

[EXECUTIVE ORDER NO. 486, January 12, 2006]

**LIFTING THE SUSPENSION OF THE APPLICATION OF THE TARIFF
REDUCTION SCHEDULE ON PETROCHEMICALS AND CERTAIN
PLASTIC PRODUCTS UNDER THE COMMON EFFECTIVE
PREFERENTIAL TARIFF (CEPT) SCHEME FOR THE ASEAN FREE
TRADE AREA (AFTA)**

WHEREAS, Executive Order 234 dated 27 April 2000, which implemented the 2000-2003 Philippine schedule of tariff reduction of products transferred from the Temporary Exclusion List and the Sensitive List to the Inclusion List of the accelerated CEPT Scheme for the AFTA, provided that the CEPT rates on petrochemicals and certain plastic products will be reduced to 5% on 01 January 2003;

WHEREAS, Executive Order 161 issued on 9 January 2003 provides for the suspension of the application of the tariff reduction schedule on petrochemicals and certain plastic products in 2003 and 2004 only;

WHEREAS, the government recognizes the need to provide an enabling environment for the naptha cracker plant to attain international competitiveness;

WHEREAS, the NEDA Board approve the lifting of the suspension of the aforesaid tariff reduction schedule on petrochemicals and certain plastic products and the reversion of the CEPT rates on these products to EO 161 (s. 2003) levels once the naptha cracker plant is in commercial operation;

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 (Presidential Decree No. 1464), as amended, do hereby order:

SECTION 1. The articles specifically listed in Annex "A"* (Articles Granted Con- cession under the CEPT Scheme for the AFTA) hereof, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the ASEAN CEPT rates in accordance with the schedule indicated in Column 4 of Annex "A"* the ASEAN CEPT rates so indicated be accorded to imports coming from ASEAN Member States applying CEPT concession to the same product pursuant to Article 4 of the CEPT Agreement and its Interpretative Notes.

SECTION 2. In the event that any subsequent change is made in the basic (MFN) Philippine rate of duty on any of the article listed in Annex