

MFN 2898

MALACAÑANG  
MANILA

**BY THE PRESIDENT OF THE PHILIPPINES**

**EXECUTIVE ORDER NO. 420**

**MODIFYING THE RATES OF DUTY ON SUGAR AS PROVIDED FOR UNDER THE TARIFF AND CUSTOMS CODE OF 1978, AS AMENDED, IN ORDER TO IMPLEMENT THE ASEAN PREFERENTIAL RATES OF DUTY THEREON**

**WHEREAS**, the Philippines is committed to participate in the Common Effective Preferential Tariff (CEPT) Scheme;

**WHEREAS**, the government needs to provide certain agricultural sectors interim tariff adjustments to help the sector to be efficient and globally competitive;

**WHEREAS**, the government recognizes sugar as highly sensitive but considers it in its best interest to subject the same to a tariff reduction schedule similar to the one mandated under the CEPT Scheme;

**WHEREAS**, Sections 104 and 402 of the Tariff and Customs Code of 1978 (Presidential Decree No. 1464), as amended, empower the President, upon the recommendation of the National Economic and Development Authority, to increase, reduce or remove existing protective rates of import duty, as well as to modify the form of duty.

**NOW, THEREFORE, I, FIDEL V. RAMOS**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**SECTION 1.** The articles specifically listed in Annex "A" hereof, classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the ASEAN preferential rate of duty in accordance with the 1997 schedule indicated in Column 4 of Annex "A".

**SEC. 2.** In the event that subsequent changes are made in the basic (MFN) Philippine rate of duty on any of the articles listed in Annex "A" to a rate lower than the rate prescribed in Column 4 of Annex "A", such article shall automatically be accorded the corresponding reduced rate of duty.

**SEC. 3.** Should world market prices rise or increase to a level where the rates of duty herein specified would cause unfairly high prices to consumers, government may reduce the applied rate of duty temporarily or for the duration of said situation to such levels as may be deemed necessary.

IN REPLYING, PLEASE CITE:  
PFVR Letter # L970873



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**SEC. 4.** The Margins of Preference (MOP) accorded under the ASEAN Preferential Trading Arrangements (PTA) shall no longer be extended to any of the products listed in Annex "A" hereof.

**SEC. 5.** Upon the effectivity of this Executive Order, the articles specifically listed in the aforesaid Annex "A" which are entered or withdrawn from warehouses in the Philippines for consumption shall be levied the rates of duty therein prescribed subject to qualification under the Rules of Origin as provided for in the Agreement on the Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area (CEPT-AFTA) signed on 28 January 1992.

**SEC. 6.** In the event that world market prices drop to a level where the domestic sugar industry suffers injury or imminent threat thereof through an import surge or a collapse in prices, government may authorize importations by a government agency or government controlled corporation.

**SEC. 7.** All presidential issuances, administrative rules and regulations, or parts thereof, which are inconsistent with this Executive Order are hereby revoked or modified accordingly.

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

**DONE** in the City of Manila, this 17th day of June in the year of Our Lord, Nineteen Hundred and Ninety-Seven.



By the President:

  
**RUBEN D. TORRES**  
Executive Secretary

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Received

AUG 08 1997

Date



APPLICABLE ASEAN RATE OF DUTY ON SUGAR

Hdg. No. (1)	HARMONIZED SYSTEM CODE (2)	PRODUCT DESCRIPTION (3)	1997	1998	1999	2000	2001	2002	2003
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
17.01		Cane or beet sugar and chemically pure sucrose, in solid form							
		- Raw sugar not containing added flavouring or colouring matter:							
	1701.11 00	-- Cane sugar	65	65	-	-	-	-	5X
	1701.12 00	-- Beet sugar	65	65	-	-	-	-	5X
	1701.91 00	- Other: -- Containing added flavouring or colouring matter	45	45	-	-	-	-	5X
	1701.99 00	-- Other	65	65	-	-	-	-	5X

Implementation subject to result of negotiation with ASEAN for these items to be reclassified as Highly Sensitive