaring, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product	
Ex Chapter 52	Cotton; except for	Manufacture from materials of the product	of any heading except that of	
5204 to 5207	Yarn and thread of cotton	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning (⁷ see below under Tolerances)		

5208 to 5212	Woven fabrics of cotton	(a) LDCs Weaving (⁷ see below under Tolerances) or	(b) Other beneficiary countries Spinning of natural and/or man-made staple fibres or extrusion of man-made filament yarn or twisting, in each case accompanied by
		Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising calendaring, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product	weaving or Weaving accompanied by dyeing or Yarn dyeing accompanied by weaving or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising calendaring, shrink resistance processing, permanent finishing, decatising, impregnating, mending, and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted		
	- Obtained by sewing together or otherwise assembling, two or more pieces of knitted or crocheted fabric which have been either cut to form or obtained directly to form	(a) LDCs Manufacture from fabric	(b) Other beneficiary countries Knitting and making-up (including cutting) (7 see below under Tolerances) (9 see below under Tolerances)
	- Other	Spinning of natural and/or extrusion of man-made file accompanied by knitting (knitte or Dyeing of yarn of natural file (knitted to shape products) (7 see	end to shape products) ores accompanied by knitting

Key Points to Note:

- In certain subchapters, the term 'or' is used which signifies an option by the exporter to use either rule.
- As explained above, some of the Columns setting out the minimum 'qualifying operations' (*i.e.,* column 3) are split into two sub-columns indicating the rules governing LDCs and rules for 'other beneficiary countries', the latter applicable to the Philippines.
- The exceptions to Rules of Origin tolerances, cumulation, and derogations should be noted by Philippine producers although these are subject to certain rules.



2.2.1. Exception to RoO: Tolerance Levels for Textile Products and Garments

As explained in Section 2.2 above, the general 'tolerance rule', indicates that under certain circumstances, non-originating materials may be used in the manufacture of a given product, even if the rule on the sufficient working or processing list is not fulfilled.¹⁶

Special rules are applicable for textile products and garments. The reference to footnotes 7 and 9 in the table above refer to Introductory Notes 6 and 7, covered in Table 6 and 7 below, which set out the rules on tolerances applicable to textile products and garments.

More specifically, the text provided in the relevant tables above, should be read together with the qualifications outlined in Tables 7 and 8 below by exporters of textile products from the Philippines. Exporters must, when producing textile products out of imported fabric, take the tolerances detailed below into account.

Producers from the Philippines may use imported material for their textile products, but in this case, they must fulfil the qualifying operations and remain within the relevant tolerances in order to obtain a product that will be considered as originating in the Philippines.

Table 6: Further explanation on tolerances – set out in Introductory Note 6 of Regulation (EU) 2015/2446

Note 6: Tolerances applicable to products made of a mixture of textile materials

6.1 Where, for a given product in the list, reference is made to this Note, the conditions set out in column 3 shall not be applied to any basic textile materials used in the manufacture of this product and which, taken together, represent 10 % or less of the total weight of all the basic textile materials used. (See also Notes 6.3 and 6.4)

6.2 However, the tolerance mentioned in Note 6.1 may be applied only to mixed products which have been made from two or more basic textile materials.

Basic Textile Materials that can be used:

- silk;
- wool;
- coarse animal hair;
- fine animal hair;
- horsehair;
- cotton;
- paper-making materials and paper;
- flax;
- true hemp;
- jute and other textile bast fibres;
- sisal and other textile fibres of the genus Agave;
- coconut, abaca, ramie and other vegetable textile fibres;
- synthetic man-made filaments;
- artificial man-made filaments;
- current-conducting filaments;
- synthetic man-made staple fibres of polypropylene;
- synthetic man-made staple fibres of polyester;
- synthetic man-made staple fibres of polyamide;
- synthetic man-made staple fibres of polyacrylonitrile;
- synthetic man-made staple fibres of polyimide;
- synthetic man-made staple fibres of
- polytetrafluoroethylene;synthetic man-made staple fibres of poly(phenylene
- synthetic man-made staple fibres of poly(vinyl chloride);
- other synthetic man-made staple fibres:
- artificial man-made staple fibres of viscose;
- other artificial man-made staple fibres;
- yarn made of polyurethane segmented with flexible segments of polyether, whether or not gimped;
- yarn made of polyurethane segmented with flexible segments of polyester, whether or not gimped;
- products of heading 5605 (metallised yarn) incorporating strip consisting of a core of aluminium

foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of a transparent or coloured adhesive between two layers of plastic film;

- other products of heading 5605;
- glass fibres;
- metal fibres.

6.3 In the case of products incorporating 'yarn made of polyurethane segmented with flexible segments of polyether, whether or not gimped', the tolerance is 20 % in respect of this yarn.

6.4 In the case of products incorporating 'strip consisting of a core of aluminium foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of a transparent or coloured adhesive between two layers of plastic film', the tolerance is 30 % in respect of this strip.

To illustrate:

Example 1:

A yarn, of heading 5205, made from cotton fibres of heading 5203 and synthetic staple fibres of heading 5506, is a mixed yarn.

Therefore, non-originating synthetic staple fibres which do not satisfy the origin rules may be used, provided that their total weight does not exceed 10 % of the weight of the yarn.

Example 2:

A woollen fabric, of heading 5112, made from woollen yarn of heading 5107 and synthetic yarn of staple fibres of heading 5509, is a mixed fabric.

Therefore, synthetic yarn which does not satisfy the origin rules, or woollen yarn which does not satisfy the origin rules, or a combination of the two, may be used, provided that their total weight does not exceed 10 % of the weight of the fabric.

