

[EXECUTIVE ORDER NO. 489, January 12, 2006]

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 TARIFF REDUCTION SCHEDULE FOR 2006 – 2010 OF SENSITIVE AGRICULTURAL PRODUCTS TRANSFERRED FROM THE AGRICULTURAL PRODUCT SENSITIVE LIST (SL) TO THE COMMON EFFECTIVE PREFERENTIAL TARIFF INCLUSION LIST (CEPT – IL)

WHEREAS, the Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, Lao People's Democratic Republic, Malaysia, Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand, and the Socialist Republic of Viet Nam signed the Protocol on the Special Arrangement for Sensitive and Highly Sensitive Products on 30 September 1999;

WHEREAS, Member States (i.e. Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore and Thailand) phased-in sensitive products to the CEPT Scheme beginning on 01 January 2001 with flexibility but no later than 01 January 2003 and shall complete the phasing-in by 01 January 2010;

WHEREAS, Article III of the Protocol provides that the beginning rate shall be the applied rate and the ending tariff rates shall be 0% – 5%;

WHEREAS, on 5 November 2001, the NEDA Board approved the 2001 – 2010 Philippine CEPT Schedule for sensitive agricultural products;

WHEREAS, on 9 December 2003, the NEDA Board confirmed the phasing -in of 44 sensitive agricultural products to the CEPT – IL in 2003;

WHEREAS, Executive Order 263 issued on 30 December 2003 prescribed the 2003 – 2005 CEPT rate schedule for subject articles;

WHEREAS, Section 402 of the Tariff and Customs Code of 1978 (PD 1464), as amended, empowers the President, 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"* hereof (Sensitive Agricultural Products Granted Concession Under the CEPT for the AFTA), as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the ASEAN CEPT rate in accordance with the year 2006-2010 schedule indicated in Columns 4-8 of *Annex "A"*. The ASEAN CEPT rates so indicated shall be accorded to imports coming from ASEAN Member States applying CEPT concession to the