

**[ EXECUTIVE ORDER NO. 376, October 22, 2004 ]**

**MODIFYING THE RATES OF IMPORT DUTY ON CERTAIN IMPORTED ARTICLES UNDER SECTION 104 OF THE TARIFF AND CUSTOMS CODE OF 1978 AS AMENDED, IN ORDER TO IMPLEMENT SECTION 1 OF REPUBLIC ACT 9281, REINSTATING THE EFFECTIVITY OF TAX INCENTIVES UNDER SECTION 109 OF REPUBLIC ACT 8435, OTHERWISE KNOWN AS THE AGRICULTURE AND FISHERIES MODERNIZATION ACT OF 1997**

WHEREAS, the government needs to provide duty exemption to importations of eligible agriculture and fisheries enterprises to promote and foster their efficiency and global competitiveness;

WHEREAS, Section 1 of Republic Act No. 9281 enacted into law on March 30, 2004, amends Section 109 of Republic Act 8435 otherwise known as the "Agriculture and Fisheries Modernization Act of 1997" as follows "all enterprises engaged in agricultural and fisheries duly certified by the Department of Agriculture, in consultation with the Department of Finance and Board of Investment, shall, up to the year 2015, be exempted from the payment of tariff and duties for the importation of all types of agriculture and fishery inputs, equipment, and machinery such as but not limited to, fertilizer, insecticide, pesticide, tractor, trailer, trucks, farm implements and machinery, harvesters, threshers hybrid seeds, genetic materials, sprayers, packaging machinery and materials, bulk-handling facilities such as conveyors, mini-loaders, weighing scales, harvesting scales, harvesting equipment, spare parts of all agricultural equipment, fishing equipment and parts thereof, refrigeration equipment, and renewable energy systems such as solar panels; Provided, however, that the imported agriculture and fishery inputs, equipment and machinery shall be for the exclusive use of the importing enterprise";

WHEREAS, Section 109 of Republic Act No. 8435 was implemented by Executive Order (EO) No. 133 series of 1999, and its annexes, as amended by EO 127, series of 2002, the effectivity of which lapsed on 08 February 2003;

WHEREAS, paragraph (2) of Section 1 of Republic Act No. 9281 provides that "the Department, in consultation with the Department of Finance and the Board of Investment, shall, within ninety (90) days from the effectivity of this Act, formulate the implementing Rules and Regulations governing the importation of agricultural and fishery inputs, equipment, and machinery."

WHEREAS, Section 104 and 401 of the Tariff and Customs Code of 1978 (Presidential Decree No. 1464), as amended, empower the President of the Republic of the Philippines, 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.