MALACAÑAN PALACE

EXECUTIVE ORDER NO. - 79

MODIFYING THE RATES OF IMPORT DUTY ON CERTAIN IMPORTED ARTICLES AS PROVIDED UNDER THE TARIFF AND CUSTOMS CODE OF 1978, AS AMENDED, IN ORDER TO IMPLEMENT THE MINIMUM 50% MARGIN OF PREFERENCE ON CERTAIN PRODUCTS INCLUDED IN THE BRAND-TO-BRAND COMPLEMENTATION SCHEME IN THE AUTOMOTIVE INDUSTRY UNDER THE BASIC AGREEMENT ON ASEAN INDUSTRIAL COMPLEMENTATION.

WHEREAS, the Philippines is a Contracting Party to the Basic Agreement on ASEAN Industrial Complementation (BAAIC) signed in Manila on 16 June 1981;

WHEREAS, the Philippines is a signatory to the Memorandum of Understanding on the Brand-to-Brand Complementation (BBC) Scheme in the Automotive Industry under the BAAIC signed by the ASEAN Economic Ministers in Pattaya, Thailand on 18 October 1988;

WHEREAS, the Philippines, along with Malaysia and Thailand, is a participating country in the approved BBC Schemes of MITSUBISHI Motor Corporation, NISSAN Motor Co., Ltd. and TOYOTA

WHEREAS, at the Special Meeting of the Committee Industry, Minerals and Energy (COIME) held in Jakarta, Indonesia on 24-25 October 1990, it was agreed that under the MITSUBISHI Motor Corporation BBC Scheme, the Philippines will import parts of manual transmission and final drive system and stamping body parts from Thailand in exchange for the country's exports of parts of manual transmission and final drive system to the said ASEAN country; that under the NISSAN Motor Co., Ltd. BBC Scheme, Philippines will import body metal parts and oil pan assembly from Malaysia and body metal parts from Thailand in exchange country's exports of body metal and injection parts to said two countries; and that under the Toyota Motor Corp. Scheme, the Philippines will import fuel tank, suspension system, steering link assembly, convenient and accessory equipment, electrical parts from Malaysia and under body and electrical parts from Thailand in exchange for the country's exports of manual transmission to the said two countries;

WHEREAS, under the Memorandum of Understanding on the BBC Scheme in the Automotive Industry, the Philippines shall grant a minimum 50% Margin of Preference (MOP) to BBC products approved by COIME subject to the terms and conditions set out in Section 9

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NOW, THEREFORE, I, FIDEL V. RAMOS, President of *the Philippines, pursuant to the powers vested in me under Section 402 of the Tariff and Customs Code of 1978, as amended, do heroby order;

SECTION I. The Articles specifically listed in Annexes "A", "B", and "C" as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be accorded a minimum 50% Margin of Preference (MOP) as specified in Column 11 thereof. Accordingly, such articles shall be subject to the Preferential Tariff for ASEAN in accordance with the schedule indicated in Columns 12 to 16 of said Annexes "A", "B", and "C".

SECTION 2. The MOP provided in Annex "A" on parts of manual transmission and final drive system for Lancer (Models LA/LM/C) and Galant (Model H) passenger car and stamping body parts for Galant (Model H) passenger car under the MITSUBISHI Motor Corporation BBC Scheme shall be accorded the BBC entity in Thailand effective up to 23 January 1995. Thereafter, this MOP may be granted to a non-participating ASEAN country as soon as that country extends the same MOP itself. If the non-participating country does not wish to grant such MOP and maintains such position throughout the stipulated waiver period, the exclusive application of this MOP to Thailand shall then be extended up to 23 January 1999.

SECTION 3. The MOP provided in Annex "B" on body metal parts and oil pan assembly for Nissan Sentra (Model Bi3) passenger car under the NISSAN Motor Co., Ltd. BBC Scheme shall be accorded the BBC entity in Malaysia effective up to 23 January 1995. The MOP also herein provided on body metal parts for Nissan Sentra (Model Bi3) passenger car under the said BBC Scheme shall be accorded the BBC entity in Thailand effective up to 23 January 1995. Thereafter, this MOP may be granted to a non-participating ASEAN country as soon as that country extends the same MOP itself. If the non-participating country does not wish to grant such MOP and maintains such position throughout the stipulated waiver period, the exclusive application of this MOP to Malaysia and Thailand shall then be extended up to 23 January 1999.

SECTION 4. The MOP provided in Annex "C" on steering link assembly, convenient and accessory equipment, and suspension system for Corolla (Models EE100, AE101) passenger car and on fuel tank, suspension system, steering link assembly and electrical parts for Liteace (Models KM36, CM36) commercial vehicle and on electrical parts for TUV (Models KF40, KF50) commercial vehicle under the Toyota Corp. BBC Scheme shall be accorded the BBC entity in Malaysia effective up to 23 January 1995. The MOP also herein provided on under body and electrical parts for Corolla (Models EE100, AE101) passenger car and electrical parts for TUV (Models KF40, KF50) commercial vehicle under the said BBC Scheme shall be accorded the BBC entity in Thailand effective up to 23 January 1995.

Thereafter, this MOP may be granted to a non-participating ASEAN country as soon as that country extends the same MOP itself. If the non-participating country does not wish to grant such MOP and maintains such position throughout the stipulated waiver period, the exclusive application of this MOP to Malaysia and Thailand shall then be extended up to 23 January 1999.

- SECTION 5. Effective 24 January 1999, this MOP shall be extended to any entity in another ASEAN member country which produces the subject BBC products, whether the country is participating in these BBC schemes or not.
- SECTION 6. The 50% MOP accorded under this Executive Order shall remain effective irrespective of any subsequent change in the basic Philippine rate of duty on the above-mentioned articles.
- SECTION 7. After the effectivity of this Executive Order, all the above-mentioned articles entered or withdrawn from the warehouse in the Philippines for consumption shall be subject to qualification under the Rules of Origin as prescribed in the Agreement on ASEAN Preferential Trading Agreements ratified on 7 August 1977.
- SECTION 8. Any revision/s to the part numbers appearing in column 4 of Annexes "A", "B" and "C" shall be immediately communicated to the Philippine Government. The Department of Trade and Industry shall endorse the same to the Bureau of Customs within five (5) days after receipt of the officials copy of the revised part numbers.

SECTION 9. This Executive Order shall take effect immediately.

DONE in the City of Manila this 2nd day of April in the year of our Lord, Nineteen Hundred and Ninety-Three.

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By the President:

ANTONIO T. CARPIO Chief Presidential Legal Counsel

ARTICLES GRANTED 50% MOP UNDER THE APPROVED MITSUBISHI MOTOR CORPORATION BBC SCHEME

	BRAND NAME			SOURCE	1991	1992	RATE O	EULY 1964	1995	Hæ	1001	1602	RATE C	DEDUTY ULY 1984	188
(1)	(2)	(3)	(4)	(5)	(5)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1x 8703.90 12	Lançer (Models LA/LM/C) Passenger	Manual Transmission and Final Drive System:			30%	30%	20%	20%	10%	50%	18%	15%	10%	10%	8%
	Car	T/M Reer Cover	MD 720020 MD 735302	Thalland											
		T/M Clutch Housing Cover	MD 730411 MD 723297	Thelland											
		T/M Case	MD 790413 MD 723300	Theiland											
		Shift Rail	MD 734639 MD 734637 MD 720668	Theland											
		Forged Output Shaft	MD 730415M	Thailand									A		
(8703,90 12	Galant Model (H)	Forged Inter— mediate Geer Stamping Body Parts:	MD 730511M	Theliand	30%	30%	20%	20%	10%	50%	18%	1896	10%	Amar	-
	Passenger Car	Front Floor Panel	MB 502860	Thailand						3575	10,0	10,6	1079	10%	5%
		Fuel Tank Upper	MB 503326	Thalland											
		Fuel Tank Lower	MB 400418	Thailand											
8703.90 12	Galant Model (H) Passenger Car	Manual Transmission and Final Drive System:			30%	30%	20%	20%	10%	50%	15%	18%	10%	10%	5%
		intermediate Gear	MD 730511M	Thailand											

ARTICLES GRANTED SOX MOP UNDER THE APPROVED NISSAN MOTOR CO., LTD. BBC SCHEME

намо		DESCRIPTION PRODUCT/		COUNTRY		RAT	E OF C	YUTY ULY			i . As	E AN PRE	FEREN	FIAL TA	PORT
		PART NAME			1991	1992	1993	1994	1995	i i i,	1901		1893	1024	199
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(2)	(10)	(11)	(12)	(13)	(14)	(15)	(16
x 8703,90 12	Nissan Sentra (Model B13) Passenger car	Oil pan assembly	1111077A12	Malaysia.	30%	30%	20%	20%	10%	50%	15%	15%	10%	10%	59
		Body Metal Parts:			30%	30%	20%	20%	10%	50%	15%	15%	10%	10%	69
		Fuel Tank Upper	1705 50A00 17205 53A00	Thailand											
		Fuel Tank Lower	1706 50Y10	Thailand											
		Sill inner right	7645 0 72 Y 00	Thailand											1
		Sill Inner right	76451 72Y00	Thailand											
		Hoodledge Upper Right	6411265Y00	Malaysia.									1		
	#1	Hoodledge Upper Left	64113 65Y00	Malaysia.											

