

[EXECUTIVE ORDER NO. 490, January 12, 2006]

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 COMMITMENT TO REDUCE THE TARIFF RATES ON SIXTY PERCENT OF THE PRODUCTS IN THE INCLUSION LIST TO ZERO PERCENT UNDER THE COMMON EFFECTIVE PREFERENTIAL TARIFF (CEPT) SCHEME FOR THE ASEAN FREE TRADE AREA

WHEREAS, the ASEAN Economic Ministers agreed during their meeting in March 1999 that the CEPT rates on at least 60% of the products in the individual Inclusion Lists of the six (6) original ASEAN Member States would be reduced to 0% by 2003;

WHEREAS, Executive Order 268 (s. 2004) granted CEPT rates of 0% on various products in the Philippine Inclusion List;

WHEREAS, in compliance with the 60% target, the NEDA Board, during its meeting on 20 December 2005, approved the grant of CEPT rates of 0% on several more products in the Philippine Inclusion List;

WHEREAS, Section 402 of the Tariff and Customs Code of 1978 (PD 1464), as amended, empowers the President of the Republic of the Philippines, 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 Zero Duty Under the CEPT Scheme for the ASEAN Free Trade Area) hereof, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the ASEAN CEPT rate in accordance with the schedule indicated in Columns 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.

SECTION 2. From the date of effectivity of this Order, all articles listed in *Annex "A"* entered or withdrawn from warehouses in the Philippines for consumption shall be imposed the rates of duty therein prescribed subject to qualification under the Rules of Origin as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.

SECTION 3. 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.