

[EXECUTIVE ORDER NO. 244, October 03, 2003]

MODIFYING THE RATES OF DUTY ON MOTOR VEHICLES, AS PROVIDED FOR UNDER THE TARIFF AND CUSTOMS CODE OF 1978 (PRESIDENTIAL DECREE NO. 1464, AS AMENDED), IN ORDER TO IMPLEMENT PREFERENTIAL RATES THEREON UNDER THE AUTOMOTIVE EXPORT PROGRAM.

WHEREAS, the automotive industry is an important contributor to sustainable national economic development;

WHEREAS, the government issued E.O. 156, series of 2002 establishing a Comprehensive Industrial Policy and Directions for the Motor Vehicle Development Program to develop the Philippines as the manufacturing hub in ASEAN for certain motor vehicles, parts and components;

WHEREAS, an integral component for the Comprehensive Motor Vehicle Development Program under E.O. 156 is the provision of special export incentive to the automotive sector;

WHEREAS, temporary export incentives will compensate for certain structural deficiencies that inhibit the automotive industry's attainment of global competitiveness;

WHEREAS, the benefits from the development of the automotive industry's global competitiveness will outweigh the tariff revenues to be foregone from the grant of preferential tariffs on imports;

WHEREAS, Sections 401 and 402 of the Tariff and Customs Code of 1978 (Presidential Decree 1464), as amended, empower the President of the Republic of the Philippines to increase, reduce, or remove existing rates of import duty, as well as to modify the tariff nomenclature;

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, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the Most Favored Nation (MFN) rate of import duty in accordance with the schedule indicated under the "MFN" column;

SECTION 2. 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 subject to the ASEAN CEPT rate of import duty in accordance with the schedule indicated under the "CEPT" column. The ASEAN CEPT rate so indicated shall be accorded to imports coming from ASEAN Members States applying CEPT concession to the same