

EXECUTIVE ORDER NO. 78

MODIFYING THE RATES OF IMPORT DUTY ON CERTAIN IMPORTED ARTICLES AS PROVIDED UNDER THE TARIFF AND CUSTOMS CODE OF 1976, AS AMENDED, IN ORDER TO IMPLEMENT THE MINIMUM NINETY PER CENTUM (90%) MARGIN OF PREFERENCE ON SOYA SAUCE POWDER AND BOUILLON/STOCKS INCLUDED IN THE NESTLE ASEAN INDUSTRIAL JOINT VENTURE (AIJV) PROJECTS, AS PROVIDED FOR IN ARTICLE III, PARAGRAPH 1 OF THE REVISED BASIC AGREEMENT ON AIJV

WHEREAS, the Philippines is a Contracting Party to the Revised Basic Agreement on ASEAN Industrial Joint Ventures (BAAIJV) signed in Manila on 15 December 1987;

WHEREAS, the Philippines, along with Brunei Darussalam, Indonesia, Malaysia, Singapore and Thailand, is a participating country in the approved NESTLE ASEAN Industrial Joint Venture Projects;

WHEREAS, among the five NESTLE AIJV Projects, commercial production of soya sauce powder by the AIJV entity in Singapore has already started on 1 August 1992 while that of bouillon/stocks by the AIJV entity in Malaysia has started on 1 September 1992;

WHEREAS, the Revised BAAIJV provides that a minimum ninety per centum (90%) Margin of Preference (MOP) for the AIJV products shall be extended by all participating countries for the relevant AIJV Projects;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, pursuant to the powers vested in me under Section 402 of the Tariff and Customs Code, as amended, do hereby order:

SECTION 1. The articles specifically listed in Annex "A" as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be accorded a minimum ninety per centum (90%) MOP as specified in column 7 of said Annex "A". In effect, such articles shall be subject to the Preferential Tariff for ASEAN in accordance with the schedule indicated opposite each article as specified in columns 8, 9, 10 and 11, of Annex "A".

SECTION 2. The MOP herein provided on soya sauce powder shall be accorded to the AIJV entity in Singapore effective up to 1 August 1996 while the MOP herein provided on bouillon/stocks shall be accorded the AIJV entity in Malaysia effective up to 1 September 1996. As provided under Article III, paragraphs 3(c) and (d) of the Revised BAAIJV, the participating countries shall waive their rights under Chapter II, Article 8 paragraph 2 of the ASEAN PTA for the first four (4) years in respect of entities which are not AIJVs but produce the same products within their countries. However, such entities in the participating countries which are not AIJVs but produce the same products shall enjoy the same MOP after the waiver period of four (4) years.

SECTION 3. The minimum ninety per centum (90%) MOP accorded under this Executive Order to the accredited AIJV entities in Singapore and Malaysia shall remain effective irrespective of any subsequent change in the basic Philippine rate of duty on the above-mentioned articles. However, pursuant to the decision of the 35th and Final Meeting of the ASEAN Committee on Industry, Minerals and Energy held in Manila on 16-18 July 1992, such grant of MOP shall be automatically withdrawn should NESTLE fail to start commercial operation of said breakfast cereal AIJV Project in the Philippines by 31 December 1993.

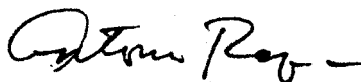
SECTION 4. After the effectivity of this Executive Order, all the above-described articles entered or withdrawn from warehouses in the Philippines for consumption shall be subject to qualification under the Rules of Origin as prescribed in the Agreement on ASEAN Preferential Trading Arrangements ratified on 1 August 1977.

SECTION 5. This Executive Order shall take effect immediately.

DONE in the City of Manila this 2nd day of April in the year of Our Lord, Nineteen Hundred and Ninety-Three.



By the President:



ANTONIO T. CARPIO

Chief Presidential Legal Counsel

PMS LIBRARY

Received

APR 19 1993

Date



PMS LIBRARY BCODE005961