

[PRESIDENTIAL DECREE NO. 1690, April 17, 1980]

TO AMEND PARAGRAPH A OF SECTION 401, PRESIDENTIAL DECREE NO. 1464, OTHERWISE KNOWN AS THE TARIFF AND CUSTOMS CODE OF 1978, AS AMENDED, BY PROVIDING FLEXIBILITY IN THE REDUCTION AND MODIFICATION OF TARIFFS

WHEREAS, the tariff performs an important role in economic development.

WHEREAS, in addition to the power of legislation *provided* for in the Amendment to the Constitution of October 1976, the executive authority of the President to reduce tariffs requires flexibility in order to establish a rational tariff structure.

WHEREAS, the modification of tariff rates in certain cases needs to be attained in stages that will enable domestic industries reasonable time to undertake necessary adjustments to changes in the level of protection.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order as follows:

SECTION 1. The provisions contained in paragraph a of Section 401 of Presidential Decree No. 1464, otherwise known as the Tariff and Customs Code of 1978, is hereby amended to read as follows:

"Sec. 401. Flexible Clause

a. In the interest of national economy, general welfare and/or national security, and subject to the limitations herein prescribed, the President, upon recommendation of the National Economic and Development Authority (hereinafter referred to as NEDA), is hereby empowered: (1) to increase, reduce or remove existing protective rates of import duty (including any necessary change in classification). The existing rates may be increased or decreased TO ANY LEVEL, IN ONE OR SEVERAL STAGES, but in no case shall the reduced rate of import duty be lower than the basic rate of ten (10) per cent ad valorem, nor shall the increased rate of import duty be higher than a maximum of one hundred (100) per cent ad valorem; (2) to establish import quota or to ban imports of any commodity, as may be necessary; and (3) to impose an additional duty on all imports not exceeding ten (10) per cent ad valorem whenever necessary: *Provided*, That upon periodic investigations by the Tariff Commission and recommendation of the NEDA, the President may cause a gradual reduction of protection levels granted in Section One hundred and four of this Code, including those subsequently granted pursuant to this section."

SEC. 2. This Decree shall take effect immediately.

DONE IN THE CITY OF MANILA, this 17th day of April, in the year of Our Lord, nineteen hundred and eighty.