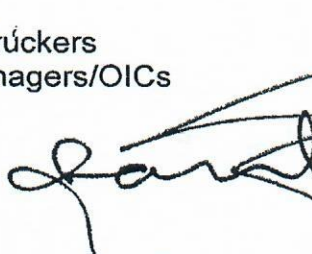




Philippine Economic Zone Authority

MEMORANDUM CIRCULAR NO. 2019-040

T O : Economic Zone Locator Enterprises
PEZA-Accredited Brokers/Forwarders /Truckers
Economic Zone Administrators/Zone Managers/OICs

F R O M : BGen CHARITO B. PLAZA, MNSA, PhD 
Director General

S U B J E C T : IMPLEMENTATION OF REPUBLIC ACT NO. 10697, "THE STRATEGIC TRADE MANAGEMENT ACT" OF 2015 (STMA)

D A T E : 09 December 2019

Republic Act No. 10697, an "Act Preventing the Proliferation of Weapons of Mass Destructions by Managing the Trade in Strategic Goods, the Provision of Related Services, and for Other Purposes", otherwise known as the Strategic Trade Management Act of 2015 (STMA,) applies to/covers the export, re-export, transit or transshipment and import of strategic goods and the provision of related services to and from the territory of the Philippines.

"Strategic goods", as defined in the Act, are those goods that are generally suitable to be used for military purposes or for the production of weapons of mass destruction (WMD). "Related services" refer to brokering, financing, and transporting in relation to the movement of strategic goods between two (2) foreign countries and providing technical assistance. "Brokering" refers to activities such as: (a) negotiating or arranging transactions that involve the movement of strategic goods from a foreign country to any other foreign country; or (b) selling or buying with the intent to move strategic goods that are in a broker's possession or control from a foreign country to another country. "Transporting" refers principally to the act of moving the strategic goods.

The strategic goods covered by the STMA are contained in the National Strategic Goods List (NSGL) which describes with specificity the strategic goods subject to authorization. The NSGL consists of three (3) annexes: 1. Military Goods; 2. Dual Use Goods; and 3. Nationally Controlled Goods. STMA requires any person who engages or intends to engage in the export, import, and re-export of strategic goods or provide related services to register directly with the Strategic Trade Management Office (STMO). This Office was created under the STMA to serve as the executive and technical agency of the national government for the establishment of the management systems for the trade of strategic goods specified in the NSGL. It is under the administrative supervision of the Department of Trade and Industry. Under the DTI's Department Administrative Order



No. 19-07 issued on 6 March 2019 entitled "Guidance on the Implementation of the STMA" (hereto attached as Annex A), STMO will adopt a phased implementation of the

STMA to give enterprises covered by the Act ample time to properly comply with the requirements of STMA, to wit:

- 1st Phase - Registration with STMO of all covered entities/enterprises
- 2nd Phase - Issuance of License to Export
- 3rd Phase - Issuance of License to Transit / Transshipment
- 4th Phase - Issuance of License to Re-export / Reassignment
- 5th Phase - Issuance of License for Related Services
- 6th Phase - Issuance of License to Import

Please be informed that STMO has commenced with the above-cited 1st Phase i.e. Registration of covered entities/enterprises which engage in the export of goods in the NSGL, with the following schedule:


Deadline of Submission of Complete Requirements	No. of Companies to be Processed on a 1 st come 1 st serve basis
14 October 2019	10
20 November 2019	15
06 January 2020	20
07 February 2020	Open to all

Please refer to Annex B for the STMO Announcement and list of requirements for registration

Considering that the 2nd Phase of the implementation of STMA shall cover the issuance of License to Export of goods in the NSGL beginning July 2020, PEZA-registered Ecozone Export Enterprises exporting dual-use goods in the NSGL are encouraged to immediately submit the complete registration requirements to STMO on the dates indicated above.

For the complete NSGL and other related issuances, please refer to the STMO website: dti.gov.ph/business/strategic.trade.

For your information, guidance and compliance.

 HOANSS