Example 3:

Tufted textile fabric, of heading 5802, made from cotton yarn of heading 5205 and cotton fabric of heading 5210, is only a mixed product if the cotton fabric is itself a mixed fabric made from yarns classified in two separate headings, or if the cotton yarns used are themselves mixtures.

Example 4:

If the tufted textile fabric concerned had been made from cotton yarn of heading 5205 and synthetic fabric of heading 5407, then, obviously, the yarns used are two separate basic textile materials and the tufted textile fabric is, accordingly, a mixed product.



Table 7: Further explanation on tolerances – set out in Introductory Note 7 of Regulation (EU) 2015/2446

Note 7: Other tolerances applicable to certain textile products

7.1 Where, in the list, reference is made to this Note, textile materials which do not satisfy the rule set out in the list in column 3 for the made-up product concerned, may be used, provided that they are classified in a heading other than that of the product and that their value does not exceed 8 % of the ex- works price of the product.

7.2 Without prejudice to Note 7.3, materials, which are not classified within Chapters 50 to 63, may be used freely in the manufacture of textile products, whether or not they contain textiles.

Example:

If a rule in the list provides that, for a particular textile item (such as trousers), yarn must be used, this does not prevent the use of metal items, such as buttons, because buttons are not classified within Chapters 50 to 63. For the same reason, it does not prevent the use of slide-fasteners, even though slide-fasteners normally contain textiles.

7.3 Where a percentage-rule applies, the value of materials which are not classified within Chapters 50 to 63 must be taken into account when calculating the value of the non-originating materials incorporated.

2.2.2. Exception to RoO: Cumulation

Cumulation refers to a system that allows the origin of materials or processing undertaken in country A to be added to the materials and processing undertaken within country B, so long as they are further processed or added to products originating in country B. Cumulation can take place in the following ways:

Table 8: Types of cumulation

	Principle	Applicability to the Philippines
The two main ty	oes of cumulation are:	
i. Bilateral Cumulation	Bilateral cumulation allows materials originating in the EU to be counted as if they were originating in the GSP beneficiary country when used in manufacturing a product. Provided that certain requirements are met: materials originating in the EU (within the meaning of the EU's GSP rules of origin), and further worked or processed in a beneficiary country, are considered to originate in the beneficiary country. In the EU's GSP rules of originate in the beneficiary country.	If a Philippine business imports material originating from the EU, and these materials are further worked or processed in the Philippines, then product is considered as originating from the Philippines and, if the product is covered by the preferences, will be entitled to the GSP+ tariff preferences.
ii. Regional Cumulation	Regional cumulation refers to a system whereby products originating in a country that is a member of a regional group will be considered as materials originating from another country of the same regional group (or a country of another regional group where cumulation between groups is possible), when further processed or	The Philippines is a part of 'Group 1' from the four regional groups, together with Brunei, Cambodia, Indonesia, Malaysia, Myanmar, Thailand, and Viet Nam. ²² If a Philippine business imports material from any of the abovementioned

Regional Cumulation (cont.)

Principle

incorporated in a product manufactured there. 18

The EU's GSP recognises four regional groups. 19

Accordingly,

- Materials originating in one country of the group,
- which are further worked or processed in another beneficiary country of the same group,

are considered to originate in the latter country.²⁰

There are certain kind of works in the textile sector which are, however, excluded from regional cumulation, namely:²¹

- Fitting of buttons and/or other types of fastenings
- Making of button-holes
- Finishing off the ends of trouser legs and sleeves or the bottom hemming of skirts and dresses, etc.
- Hemming of handkerchiefs, table linen, etc.
- Fitting of trimmings and accessories such as pockets, labels, badges, etc.
- Ironing and other preparations of garments for sale 'ready-made'
 Or any combination of such working.

Applicability to the Philippines

countries that benefits from the GSP (namely Cambodia, Indonesia, and Myanmar) and this product is further worked or processed in the Philippines, the product can be considered as originating in the Philippines and, if the product is covered by the preferences, will be entitled to benefit from the GSP+ preferences.

In addition, there are also two other types of cumulation that could apply:

iii. Extended Cumulation²³

This is applied between the GSP beneficiary country and a country with which EU has a preferential trade agreement.

Extended cumulation does not apply to products classified under Chapters 1 to 24 of the EU's Combined Nomenclature, which concerns agricultural and food products.²⁴

If a Philippine business imports materials from a country with which the EU has concluded a preferential trade agreement, such as Viet Nam,²⁵ and further works or processes these materials in the Philippines, the product can be taken as originating in the Philippines and, if the product is covered by the preferences, can be entitled to benefit from GSP+ preferences. (Provided that the products do not fall within the Chapters 1 – 24 of the CN).

iv. Cross-Regional Cumulation²⁶

Cross-regional cumulation allows for GSP beneficiary countries from neighbouring regions (*i.e.*, groups) to apply cumulation as though they were in the same region.

If a Philippine business imports materials from a GSP beneficiary from regional Group III (*e.g.*, Bangladesh or Sri Lanka) and further works or processes these materials in the Philippines, the product can be taken as originating in the Philippines and, if the product is covered by the preferences,

	Principle	Applicability to the Philippines
Cross-Regional Cumulation (cont.)	For cross-regional cumulation to apply, the working and processing carried out must go beyond minimal operations. ²⁷	can be entitled to benefit from GSP+ preferences. This type of cumulation is not granted automatically but is subject to a request. Currently there is only one such cumulation in place. ²⁸

2.2.3. Exception to RoO: Derogation from the specific rules of origin

Derogations from the rules of origin may also be granted to beneficiary countries upon the European Commission's initiative or in response to a request from the beneficiary country.



This is only possible in case:

- internal or external factors temporarily deprive the country of the ability to comply with the applicable rules of origin where it could do so previously, or
- the country requires time to prepare itself to comply with the 'normal' rules of origin.²⁹

A special request has to be made by the Government of Philippines to the European Commission in this regard.

PART III:

Other Regulatory Requirements to Export Garments and Textiles Products to the EU

This section provides a detailed overview of the EU regulatory requirements (or non-tariff measures) that Philippine exporters should be aware of so that their products can seamlessly be placed on the EU market.

3.1. Restrictions on use of chemical substances in textile products

Textile articles containing certain chemical substances, group of substances, or mixtures **may not be placed on the EU market** or are **severely restricted.**

The following chemical substances, group of substances, or mixtures are not allowed as set out in the <u>REACH Regulation</u>:³⁰

Table 9: List of chemical substances not allowed for textile products and garments

Chemical substances/group of substances/mixtures	Description
Tris (2,3 dibromopropyl) phosphate	Not allowed in textile articles, such as garments, undergarments and linen, intended to come into contact with the skin
Tris (aziridinyl) phosphinoxide	Not allowed in textile articles, such as garments, undergarments and linen, intended to come into contact with the skin
Polybrominated biphenyls (PBB)	Not allowed in textile articles, such as garments, undergarments and linen, intended to come into contact with the skin
Mercury compounds	May not be placed on the market, or used, as substances or in mixtures where the substance or mixture is intended for use in the impregnation of heavy-duty industrial textiles and yarn intended for their manufacture
Dioctyltin (DOT) compounds	May not be used since 1 January 2012, <i>inter alia</i> , in the following articles for supply to, or use by the general public, where the concentration in the article, or part thereof, is greater than the equivalent of 0,1% by weight of tin: Textile articles intended to come into contact with the skin; and Gloves.

Chemical substances/group of substances/mixtures	Description	
Nickel	Not allowed in articles intended to come into direct and prolonged contact with the skin, such as: Earrings; Necklaces, bracelets and chains, anklets, finger rings; Wrist-watch cases, watch straps and tighteners; and rivets buttons, tighteners, rivets, zippers and metal marks, when these are used in garments.	
Azocolourants and Azodyes	**************************************	
	Furthermore, the textile and leather articles referred to in paragraph 1 shall not be placed on the market unless they conform to the requirements set out in that paragraph.	
	Azodyes, which are contained in Appendix 9 of the REACH Regulation, 'List of azodyes' shall not be placed on the market, or used, as substances, or in mixtures in concentrations greater than 0,1% by weight, where the substance or the mixture is intended for colouring textile and leather articles, which may release one or more of the aromatic amines listed in Appendix 8, in textile and leather articles which may come into direct and prolonged contact with the skin or oral cavity.	
Nonylphenol and nonylphenol ethoxylates	May not be placed on the market, or used, as substances or in mixtures in concentrations equal to or greater than 0,1% by weight for, inter alia, the following purposes: textiles and leather processing except: Processing with no release into waste water; and Systems with special treatment, where the process water is pretreated to remove the organic fraction completely prior to biological waste water treatment (degreasing of sheepskin).	

For further information on chemical substances:

Manufacturers and traders may contact the European Chemical Agency (ECHA), which manages and coordinates the registration, evaluation, authorisation and restriction processes of chemical substances in the EU.

European Chemicals Agency

P.O. Box 400 00121 Helsinki Finland

Switchboard: +358-9-686180

3.2. Restrictions on the type of animal used for manufacture of textile products

Manufacturers of textile products derived from exotic animals should assess compliance with EU rules based on the Convention on International Trade in Endangered Species of Wild Fauna and Flora (hereinafter, CITES).³¹

The rules impose checks on imports and exports at both the EU and country of origin levels and each EU Member State has a management authority to issue permits and check imports, as well as a scientific authority to act as a consultative body.

EU legal instruments list the endangered species of animals, which roughly correlate to the appendixes found in CITES, and are organised from the greatest degree of trade restrictiveness as assigned by the EU, to the least trade restrictiveness.

All textile products and garments derived from a species listed require, at the very least, an import license or permit.

3.3. Regulations imposed on non-food products to enhance protection of consumers

In June 2019, EU legislation was issued with the aim to harmonise at the EU level the requirements on non-food products and to enhance the protection of consumers from unsafe and non-compliant products.³²

This legislation entered into force on 16 July 2021.³³

As regards textile and garment products, the amended EU rules provide EU Member States with additional power to ensure that products placed on the EU market are compliant with harmonised legislation related to limits of restricted substances, notably with respect to the following legal instruments:

Regulation (EU) No 1007/2011 on textile fibre names and related labelling and marking of the fibre composition of textile products,

Regulation (EC) No 66/2010 on the EU's Ecolabel; and

The REACH Regulation.

Products identified as non-conforming are to be rejected at borders and withdrawn from the EU market.

3.4. Labelling of Garment and Textile Products

In order to ensure that EU consumers are provided with accurate information regarding the composition of the textile products that they purchase, manufacturers and trader wishing to place their products on the EU market

are required to show that their goods are properly marked or accompanied with commercial documents pursuant to Regulation (EU) 1007/2001.³⁴

3.4.1. Products that need to be labelled

Type of products that require a label:

Only products for sale to the final consumer need to be labelled.

For other products, the labelling or marking may be replaced or supplemented by accompanying commercial documents.

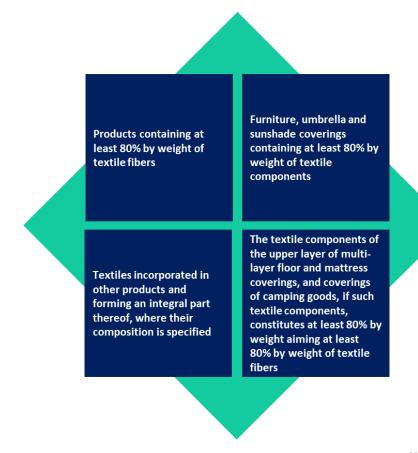
Annex V to *Regulation 1007/2001* lists 42 products that do not require labelling indicating fibre name or composition.

