

**[ EXECUTIVE ORDER NO. 448, July 22, 2005 ]**

**MODIFYING THE RATES OF IMPORT DUTY OF CERTAIN ARTICLES UNDER THE TARIFF AND CUSTOMS CODE OF 1978 (PRESIDENTIAL DECREE NO. 1464, AS AMENDED), IN ORDER TO IMPLEMENT THE ASEAN INTEGRATION SYSTEM OF PREFERENCES (AISP) PACKAGE OF THE PHILIPPINES**

WHEREAS, at the 4<sup>th</sup> ASEAN Informal Summit held in Singapore in November 2000, the ASEAN Heads of Government/State agreed on the Initiative for ASEAN Integration (IAI) in order to narrow the development gap between the older and newer members of ASEAN and to enhance the new members' integration with the rest of the ASEAN;

WHEREAS, to implement the decision of the ASEAN Heads of Government/State, the ASEAN Economic Ministers (AEM), at their meeting in Siemrap, Cambodia on 3-5 May 2001, decided to implement the ASEAN GSP Scheme (now AISP) on a bilateral basis;

WHEREAS, the preference is a unilateral offer made by preference-giving countries (Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand) to the preference-receiving countries (Cambodia, Lao PDR, Myanmar and Vietnam);

WHEREAS, on 28 June 2005, the NEDA Board approved the proposed elimination of the tariff duty on products listed in "Annex A" imported from Cambodia, Lao PDR, Myanmar and Vietnam under the AISP.

WHEREAS, Section 402 of the Tariff and Customs Code of 1978, as amended, empowers the President, 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 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 Concession Under the ASEAN Integration System of Preferences (AISP) Package of the Philippines) hereof, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the AISP rate of duty indicated in Column 4 of "Annex A" when imported from Cambodia, Lao PDR, Myanmar and Vietnam (preference-receiving countries) indicated in Column 5 of "Annex A".

SECTION 2. In the event that any subsequent changes are made in the basic (MFN) Philippine rate of duty on any of the articles listed in "Annex A" to a rate lower than the rate prescribed in Column 4 of "Annex A", such article shall automatically be accorded the corresponding reduced duty.

SECTION 3. From the date of effectivity of this Order, all articles listed in "Annex A" entered into 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 of forty percent (40%) single country content (Cambodia, Lao PDR, Myanmar and Vietnam) as provided for in the Agreement on the CEPT Scheme for the AFTA signed on 28 January 1992.

SECTION 4. 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.

SECTION 5. This Executive Order shall take effect immediately following its complete publication in two (2) newspapers of general circulation in the Philippines.

Done in the City of Manila, this 22nd day of July, in the year of our Lord, Two Thousand and Five.

By the President:

(SGD.) EDUARDO R. ERMITA  
*Executive Secretary*

#### Annex A

#### ARTICLES GRANTED CONCESSION UNDER THE ASEAN INTEGRATION SYSTEM OF PREFERENCES (AISP) PACKAGE OF THE PHILIPPINES

HDG. NO.	TARIFF CODE	DESCRIPTION	APPLICABLE AISP RATE (%)	PREFERENCE RECEIVING COUNTRY
(1)	(2)	(3)	(4)	(5)
12.11		Plants and parts of plants (including seeds and fruits), of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh or dried, whether or not cut, crushed or powdered.		
	1211.90	Other: Of a kind used primarily in pharmacy:		
	1211.90.11	Cannabis, in cut, crushed or powdered form	0	Lao PDR
	1211.90.12	Cannabis, other form	0	Lao PDR

1211.90.13	Other, in cut, crushed or powdered form	0	Lao PDR
1211.90.19	Other	0	Lao PDR
	Other:		
1211.90.91	Pyrethrum, in cut, crushed or powdered form	0	Lao PDR
1211.90.92	Pyrethrum, other form	0	Lao PDR
1211.90.93	Cannabis	0	Lao PDR
1211.90.94	Sandalwood	0	Lao PDR
1211.90.95	Gaharu wood chips	0	Lao PDR
1211.90.99	Other	0	Lao PDR
14.04	Vegetable products not elsewhere specified or included.		
1404.90	Other:		
1404.90.10	Betel leaves, biri leaves and betel-nut leaves	0	Lao PDR
1404.90.90	Other	0	Lao PDR
44.07	Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness exceeding 6 mm.		
4407.10	Coniferous:		
4407.10.10	Planed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.10.20	Sanded or end-jointed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.10.90	Other	0	Cambodia, Lao PDR, Myanmar and Vietnam
	Of tropical wood specified in Subheading Note 1 to this Chapter:		
4407.24	Virola, Mahogany ( <i>Swietenia spp.</i> ), Imbuia, and Balsa:		
4407.24.10	Planed	0	Cambodia, Lao

			PDR, Myanmar and Vietnam
4407.24.20	Sanded or end-jointed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.24.90	Other	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.25	Dark Red Meranti, Light Red Meranti, and Meranti Bakau:		
	Dark Red Meranti, Light Red Meranti:		
4407.25.11	Planed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.25.12	Sanded or end-jointed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.25.19	Other	0	Cambodia, Lao PDR, Myanmar and Vietnam
	Meranti Bakau:		
4407.25.21	Planed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.25.22	Sanded or end-jointed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.25.29	Other	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.26	White Lauan, White Meranti, White Seraya, Yellow Meranti and Alan:		
4407.26.10	Planed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.26.20	Sanded or end-jointed	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.26.90	Other	0	Cambodia, Lao PDR, Myanmar and Vietnam
4407.29	Other:		
	Jelutong ( <i>Dyera spp.</i> ):		