ARTICLES GRANTED 50% MOP IN THE APPROVED TOYOTA MOTOR CORPORATION BBC SCHEME

34114	13	

				POPATION DBC SCHEME												
	BRANO NAME	DESCRIPTION PRODUCT/ PART NAME	IPART NO.	SOURCE	1001	RA1 - 1992	E OF (1 _J 1903	ULY 1994	1995	MOP	ASE 1001	AN PRE			1995	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
		Motor wiper assembly	8 611012770	Thailand												
		Suspension System:			30%	30%	20%	20%	10%	80%	15%	15%	10%	10%	5%	
		Absorber assembly shock, FR, RH	48510-12790	Malaysia												
		Absorber assembly shock, FR, LH	48620-12670	Malaysia												
		Absorber assembly shock, RR, RH	48630~1A010	Malaysia										1,		
		Absorber assembly shock, RR, LH	48640~12830	Malaysia										,		
		Steering Link System:			30%	30%	20%	20%	10%	50%	15%	15% ,	10%	10%	5%	
		Link assembly, steering gear	45500~02030	Malaysia								1			0,0	
		Convenient and accessory equipment:			30%	30%	20%	20%	10%	50%	15%	15%	10%	10%	5%	
		Belt assembly, FR, seat, outer RH	73210~12840 73210~12800	Malaysia										70	<i>-</i> 79	
		Belt assembly, FR, seat, outer LH	73220-12730 73220-12710	Malaysia							-					
		Belt assembly, FR, seat, inner	7323012140	Malaysia												

ARTICLES GRANTED 50% MOP IN THE APPROVED TOYOTA MOTOR CORPORATION BBC SCHEME

HS NO.	BRAND NAME	DESCRIPTION PRODUCT/ PART NAME	PART! NO.1	SOURCE		1 RAT	E OF 0 1 J 1993		1995	МОР	4SE	AN PRE	04 0.404044444444	TIAL TAP JUY 1994	RIFF 1995
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	vehicle	Alternator assembly	27020-13020	Malaysia											
		Starter assembly	28100-13071	Malaysia											
		Regulator assembly generator	27700~38020	Maleysia											
		Wiper motor assembly	85110-90P00	Malaysia											
(8703.90 12	Corolla (Models EE100, AE101) passenger car	Under Body:			30%	30%	20%	20%	10%	50%	15%	15%	10%	10%	5%
		Panel, FR, Floor	58111-12260	Thailand										λ	
		Panel, CTR, Floor	58211-12340 58211-12360	Thailand	ļ										
		Panel, RR, Floor	58311-12210	Theiland						de la desentation de la constitución de la constitu		- Company	1		
		Electrical Parts:			30%	30%	20%	20%	10%	50%	15%	15%	10%	10%	5%
		Alternator assembly with regulator	27060-10100 27060-15060 27060-15180	Theiland											
		Starter assembly	28100-10030 28100-16071 28100-16041	Thailand											
		Ignition coll	19020-11330 19020-16250	. Thailand											

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ARTICLES GRANTED 50% MOP IN THE APPROVED TOYOTA MOTOR CORPORATION BBC SCHEME

Articles of the second	TOYOTA MOTOR CORPORATION BBC SCHEME															
			DESCRIPTION I PRODUCT/		SOURCE COUNTRY	1001	RATE 1992	OF D		1995	МОР	ASE	AN PRE		IAL TAR LY 11 1904	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(13)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
·	ex 8703.90 11	Liteace (Models	Fuel Tank:			20%	20%	20%	20%	10%	50%	10%	10%	10%	10%	5%
	:	KM36, CM36) commercial	Fuel tank assembly	77100-27230	Maleysia											
		vehicle	Suspension System:			20%	20%	20%	20%	10%	50%	10%	10%	10%	10%	5%
			Absorber assembly, shock, FR	48500-27060	Malaysia											
			Absorber assembly, shock, RR	48631-27130	Malaysia											
			Electrical Parts:			20%	20%	20%	20%	10%	50%	10%	10%	10%	10%	5%
			Alternator assembly	27020-13020	Malaysia										\	
			Starter assembly	28100-13020	Malaysia											
			Regulator assembly generator	27700~13080	Malaysia											
			Wiper motor assembly	85110-95717	Maleysia											
			Steering Link System:		900	20%	20%	20%	20%	10%	50%	10%	10%	10%	10%	5%
			Link assembly, steering gear	45500-27080	Malaysia	:										
1.5	ex 87ú3.90 11	TUV (Models KF40, KF50)	Electrical Parts:			20%	20%	20%	20%	10%	50%	10%	10%	10%	10%	5%
•		commercial	Distributor assembly	19100-13410	Theiland											

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