

EXECUTIVE ORDER NO. 238

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 PREFERENTIAL TARIFF RATES ON CERTAIN PRODUCTS UNDER THE ASEAN INDUSTRIAL COOPERATION (AICO) SCHEME

WHEREAS, the Philippines is a Contracting Party to the Basic Agreement on the ASEAN Industrial Cooperation (AICO) Scheme signed in Singapore on 27 April 1996;

WHEREAS, the AICO Scheme seeks to improve the competitive position of ASEAN Companies in the global and ASEAN markets by providing the means to apply the principles of economies of scale and scope in the manufacturing process, supported by preferential import duties to enhance across ASEAN border transactions;

WHEREAS, the Philippines is a participating country in the approved AICO Scheme of Goya, Inc, along with Malaysia;

WHEREAS, under the Goya, Inc. AICO Arrangement, it was agreed that the Philippines (Goya, Inc.) will import printed polyethylene laminates, printed polypropylene laminates and printed vacuum metallized (aluminum coated) cast polypropylene and printed aluminum wrapper from Malaysia (Malaysia Packaging Industry Bhd.) as packaging materials for the manufacture of chocolate eclairs and chocolate confectionery. In exchange, Malaysia (Malaysia Packaging Industry Bhd.) will import chocolate eclairs and chocolate confectionery from the Philippines (Goya, Inc.);

WHEREAS, AICO Certificate of Eligibility No. Goya/2000/1 issued on 03 January 2000 in favor of the participating companies in the Goya, Inc. AICO Arrangement;

WHEREAS, in accordance with Articles 5 and 7 of the Basic Agreement of the AICO Scheme, participating companies in the approved Goya, Inc. AICO Arrangement shall qualify for 0–5% preferential tariff rates to be extended by the Philippines and Malaysia as participating countries, effective within 45 days from the date of issuance of the Certificate of Eligibility (COE) by the ASEAN Secretariat.



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NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic 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" hereof, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be accorded the AICO rate of 5% as specified in Column 4 thereof.

SECTION 2. The AICO rate provided in Annex "A" shall be accorded to the AICO entity in Malaysia (Malaysia Packaging Industry Bhd.) effective 03 January 2000.

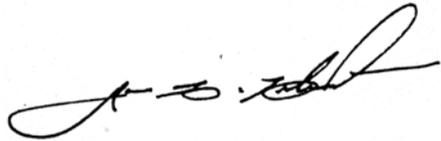
SECTION 3. In the event that any subsequent changes are made in the basic (MFN) Philippine rate of duty on the articles listed in Annex "A" to a rate lower than the AICO rate prescribed in Column 4 thereof, such article shall automatically be accorded the corresponding reduced rate of duty. Effective 01 January 2003, the final CEPT rate on the subject article shall apply.

SECTION 4. 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 pay the applicable AICO preferential tariff rates specified under Section 1 hereof, subject to qualification under the Rules of Origin for the CEPT, as evidenced by the Certificate of Origin - Form "D".

SECTION 5. This Executive Order shall take effect immediately.

Done in the City of Manila, this 03 day of May in the year of Our Lord, Two Thousand.

By the President:



RONALDO B. ZAMORA
Executive Secretary

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Date

