

[EXECUTIVE ORDER NO. 89, March 18, 2002]

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).

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 Arrangement of Honda Cars Philippines, Inc., (Honda) along with Thailand;

WHEREAS , under the Honda AICO Arrangement, the Philippines (Honda Cars Philippines, Inc.) will import from Thailand (Honda Automobile Thailand Co. Ltd.) certain original equipment manufacture (OEM) automotive parts/components for Honda Civic passenger cars (HS 8703.90 10), and in exchange, Thailand will import from the Philippines complementary component parts for the OEM of Honda Civic;

WHEREAS , AICO Certificate of Eligibility (COE) No. Honda/2000/9(A) was re-issued on 21 September 2001, nullifying AICO Certificate of Eligibility No. Honda/2000/9 issued on 05 October 2000, in favor the participating companies in the 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 Arrangement shall qualify for 0 – 5% preferential tariff rates to be extended Thailand and the Philippines for Honda as participating countries, effective within 45 days from the date of issuance of the Certificate of Eligibility 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 5% on parts/components of Honda Civic passenger cars as specified in Column 6 thereof.

SEC. 2. The AICO rate provided in Annex "A" shall be accorded to the AICO entity in Thailand (Honda Automobile Thailand Co. Ltd) effective 21 September 2001.

SEC. 3. In the event that any subsequent changes are made in the basic (Most Favored Nation) Philippine rate of duty on any of the articles listed in Annex "A" to a rate lower than the AICO rate prescribed in Column 6 of Annex "A", such articles