

**[ EXECUTIVE ORDER NO. 73, April 16, 2012 ]**

**MODIFYING THE RATES OF DUTY ON CERTAIN IMPORTED ARTICLES AS PROVIDED FOR UNDER THE TARIFF AND CUSTOMS CODE OF THE PHILIPPINES (TCCP), AS AMENDED, IN ORDER TO IMPLEMENT THE PHILIPPINE TARIFF COMMITMENTS ON CERTAIN PRODUCTS INCLUDED IN THE HIGHLY SENSITIVE LIST UNDER THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN) – KOREA FREE TRADE AREA (AKFTA)**

**WHEREAS**, the ASEAN Member States and the Republic of Korea (The Parties”) signed the Framework Agreement on Comprehensive Economic Cooperation (“Framework Agreement”) on 13 December 2005 in Kuala Lumpur, Malaysia;

**WHEREAS**, Articles 1.3 and 2.1 of the Framework Agreement reflect the Parties’ commitment to establish the AKFTA covering trade in goods;

**WHEREAS**, to achieve the objective of the Framework Agreement, the Agreement on Trade in Goods (TIG) or the “TIG Agreement” was signed by the Economic Ministers of the Parties on 24 August 2006 in Kuala Lumpur, Malaysia;

**WHEREAS**, Article 3(2)(b) of the TIG Agreement provides that tariff lines placed in the Sensitive Track by each Party on its own accord shall have their respective applied Most Favoured Nation (MFN) tariff rates reduced or eliminated in accordance with the modalities set out in Annex 2 of the TIG Agreement;

**WHEREAS**, Section 4 of Annex 2 of the TIG Agreement provides that the Parties shall reduce the MFN rates on products in the Highly Sensitive List to not more than 50% in Group A not later than 2016 and to not less than 20% in Group B not later than 2016;

**WHEREAS**, the National Economic and Development Authority (NEDA) Board recommended on 16 January 2012, on *ad referendum* basis, the tariff reduction schedules of certain tariff lines under the Highly Sensitive Lists; and

**WHEREAS**, Section 402 of the TCCP, as amended, authorizes the President of the Philippines, upon the recommendation of NEDA, to modify import duties (including any necessary change in classification) and other import restrictions, as are required or appropriate to carry out and promote foreign trade with other countries.

**NOW, THEREFORE, I, BENIGNO S. AQUINO III**, President of the Philippines , by virtue of the powers vested in me by law, do hereby order:

**SECTION 1. Reduction of Tariff Rates on Articles in the Highly Sensitive List.**

The articles specifically listed in the Annex hereof, as classified under Section 104 of the TCCP, as amended, shall be subject to the rates of import duty as indicated in Column 4 of the Annex.