

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 333

MODIFYING THE RATES OF 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 (MOU) 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 is a participating country in the approved BBC Scheme of Toyota Motor Corporation along with Malaysia and Thailand;

WHEREAS, at the 35th Meeting of the Committee on Industry, Minerals and Energy (COIME) held on 16-18 July 1992 in Manila, it was agreed that under the Toyota Motor Corporation BBC Scheme, the Philippines will import link assembly, steering gear and radiator from Malaysia and panel, dash lower from Thailand in exchange for Philippine exports of transmission assembly;

WHEREAS, at the Meeting of the ASEAN Senior Economic Officials (SEOM) held in Jakarta, Indonesia on 4 October 1993, a nomination submitted by Toyota Motor Corporation for the change in tariff classification of link assembly, steering gear, among others, for TUV motor vehicles for the transport of passengers and goods was considered and approved;

WHEREAS, at the SEOM held in Jakarta, Indonesia on 5-7 December 1994, it was agreed that under the Toyota Motor Corporation BBC Scheme, the Philippines will import transmission parts, cover luggage compartment trims and engine parts from Malaysia in exchange for Philippine exports of transmission assembly;

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

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 hereby order:

SECTION 1. The articles specifically listed in Annex "A" as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be accorded a minimum 50% MOP as specified in Column 13 thereof. In effect, such articles shall be subject to the BBC Preferential Tariff in accordance with the schedule indicated opposite each article as specified in Columns 14, 15, 16, 17, 18, 19 and 20 of Annex "A".

SEC. 2. The MOP provided in Annex "A" on radiator and panel, dash lower for Corolla (Models EE 100, EE 101, AE 101) passenger cars under the Toyota Motor Corporation BBC Scheme shall be accorded exclusively to the BBC entity in Malaysia (UMW Toyota Motor Sdn. Bhd.) and in Thailand (Toyota Motor Thailand Co. Ltd.), respectively, effective from 15 October 1992 up to 14 October 1996. Thereafter, the same 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 maximum waiver period of eight (8) years, the exclusive application of the MOP to Malaysia and Thailand shall then be extended up to 13 October 2000.

SEC. 3. The MOP provided in Annex "A" on link assembly, steering gear for TUV (Models KF40, KF50, CF50) motor vehicles for the transport of passengers and goods under the Toyota Motor Corporation BBC Scheme shall be accorded exclusively to the BBC entity in Malaysia (UMW Toyota Motor Sdn. Bhd.) effective 04 October 1993 up to 03 October 1997. Thereafter, the same 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 maximum waiver period of eight (8) years, the exclusive application of the MOP to Malaysia shall then be extended up to 02 October 2001.

SEC. 4. The MOP provided in Annex "A" on transmission parts for Liteace (Models KM 36, CM36) commercial vehicles and TUV (Models KF40, KF50, CF50) motor vehicles for the transport of passengers and goods and on trim parts for Corolla (Models EE 100, EE 101, AE 101) passenger cars under the Toyota Motor Corporation BBC Scheme shall be accorded

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exclusively to the BBC entity in Malaysia (UMW Toyota Motor Sdn. Bhd.) effective 1 January 1995 up to 30 December 1998. Thereafter, the same 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 maximum waiver period of eight (8) years, the exclusive application of the MOP to Malaysia shall then be extended up to 29 December 2002.

SEC. 5. The 50% MOP accorded under this Executive Order shall remain effective regardless of any subsequent changes in the basic Philippine rate of duty on the afore-mentioned articles.

SEC. 6. Upon the effectivity of this Executive Order, all the afore-mentioned articles entered or withdrawn from warehouses in the Philippines for consumption shall be subject to qualification under the Rules of Origin as prescribed in the Agreement on ASEAN Preferential Trading Arrangements, as amended, and shall pay the applicable BBC Preferential Tariff specified under Section 1 hereof.

SEC. 7. Any revision/s to the part numbers appearing in Column 4 of Annex "A" shall be communicated immediately to the Philippine Government by the ASEAN Secretariat. The Department of Trade and Industry shall endorse the same to the Bureau of Customs within five (5) days after receipt of the official copy of the revised part numbers for implementation.

SEC. 8. This Executive Order shall take effect immediately.

Done in the City of Manila this 16th day of M a y in the year of Our Lord, nineteen hundred and ninety-six.



By the President:



RUBEN D. TORRES
Executive Secretary

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

(1) HS CODE	(2) BRAND NAME	(3) PRODUCT/PART NAM	(4) PART NO.	(5) SOURCE COUNTR	RATE OF DUTY (%)						MARGIN OF PRE-ERENC (%)	Applicable BBC Preferential Tariff (%)							
					15 Oct. 1992	4 Jul. 1993	1 Oct. 1993	1 Jul. 1994	1 Jan. 1995	1 Jul. 1995		1 Aug. 1995	15 Oct. 1992	1 Jul. 1993	4 Oct. 1993	1 Jul. 1994	1 Jan. 1995	1 Jul. 1995	1 Aug. 1995
	Motor Vehicles for the Transport of Goods	Link Assembly Steering Gear	45500-OWO50	Malaysia	10	10	10	10	10	10	3	50	-	-	-	-	5	5	1.5
		Transmission Parts:																	
		Key Synchronmesh Shifting No. 1	33365-35020	Malaysia															
		Key Synchronmesh Shifting No. 2	33366-35040	Malaysia															
		Key Synchronmesh Shifting No. 3	33394-30011	Malaysia															

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