

[EXECUTIVE ORDER NO. 162, January 10, 2003]

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 PHILIPPINE AUTO COMPONENTS, INC. (PAC)

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 Philippine Auto Components, Inc. along with Thailand;

WHEREAS, under the PAC AICO Arrangement, the Philippines (Philippine Auto Components, Inc.) will import from Thailand (Denso Thailand Co.,Ltd) fan assy and shroud assy (HS Hdg No. 8414.90 00); evaporators for air-conditioning machines (HS Hdg. No. 8419.89 10); upper/lower tanks Al radiators, subassy, lower tanks for Al radiators (HS Hdg. No. 8708.91 10); and core subassy (Al radiators) (HS Hdg. No. 8708.91 20). In exchange, Thailand will import from the Philippines fuel pump module assy (HS Hdg. No. 8413.30 00);

WHEREAS, AICO Certificate of Eligibility (COE) No. Denso/2002/6 was issued on 12 November 2002, in favor of the participating companies in the Denso AICO Arrangement;

WHEREAS, in consonance with Articles 5 and 7 of the Basic Agreement of the AICO Scheme, participating companies in the approved Denso AICO Arrangements shall qualify for 0 - 5% preferential tariff rates to be extended by Thailand and the Philippines for Denso as participating countries, effective within 45 days from the date of issuance of the Certificate of Eligibility No. Denso/2002/6 by the ASEAN Secretariat.

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:

SECTION 1. The articles specifically listed in Annex "A" hereof, as classified under Section 104 of the Tariff and Customs Code of 1978,as amended, shall be accorded the AICO rate of 3% on parts/components as specified in Column 5 thereof.

SECTION 2. The AICO rate provided in Annex "A" shall be accorded to the AICO entity in Thailand (Denso Thailand Co. Ltd.) effective 12 November 2002.

SECTION 3. In the event that any subsequent changes are made in the basic (Most