Other products treated in the same way as textile products for labelling purposes:

Under the scope of the abovementioned regulation,³⁵ there are a number of other products which will also be treated the same way as textile products, as outlined in Figure 3:

Figure 3: Other products labelled as textile products

In the EU, the following products are to be treated in the same way as textile products...



These rules are not, however, applicable to customised products made by self-employed tailors.³⁶

Inclusive Label:

An inclusive label refers to the use of a single label for several textile products or components – and may be used when all textile products or components are of the same type and fibre composition. This is applicable for the following textile products listed in in Annex VI to *Regulation 1007/2001*:

Floor cloths;

Cleaning cloths;

Edgings and trimmings;

Passementerie;

Belts;

Braces;

Suspenders and garters;

Shoe and boot laces;

Ribbons;

Elastic;

New packaging sold as such;

Packing string and agricultural twine; string, cordage and ropes other than those falling within item 37 of Annex V (1);

Table mats;

Handkerchiefs:

Bun nets and hair nets;

Ties and bow ties for children;

Bibs, washgloves and face flannels;

Sewing, mending and embroidery yarns presented for retail sale in small quantities with a net weight of 1 gram or less; and

Tape for curtains and blinds and shutters.

Products sold by the meter need to be labelled only on the piece or roll offered for sale. $^{\rm 37}$

3.4.2. Instructions on Labelling, Marking and Attaching Labels for Textile Products

Textile Fibre Names and Composition

With respect to the names of the textile fibres only the textile fibre names listed in Annex I to *Regulation* (EU) 1007/2011 may be used for the description of the fibre composition on labels.

A new name is justified only if the fibre cannot be classified into any of the existing groups. Adding a new fibre name requires that the relevant Annexes of *Regulation (EU) 1007/2011* are amended. For that to happen, the European Commission must initiate an amending procedure, but will only do so in case it is useful to improve consumer protection.

Traders of textile products are required to label or mark their products so as to indicate the fibre composition in a manner that is accurate, not misleading and easily understandable.



Labelling requirements

Textile products must indicates the **fiber composition** in a manner that is accurate, not misleading and easily understandable.

attached, and both labels and marks must be durable, easily legible in the official language(s) of the importing EU country, visible, and accessible.

Additionally, there are other specific requirements that traders in the Philippines should be aware of:

- Labels indicating '100 %, 'pure' or 'all must be exclusively composed of the same fibre;³⁸
- Multi-fibre textile products shall be labelled or marked with the name and percentage by weight of all constituent fibres in descending order. Fibres listed in Annex I of *Regulation 1007/2001*, or fibres accounting for less than 5% of the total weight, may be labelled as '*Other fibres*', as long as their total percentage by weight is also included;³⁹
- Textile products containing two or more textile components, which have different textile fibre

- contents, are to bear a label or marking stating the textile fibre content of each component;⁴⁰
- Decorative fibres and fibres with anti-static effect not exceeding 7% and 2%, respectively, of the weight of the product do not need to indicate fibre content,⁴¹
- A label or marking stating 'Contains non-textile parts of animal origin' must be present when a product contains non-textile parts of animal origin;⁴² and
- For textile products whose fibre composition is difficult to determine, the terms 'mixed fibres' or 'unspecified textile composition' are allowed. 43
- In order to protect producers and to inform consumers, the term 'cotton' is exclusively reserved for the fibre obtained from the bolls of the cotton plant (Gossypium). The term 'cotton linen union' is reserved for products having a pure cotton warp and a pure flax weft, in which the percentage of flax accounts for a minimum 40% of the total weight of the fabric. On the textile product's label, this name must be accompanied by the composition specification.

Attaching labels

According to Article 14(1) of *Regulation (EU)* 1007/2011, labels must be securely attached, and both labels and marks must be durable, easily legible in the official language(s) of the importing EU country, visible and accessible. The only abbreviations allowed on labels are mechanised processing codes and abbreviations defined in international standards.

Special provisions for certain textile products

Special provisions for the labelling and marking of certain textile products are provided in Annex IV of *Regulation 1007/2011*. Products addressed in Annex IV include corsetry products, etch-printed textiles, embroidered textiles, yarns consisting of a core and a cover made up of different fibres, velvet and plush textiles (or products that resemble velvet or plush) and certain multi-fibre floor coverings.

3.4.3. Options for including Environmental Labelling

In the EU, the Ecolabel is the official mark for products with the lowest environmental impact in a specific product range. It aims at promoting environmental protection, as well as at helping consumers to identify those products that contribute significantly to improvements in relation to key environmental aspects. *Participation to the scheme is voluntary*, which means that products can be sold within the EU market without the Eco-label logo and that there are no regulations that require traders to apply the logo.

Including the EU Ecolabel

When a product is included in the product group definition and complies with the Ecolabel criteria, manufacturers, importers, service providers, traders or retailers, that want to market their products in the EU, may apply for the Eco-label.⁴⁶

Textile products' manufacturers wishing to apply to their products the EU Ecolabel should check the specific criteria.⁴⁷

Application for and use of EU Ecolabel

An application must be submitted to the competent body of any EU Member State in which the product is to be placed, or has been placed, on the market.

The application must include all relevant documentation to prove that the product complies with the ecological and performance criteria. The competent body will inform the applicant of the necessary documents that must be submitted, of the test results that must be provided, and how they should be carried out. If the application is successful, the competent body will provide the applicant a contract covering the terms of use of the label.

Eco-labelled products may be marketed in all EU Member States. Applications for the award of an Eco-label are subject to payment of a fee. In addition, there is an annual fee for the use of the label. Detailed information on the current criteria can be found at www.ecolabel.eu.

Figure 4: Environmental labelling instructions

Environmental labelling



- The official mark in the EU for products with the lowest environmental impact is the *Ecolabel*.
- The use of the *Ecolabel* scheme **is not mandatory.**
- For the use of the EU *Ecolabel*, exporters of textile products must submit an application including relevant documents proving that the product compiles with the ecological and performance criteria.
- Textile products' manufacturers wishing to apply to their products the EU *Ecolabel* should check the <u>specific criteria</u>.



PART IV:

Complying with domestic requirements to export to the EU

For products that are regulated for export according to Philippine law, certain export documents must be obtained. In order to export regulated products, exporters must obtain the necessary documents. On that note, this section provides information on where and how to obtain the related export documents for fibers and certain regulated materials used in wearables.

The information in this section is derived from official sources and updated as of May 2023. Exporters may refer to the agencies' websites to check for any changes that may apply.

4.1. Philippine Fiber Industry Development Authority (PhilFIDA)

Table 10: Details of Licences/Permits through PhilFIDA

Fees

PhilFIDA License (depending on kind of license)

Grading/Baling Establishment (GBE)

- First class (pressing 30,000 bales and above a year) PHP 18,000
- Second class (pressing 20,000 but not more than 29,999 bales a year) PH 12,000
- Third class (pressing 10,000 but not more than 19,999 bales a year) PHP 7.200
- Fourth class (pressing 9,999 bales and below a year) PHP 6,000

Trader-Exporter

- Class A (trading 500 bales and above aa year) PHP 10,800
- Class B (trading 300 but not more than 499 bales a year) PHP 6,850
- Class C (trading 299 bales and below a year) PHP 2,640

PhilFIDA Certificate of Fiber Inspection (CFI): None

Contact

Address: 3/F PhilFIDA, DA-PCAF Building, Department of Agriculture Compound, Elliptical Road,

Diliman, Quezon City

Phone: (632) 273-2474 local 2650

E-mail: oed@philfida.da.gov.ph, regulatory@philfida.gov.ph

Website: www.philfida.da.gov.ph

4.1.1. PhilFIDA License

The PhilFIDA does not issue an export commodity clearance but issues a *Certificate of Fiber Inspection* and *Permit to Transport Fibers*, which are local permits, as a requirement for exportation. ⁴⁹ However, textile businesses, including those who are engaged in (a) grading and baling Philippine commercial fiber intended for domestic or export market; and (b) buying approved bales for export, are required to obtain a license from the PhilFIDA.



Procedures:

- Obtain the application form from the Regulatory Unit Office of the PhilFIDA Provincial Office (PO) or Regional Office (RO) that has jurisdiction of the location where the businesses is situated. Submit the application form and requirements to the PhilFIDA PO or RO for review of completeness.
- PhilFIDA conducts an on-site inspection and evaluation of the warehouse, facilities, and equipment to check for conformity with the prescribed standards.
- The applicant must pay the application and license fee to the PhilFIDA PO or RO Cashier.
- PhilFIDA processes the license and recommends its approval by the Regional Director or authorised alternate signatories.
 Once approved and signed, the license is issued to the applicant.

Requirements:

Documents

- Application Form (to be obtained from the Regulatory Unit Office of the PhilFIDA Provincial Office (PO) or Regional Office (RO))
- SEC registration certificate (for corporations or partnerships), DTI certificate of registration (for sole proprietorship) or CDA Certificate of registration (for cooperatives)
- Company profile with complete list of officers (for corporations or partnerships) or cooperative profile with complete list of officers (for cooperatives)
- Mayor's or Business Permit
- Certificate of Training on the Philippine National Standard (for Abaca fiber businesses)

Equipment and Facilities

Grading Baling Establishment (GBE)

- At least one baling press
- Minimum floor area of 850 sq.m. for classification work and storage
- One metric weighing device with certificate of periodic calibration
- Warehouse with segregating partition with other commodities
- At least one licensed classifier

Trader-exporter

- At least one metric weighing device with certificate of periodic calibration
- Warehouse with segregating partition with other commoditi

4.1.2. PhilFIDA Certificate of Fiber Inspection

Grading baling establishments and other authorised entities should obtain a Certificate of Fiber Inspection (CFI) from a PhilFIDA inspector prior to the exportation of raw fiber.

Procedure:

- PhilFIDA conducts an ocular inspection and evaluation of the fibers to be transported, approves and issues the Certificate of Fiber Inspection (CFI) once satisfactory inspection has been completed.
- Obtain the Certificate of Fiber Inspection (CFI)
 Form from the Regulatory Unit Office of the PhilFIDA Provincial Office (PO) or Regional Office (RO) that has jurisdiction of the location where the business is located.
- Submit the application form to the PhilFIDA PO or RO for checking of completeness of data.

Required documents:

- CFI Form (to be obtained from the Regulatory Unit Office of the PhilFIDA Provincial Office (PO) or Regional Office (RO))
- Information regarding particulars of fibre to be transported



4.2. Department of Environment and Natural Resources (DENR) – Biodiversity Management Bureau (BMB)

Table 11: De	etails of Export Clearance/Permit through DENR-BMB
Fees	1. Permit fee (Commercial): Fauna – 3% of export value 2. Inspection fee (Commercial): PHP 300.00
Forms	DENR-BMB Application for Inspection and Issuance of Permit/Certification for Export/Re- Export of Wildlife Online download: https://bmb.gov.ph/downloads/WRD/permits/application-form-export-re-export-permit.pdf
Contact	Address: Ninoy Aquino Parks and Wildlife Center, 1100 Diliman Quezon City, Philippines E-mail: bmb@bmb.gov.ph Telephone: +(632) 89246031-35 Website: https://bmb.gov.ph

Export Permit: Terrestrial wildlife species, by-products and derivatives

As noted in Section 3.2, wearable products derived from exotic animals listed under the *Convention on International Trade in Endangered Species of Wild Fauna and Flora* (CITES) Appendices require an Export Permit to authorize an individual to bring, send or transport products from the Philippines to other countries.

Procedure:

- Submit the requirements to DENR-BMB Records Management Unit office for evaluation.
- Once evaluation is done and requirements are deemed complete, the applicant pays the required fees through online payment channels.
- Present the original copy of the receipt to DENR BMB Wildlife Regulation Section.
- The applicant receives the original copy of the CITES Export/Re-Export Permit.

Processing Time: 3 working days

Requirements:

- Application Form
- Any document supporting the legal possession or acquisition of wildlife, such as: official receipt/sales invoice; Deed of donation; Certificate of Wildlife Registration/Wildlife Farm Permit; Affidavit
- Where applicable: Wildlife inspection report (endorsed to BMB five days upon receipt of permit application by concerned DENR Regional Office); Local transport permit; Breeding/production reports validated by the regional office
- Export declaration (if for commercial purposes)

PART V:

Further Information and Key Contacts

5.1. Government Departments/Units

5.1.1. In the EU

For further information on the textile and fashion industry in the EU, the European Commission provides the following information websites:

Table 12: EU government authorities' websites

Information on:	Link
Textiles Industry	https://ec.europa.eu/growth/sectors/fashion/textiles-clothing_en
Fashion and high- end industries	https://ec.europa.eu/growth/sectors/fashion/high-end- industries en
Legislation relevant for textiles	https://ec.europa.eu/growth/sectors/fashion/textiles- clothing/legislation en https://ec.europa.eu/growth/sectors/fashion/textiles- clothing/legislation/other en

5.1.2. In the Philippines

For any export-related queries, concerns, or request for assistance, exporters may contact the Department of Trade and Industry's Export Marketing Bureau (DTI-EMB) and Foreign Trade Service Corps (FTSC).

Table 13: EU government authorities' websites

Institution	Description	Contact Details
Export Marketing Bureau (EMB)	EMB is mandated to oversee the development, promotion, and monitoring of Philippine exports and offers a wide variety of services and assistance programs for exporters.	Address: 1-2F DTI International Building 375 Sen. Gil J. Puyat Ave., Makati City Phone: (+632) 8465.3300 locals 102, 110 E-mail: Exports@dti.gov.ph Website: http://www.dti.gov.ph/Exports
Foreign Trade Service Corps (FTSC)	FTSC maintains a number of Philippine Trade and Investment Centers (PTIC) abroad that provide assistance to Philippine exporters to be able to access international markets. For market-specific concerns, exporters may contact the FTSC and the various PTIC posts in the EU.	FOREIGN TRADE SERVICE CORPS (FTSC) Address: 3F DTI International Building 375 Sen. Gil J. Puyat Ave. Makati City Contact: (+632) 8465.3380 E-mail: FTSC@dti.gov.ph PTIC-BERLIN, GERMANY Commercial Counsellor: Nicanor S. Bautista Address: Philippine Trade and Investment Center Embassy of the Philippines, Rankestr. 26, Berlin Contact: +4930.8800.7719/8867.7499 E-mail: Berlin@dti.gov.ph PTIC-BRUSSELS, BELGIUM Commercial Counsellor: Magnolia Misolas-Ashley Address: Philippine Trade and Investment Center Embassy of the Philippines, 207 Ave. Louise, Box 5 Brussels Contact: +322.649.4400 E-mail: Brussels@dti.gov.ph PTIC-PARIS, FRANCE Commercial Counsellor: Rosa Katrina V. Banzon Address: Philippine Trade and Investment Center Embassy of the Philippines, 19 rue de l'Amiral d'Estang, Paris Contact: +33.1.58120064 E-mail: Paris@dti.gov.ph



5.2. Business associations

It is useful for Philippine exporters of textiles and garments to be familiar with the following business associations.

5.2.1. In the European Union

For further information on business associations and other relevant entities, on a regional and national level, refer below:

Table 14: EU business associations

Institution	Description	Contact Details
The European Apparel and Textile Confederation (EURATEX)	The European Apparel and Textile Confederation (EURATEX), represents the interests of the European textile and clothing industry at the EU level. EURATEX national federations represent in the EU roughly 160,000 companies with a turnover of EUR 162 billion and 1.5 million employees. Since 2008, EURATEX is a registered association in Brussels and in 2010 it became an international non-profit organisation (aisbl).	Rue Belliard, 40 1040 Brussels Phone: +32 2 285 48 83 E-mail: info@euratex.eu Web: <u>www.euratex.eu</u>
Nordic Fashion Association (NFA)	The Nordic Fashion Association (NFA) was inaugurated in 2008 by five Nordic fashion organisations with a core purpose of gathering the Nordic fashion industry and collectively embark on the process of working with and implementing principles for sustainable fashion. Through the NFA, 10 Nordic fashion organisations aim at intensifying their strategic cooperation. The five Nordic countries are globally known for a socially responsible conduct, a functionalistic approach to clothes and a shared feature of accessible fashion.	Nordic Fashion Association NFA Thorvald Meyers Gate 51 0555 Oslo Norway Phone: +47 486 09 101 E-mail: hello@nordicfashionassociation.com Web: www.nordicfashionassociation.com
The Federazione Imprese Tessili e Moda Italiene (The Federation of Italian Textile and Fashion Companies)	The Federazione Imprese Tessili e Moda Italiene (SMI-ATI) was established in 2005 and has about 2,000 members representing the entire textile/fashion value chain from yarn to clothing. The federation promotes the interests of its members and represents the textile and clothing industry on issues related to international trade, trade duties and quotas, currency and customs regulations. It provides training and consulting services to its members and is a major source of economic and statistical data. SMI-ATI maintains contacts and negotiates with the Government of Italy, authorities and trade unions. Substantial effort is devoted by the federation to the promotion of cotton-made textile products at fashion shows.	SMI - ATI Via A. Riva Villasanta 3 Milano, Italy Phone: +39 2 64 11 90 01 E-mail: direzione@sistemamodaitalia. it Web: www.smi-ati.it

