

# MALACAÑANG

## Manila

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 165

**MODIFYING THE RATES OF DUTY ON CERTAIN IMPORTED ARTICLES AS PROVIDED FOR UNDER THE TARIFF AND CUSTOMS CODE OF 1978, AS AMENDED, IN ORDER TO IMPLEMENT THE 2002 PHILIPPINE SCHEDULE OF TARIFF REDUCTION UNDER THE BOLD ECONOMIC MEASURE INITIATIVES OF THE ACCELERATED COMMON EFFECTIVE PREFERENTIAL TARIFF (CEPT) SCHEME FOR THE ASEAN FREE TRADE AREA (AFTA) AND THE TRANSFER OF PRODUCTS FROM AGRICULTURAL PRODUCT SENSITIVE LIST (SL) TO THE CEPT INCLUSION LIST (CEPT-IL)**

**WHEREAS**, at the conclusion of the 6<sup>th</sup> ASEAN Summit held in Hanoi, Vietnam on 15-16 December 1998, the ASEAN Heads of State and Government agreed to adopt a number of "bold" economic measures aimed at restoring regional economic growth and hastening the recovery from the Asian financial crisis;

**WHEREAS**, on 25 October 2001, the Tariff and Related Matters (TRM) Cabinet Committee approved the 2001-2010 Philippine CEPT Schedule of Tariff Reduction of Sensitive Agricultural Products;

**WHEREAS**, at its meeting on 27 February 2002, the TRM Cabinet Committee approved the year 2002 Philippine CEPT Acceleration Package;

**WHEREAS**, Section 402 of the Tariff and Customs Code of 1978 (Presidential Decree No. 1464), as amended, empowers 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, GLORIA MACAPAGAL-ARROYO**, 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" (Articles Granted Concession under the Common Effective Preferential Tariff [CEPT] for the ASEAN Free Trade Area [AFTA]) hereof, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the ASEAN Common Effective Preferential Tariff in accordance with the year 2002 schedule indicated in Column 4 of Annex "A". The ASEAN CEPT rates so indicated shall be accorded to imports coming from ASEAN Member States applying CEPT concession to the same product pursuant to Article 4 of the CEPT Agreement and its Interpretative Notes.



**SEC 2.** The articles specifically listed in Annex "B" (Sensitive Agricultural Products Granted Concession under the Common Effective Preferential Tariff [CEPT] for the ASEAN Free Trade Area [AFTA]) hereof, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the ASEAN Common Effective Preferential Tariff in accordance with the year 2002-2010 schedule indicated in Columns 4-12 of Annex "B". The ASEAN CEPT rates so indicated shall be accorded to imports coming from ASEAN Member States applying CEPT concession to the same product pursuant to Article 4 of the CEPT Agreement and its Interpretative Notes.

**SEC 3.** In the event that any subsequent change is made in the basic (Most Favored Nation) Philippine rate of duty on any of the articles listed in Annexes "A" and "B" to a rate lower than the rate prescribed in Column 4 of Annex "A," and Columns 4-12 of Annex "B", respectively, such article shall automatically be accorded the corresponding reduced duty.

**SEC 4.** Products eligible for tariff concessions not listed in Annex "A" of this Executive Order, in Annex "A" of Executive Order No. 254, Series of 2000, and in Annex "A" of Executive Order No. 49, Series of 2001, shall be subject to the ASEAN CEPT rates under Executive Order 453, Series of 1997, Executive Order 487, Series of 1998, Executive Order 71, Series of 1999 and Executive Order 234, Series of 2000.

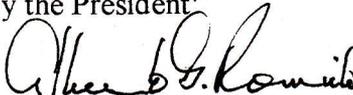
**SEC 5.** From the date of effectivity of this Order, all articles listed in Annexes "A" and "B" entered or withdrawn from warehouses in the Philippines for consumption shall be imposed the rates of duty therein prescribed subject to qualification under the Rules of Origin as provided for in the Agreement on the CEPT Scheme for the AFTA signed on 28 January 1992.

**SEC 6.** All presidential issuances, administrative rules and regulations, or parts thereof, which are contrary or inconsistent with this Executive Order are hereby repealed or modified accordingly.

**SEC 7.** This Executive Order shall take effect immediately following its complete publication in two (2) newspapers of general circulation in the Philippines.

**DONE** in the City of Manila, this *10<sup>th</sup>* of *January* in the year of Our Lord, Two Thousand and Three.

By the President:

  
**ALBERTO G. ROMULO**  
Executive Secretary



