

**[ EXECUTIVE ORDER NO. 485, December 29, 2005 ]**

**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 CERTAIN PRODUCTS TO ZERO PERCENT UNDER THE EARLY HARVEST PROGRAMME OF THE ASEAN – CHINA FREE TRADE AREA**

WHEREAS, the Framework Agreement on Comprehensive Economic Cooperation (Framework Agreement) Between the Association of South East Asian Nations (ASEAN) and the People's Republic of China (China) was signed by the Heads of Government / State of the ASEAN Member States and China on 4 November 2002 in Cambodia;

WHEREAS, under Article 6 of the Framework Agreement, the Parties agreed to implement an Early Harvest Programme (which is an integral part of the ASEAN – China FTA) for certain products which will commence and end in accordance with set timeframes;

WHEREAS, a Memorandum of Understanding (MOU) Between the Governments of the Philippines and China on the Early Harvest Programme under the Framework Agreement was signed on 27 April 2005;

WHEREAS, under the MOU, the Philippines and China agreed to eliminate the tariffs of certain products by 1 January 2006;

WHEREAS, the NEDA Board approved, during its meeting on 20 December 2005, the grant of zero tariffs on 214 tariff lines in compliance with the MOU;

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 Concessions Under the Early Harvest Programme of the ASEAN – China Free Trade Area] and *Annex "B"* [Specific Products Granted Concessions Under the Early Harvest Programme of the ASEAN – China Free Trade Area Pursuant to Article 6(3) (a)(iii)] hereof, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the ACFTA rates in accordance with the schedule indicated in Column 4 of *Annexes "A" and "B"*. The ACFTA rates so indicated shall be accorded to imports coming from the parties of the Framework