Institution	Description	Contact Details
The Association française cotonnière (The French Cotton Association)	The Association française cotonnière (AFCOT) exists since more than 100 years and has about 80 members, including companies based in France and in other countries. Members includes cotton merchants, agents, shippers, controllers, transport organisations, ports, banks and spinners. The AFCOT publishes <i>Le Havre General Rules</i> , which regulate contracts for the sale of cotton and arbitration. AFCOT has a laboratory which is equipped for fibre testing.	AFCOT BP 143 76051 Le Havre CEDEX France Phone: +31 2 35 41 20 36 Web: www.afcot.org

5.2.2. In the Philippines

It is useful for Philippine exporters of textiles and garments to be familiar with the following business associations:

Table 15: Philippine business associations

General Business Organizations

Institution	Description	Contact Details
European Chamber of Commerce of the Philippines (ECCP)	ECCP is a bilateral foreign chamber offering a wide business network and business support services to promote Philippine-European business relations.	Address: 19th Floor, Philippine AXA Life Centre, Sen. Gil J. Puyat Avenue cor. Tindalo St., Makati City, 1200 Metro Manila, Philippines Contact: (+632) 8845.1323, (+632) 8856.0423 E-mail: info@eccp.com Website: https://www.eccp.com/
Federation of Philippine Industries (FPI)	FPI is a multi-sectoral umbrella organization for Philippine businesses.	Address: Unit 701 Atlanta Centre Condominium #31 Annapolis St., Greenhills, San Juan City Contact: (+632) 8722.3409, (+632) 8584.9642, (+632) 8727.4359 E-mail: fpi@fpi.ph,fpi@philonline.com, info@fpi.ph, fpi.secretariat@gmail.com Website: www.fpi.ph
Foreign Buyers Association of the Philippines (FOBAP)	FOBAP is an association of buyers' representative sourcing offices of Philippine-made products for export, particularly design-related products.	Address: Unit 1101 Cityland Condominium 10, Tower 1 #256 H.V. Dela Costa St., Ayala North, Salcedo Village, Makati City Contact: (+632) 8892.8492, (+632) 8813.0813 Mobile: (+63) 917.2453379 E-mail:fobap1@yahoo.com, contexyoung@yahoo.com.ph
Philippine Chamber of Commerce and Industry (PCCI)	PCCI is one of the leading umbrella business organization in the Philippines.	Address: 3F Commerce and Industry Plaza, 1030 Campus Ave. cor. Park Ave. McKinley Town Center, Fort Bonifacio, Taguig City Contact: (+632) 8846.8619 E-mail: secretariat@philippinechamber.com Website: www.philippinechamber.com

Institution	Description	Contact Details
Philippine Exporters Confederation, Inc. (PHILEXPORT)	PHILEXPORT is an umbrella organization of Philippine exporters. It serves as an	Address: ITC Complex Roxas Boulevard, cor Sen. Gil J. Puyat Ave, 1300 Pasay
(, , , <u>, , , , , , , , , , , , , , , , </u>	important government partner and provides business services for exporters.	Contact: (+632) 8230.5555, (+632) 8935.1025, (+632) 8782.9847 Mobile: (+63) 919.0734992, (+63) 917.7183966 E-mail: communications@philexport.ph Website: www.philexport.ph

Specific Industry Associations

Institution	Contact Details
Textiles	
Association of Abaca Pulp	Address: L4 B3 New Delhi St., Annex 22, Better Living Subdivision,
Manufacturers Inc. (AAPMI)	Parañaque City
	Contact: (+632) 8824.0901
	E-mail: <u>ldi.pulpspecialties@gmail.com</u>
Textile Mills Association of the	Address: Arnel Bldg., No 1927 Bocobo St., Malate, Manila
Philippines Inc. (TMAP)	Mobile: (+63) 917.6767098
	E-mail: textile mills@yahoo.com
Textile Producers Association of	Address: Room 513 Downtown Center Bldg., No 516 Quintin Paredes
the Philippines Inc. (TEXPAP)	Rd., Binondo, Manila
	Contact: (+632) 8241.1144, (+632) 8241.1162
Garments	
Confederation of Wearables	Address: Unit F, 15/F, Parkview Tower II, Eastwood City, 118 E.
Exporters of the Philippines	Rodriguez Avenue, Quezon City
(CONWEP)	Contact: (+632) 8584.7514
	Mobile: (+63) 917.790.9719



ENDNOTES

- ¹ Based on ITC Trademap figures (accessed 4 November 2022).
- ² PEDP 2018-2022, p. 25.
- ³ FAO. Abaca fiber. Available at https://www.fao.org/economic/futurefibres/fibres/abaca0/en/ (accessed 4 November 2022).
- ⁴ Eurostat data.
- ⁵ Eurostat data.
- ⁶ ITC Export Potential Analysis, p. 13.
- ⁷ ITC Export Potential Analysis, p. 13.
- ⁸ PH Textile-Garment Industry Roadmap. 2020.
- ⁹ See https://www.dti.gov.ph/archives/news-archives/japanese-manufacturing-ppe-medical-supplies/ (accessed 4 November 2022).
- ¹⁰ Eurostat.
- ¹¹ GSP utilisation rate refers to the % of GSP-eligible exports to the EU that availed of the GSP+ preferences when entering the EU market.
- ¹² EU TPR Secretariat Report, p. 64; Regulation (EU) No. 978/2012, Annex IX.
- ¹³ Article 33 of the GSP Regulation.
- ¹⁴ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, OJ L 343, 29.12.2015, p. 1–557, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32015R2446 (accessed 4 November 2022).
- ¹⁵ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, OJ L 343, 29.12.2015, p. 1–557, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32015R2446 (accessed 4 November 2022).
- ¹⁶ Article 48 of Commission Delegated Regulation (EU) 2015/2446.
- ¹⁷ Article 53 of Commission Delegated Regulation (EU) 2015/2446.
- ¹⁸ Article 37 of Commission Delegated Regulation (EU) No 2015/2446.
- ¹⁹ Laid down in Article 55 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015, available at http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.343.01.0001.01.ENG (accessed 4 November 2022), which provides that:
- "Regional cumulation shall apply to the following four separate regional groups:
- (a) group I: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar/Burma, Philippines, Thailand, Vietnam;
- (b) group II: Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Peru, Venezuela;
- (c) group III: Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka;
- (d) group IV: Argentina, Brazil, Paraguay and Uruguay".
- ²⁰ Article 55 of Commission Delegated Regulation (EU) 2015/2446.
- ²¹ Regional cumulation: in relation to the four regional groups recognised by the EU's GSP, materials originating in one country of the group, which are further worked or processed in another beneficiary country of the same group, are considered to originate in the latter country (Article 55 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015). Article 55(1)(a) of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 assigns the Philippines to the regional cumulation 'Group I', which includes the following other ASEAN Member States: Cambodia; Indonesia; Lao PDR; Malaysia; Myanmar; Thailand; and Viet Nam.
- ²² Article 55(1)(a) of Commission Delegated Regulation (EU) 2015/2446.
- ²³ Article 56 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015.
- ²⁴ See Annex I to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A31987R2658. The

information is also provided in the EU's Access2Martkets database at https://trade.ec.europa.eu/access-to-markets/en/home (accessed 4 November 2022).

- ²⁵ See https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/ (accessed 1 November 2022) for list of Agreements maintained by the EU.
- ²⁶ Article 55(5) and (6) of Commission Delegated Regulation (EU) 2015/2446.
- ²⁷ Article 47(1) of Commission Delegated Regulation (EU) 2015/2446.
- ²⁸ See https://trade.ec.europa.eu/access-to-markets/en/content/generalised-scheme-preferences-gsp (accessed 20 January 2023).
- ²⁹ Article 64(6) of Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code OJ L 269, 10.10.201, available at http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32013R0952 (accessed 4 November 2022).
- ³⁰ As set out in: Regulation (EC) 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32006R1907 (accessed 4 November 2022).

Refer ITC's Technical Brief on the EU REACH Regulation – developed under the ARISE Plus Philippines project.

- ³¹ Council Regulation (EC) 338/97 of 9 December 1996 on the protection of species of wild fauna and flora by regulating trade therein, OJ L 61, 03.03.1997, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:31997R0338 (accessed 4 November 2022).
- ³² Regulation (EU) 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011, OJ L 169, 25.6.2019, p. 1–44, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32019R1020 (accessed 4 November 2022).
- ³³ Replacing the market surveillance provisions of Regulation (EC) 765/2008.
- ³⁴ Regulation (EU) 1007/2011 of the European Parliament and of the Council of 27 September 2011 on textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council, OJ L 272 18.10.2011, p. 1, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32011R1007 (accessed 4 November 2022).
- ³⁵ Regulation (EU) 1007/2011 of the European Parliament and of the Council of 27 September 2011 on textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council, OJ L 272 18.10.2011, p. 1, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32011R1007 (accessed 4 November 2022).
- ³⁶ Article 2(4) of Regulation (EU) 1007/2011
- ³⁷ Article 17(4) of Regulation 1007/2001.
- ³⁸ Article 7 of Regulation 1007/2001.
- ³⁹ Article 7 of Regulation 1007/2001.
- ⁴⁰ Article 11 of Regulation 1007/2001.
- ⁴¹ Article 10 of Regulation 1007/2001.
- $^{\rm 42}$ Article 12 of Regulation 1007/2001.
- ⁴³ Article 9(4) of Regulation 1007/2001.
- ⁴⁴ Annex I to Regulation 1007/2001.
- ⁴⁵ Article 9(3) of Regulation 1007/2001.
- ⁴⁶ Regulation (EC) 66/2010 of the European Parliament and of the Council of 25 November 2009 on the EU Ecolabel, OJ L 27, 30.01.2010, available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32010R0066 (accessed 4 November 2022).
- ⁴⁷ Commission Decision of 9 July 2009 establishing the ecological criteria for the award of the Community Ecolabel for textile products, OJ L 197, 29.07.2009, available at <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri-celex.europa.e
- ⁴⁸ The list of regulated and prohibited products as of December 2020 is available at https://tradelinephilippines.dti.gov.ph/ja/web/tradeline-portal/prohibited-and-regulated-products (accessed 4 November 2022).
- ⁴⁹ PHILFIDA Citizen's Charter, available at https://philfida.da.gov.ph/images/transparency/CitizensCharter/2021/citizen-s-charter.pdf (accessed 4 November 2022). See the Citizen's Charter for procedure and requirements.

