

[EXECUTIVE ORDER NO. 21, April 27, 2017]

MODIFYING THE NOMENCLATURE AND THE RATES OF IMPORT DUTY ON CERTAIN INFORMATION TECHNOLOGY PRODUCTS UNDER SECTION 1611 OF THE CUSTOMS MODERNIZATION AND TARIFF ACT, IN ORDER TO IMPLEMENT THE PHILIPPINES' TARIFF COMMITMENTS UNDER THE WORLD TRADE ORGANIZATION-INFORMATION TECHNOLOGY AGREEMENT

WHEREAS, on 13 December 1996, fourteen economies signed in Singapore a Ministerial Declaration on Trade in Information Technology (IT) Products providing for the elimination/binding of Most-Favored nation (MFN) tariffs on certain IT products beginning 01 July 1997 and ending on 01 January 2000 with extended staging of tariff reductions up to the year 2005 for developing countries;

WHEREAS, the Philippines formally signed the Information Technology Agreement (ITA) on 01 April 1997 and the Senate of the Philippines concurred with the ratification of the ITA on 03 December 1998;

WHEREAS, in a meeting of the World Trade Organization (WTO) in Geneva, Switzerland on 24 July 2015, ITA Participants agreed to expand the original ITA product landscape to include new generation IT products;

WHEREAS, on 8 December 2015, Participants approved the Philippine ITA Expansion Schedule where bound tariffs will be eliminated starting 01 July 2017, with flexibility on some products until 01 July 2023;

WHEREAS, on 16 December 2015, twenty-four(24) WTO Members including the Philippines approved in Nairobi, Kenya a Ministerial Declaration on the Expansion of Trade in Information Technology Products;

WHEREAS, Section 1608 of Republic Act 10863, or the Customs Modernization and Tariff Act (CMTA), empowers the President, upon the recommendation of the National Economic and Development Authority (NEDA), to increase, reduce or remove existing rates of import duty, including any necessary change in classification;

WHEREAS, on 20 February 2017, the NEDA Board approved the MFN tariff reduction and elimination schedule on certain IT products implement the Philippine ITA Expansion Schedule;

NOW, THEREFORE, I, RODRIGO ROA DUTERTE, President of the Republic of the Philippines by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

SECTION 1. Rates of Import Duty. The articles specifically listed in Annex A hereof, as classified in compliance with Section 1611 of the CMTA, shall be subject to the MFN rates of import duty in accordance with the schedule indicated opposite