

[EXECUTIVE ORDER NO. 394, December 31, 2004]

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/2004/39 AND HONDA/2004/37)

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

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

WHEREAS, under the Honda AICO Certificate of Eligibility No. Honda/2004/39, the Philippines (Honda Cars Philippines, Inc.) will import from Indonesia (PT. Honda Prospect Motor and PT. Honda Precision Parts Manufacturing) certain original equipment manufacture (OEM) automotive parts/components for Honda Civic (HS 8703.90 10). In exchange, Indonesia (PT. Honda Prospect Motor and PT Honda Precision Parts Manufacturing) will import from the Philippines complementary parts/components for the OEM of Honda Civic and Stream;

WHEREAS, under the Honda AICO Certificate of Eligibility No. Honda/2004/37, the Philippines (Honda Cars Philippines, Inc.) 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 (HS 8703.90 10). 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 and Civic;

WHEREAS, AICO Certificate of Eligibility Nos. Honda/2004/39 and Honda/2004/37 were issued on 26 July and 31 July 2004, 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, participating companies in the approved Honda AICO Arrangements shall qualify for 0-5% preferential tariff rates to be extended by Indonesia, Malaysia and the Philippines as participating countries.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic 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: