Philippine Economic Zone Authority

MEMORANDUM CIRCULAR NO. 2019-010

FOR: Economic Zone Locator Enterprises
     Economic Zone Administrators and Managers

FROM: BGen CHARITO B. PLAZA, MNSA, PhD
      Director General

SUBJECT: Implementation of the Strategic Trade Management Act of 2015 in the Economic Zones

DATE: 13 March 2019

We wish to inform that the Implementing Rules and Regulations of R.A.10697 or the Strategic Trade Management Act (STMA) of 2015 is already available and may be downloaded directly from the Official Gazette through this link:

Background

- **Purpose of regulating strategic goods.** The development and proliferation of weapons of mass destruction (WMD) is one of the most important security challenges countries face today. Some of these WMDs and conventional arms which enhance military programs (goods, software, and technologies) have peaceful applications and are called “dual-use items”. The international community has responded to WMD and arms proliferation challenges by calling upon countries to manage and control trade in military and dual-use items, which are called “strategic goods.”

- **Implementing Body.** The STMO, or the Strategic Trade Management Office, was created in 2017 as a bureau under the administrative supervision of the Department of Trade and Industry (DTI). The DTI-STMO is tasked to serve as the executive and technical agency of the national government for the establishment of the management systems for the trade in strategic goods pursuant to the Act.

- **Applicability.** The STMA shall be applicable to all locator enterprises who are engaged in the export, re-export, reassignment, transit and transshipment of items, software and technology included in the National Strategic Goods List (NSGL) and thus, considered as dual-use strategic goods. Locators who engaged in such activities using items in the NSGL are required to register with the DTI-STMO. The NSGL and the List of Dual Strategic Goods (Annex 2 of the IRR) may be downloaded from the above-cited link.

PEZA is coordinating with the DTI-STMO in conducting outreach activities in the ecozones. For more information, the STMO has other materials in their website (https://www.dti.gov.ph/businesses/strategic-trade).

If you think your activities may be covered by the STMA or you may be handling materials in the NSGL, you are encouraged to directly contact the DTI-STMO, through email at stmo@dti.gov.ph or call their office at (02) 403-1419. You may also email the PEZA Environmental Safety Group at ensd@peza.gov.ph or call (02) 551-6561.

For your guidance and compliance.