

[EXECUTIVE ORDER NO. 534, July 14, 2006]

MODIFYING THE RATES OF DUTY ON CERTAIN IMPORTED ARTICLES AS PROVIDED UNDER THE TARIFF AND CUSTOMS CODE OF 1978, AS AMENDED, IN ORDER TO IMPLEMENT THE PREFERENTIAL TARIFF RATES ON CERTAIN PRODUCTS UNDER THE ASEAN INDUSTRIAL COOPERATION (AICO) SCHEME, IN FAVOR OF HONDA CARS PHILIPPINES, INC. (HONDA) – (COE NOS. HONDA/2005/42 AND HONDA/2005/44)

WHEREAS , the Philippines is a Contracting Party to the Basic Agreement on the ASEAN Industrial Cooperation (AICO) Scheme signed in Singapore on 27 April 1996;

WHEREAS , the Philippines is a signatory to the Protocol amending the Basic Agreement on the AICO Scheme signed in Singapore on 21 April 2004;

WHEREAS , the Philippines is a participating country in the approved AICO Arrangements of Honda Cars Philippines, Inc. along with Malaysia and Thailand;

WHEREAS , under the Honda AICO Certificate of Eligibility No. Honda/2005/42, the Philippines (Honda Cars Philippines, Inc. and Honda Parts Manufacturing Corporation) will import from Malaysia (Honda Malaysia Sdn. Bhd. and Honda Autoparts Manufacturing (M) Sdn. Bhd.) certain original equipment manufacture (OEM) automotive parts/components for Honda Civic, Honda City and Honda CR-V. In exchange, Malaysia (Honda Malaysia Sdn. Bhd. and Honda Autoparts Manufacturing (M) Sdn. Bhd.) will import from the Philippines complementary parts/components for the OEM of Honda Accord, City, Civic and CR-V.

WHEREAS , under the Honda AICO Certificate of Eligibility No. Honda/2005/44, the Philippines (Honda Cars Philippines, Inc. and Honda Parts Manufacturing Corporation) will import from Thailand (Honda Automobile (Thailand) Co. Ltd.) certain original equipment manufacture (OEM) automotive parts/components for Honda Civic, Honda City, and Honda CRV. In exchange, Thailand (Honda Automobile (Thailand) Co. Ltd.) will import from the Philippines complementary parts/components for the OEM of Honda Accord, City, Civic, JAZZ and CR-V;

WHEREAS , AICO Certificate of Eligibility Nos. Honda/2005/42 and Honda/2005/44 were issued on 05 December 2005, in favor of the participating companies in the Honda AICO Arrangement;

WHEREAS , in consonance with Articles 5 and 7 of the Basic Agreement of the AICO Scheme, as amended, participating companies in the approved Honda AICO Arrangements shall qualify for 0% preferential tariff rates to be extended by Malaysia, Thailand and the Philippines as participating countries.

NOW, THEREFORE, I, GLORIA MACAPAGAL ARROYO , President of the Philippines, pursuant to the powers vested in me under Section 402 of the Tariff and Customs Code of 1978, as amended, do hereby order: