

MALACAÑANG**Manila**

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 237

MODIFYING THE RATES OF DUTY ON CERTAIN IMPORTED ARTICLES AS PROVIDED UNDER THE TARIFF AND CUSTOMS CODE OF 1978, AS AMENDED, IN ORDER TO IMPLEMENT THE DECISION TAKEN BY THE THIRTY-FIFTH MEETING OF THE COMMITTEE ON INDUSTRY, MINERALS AND ENERGY (COIME) OF THE ASEAN ECONOMIC MINISTERS (AEM) TO EXTEND A MINIMUM NINETY PER CENTUM (90%) MARGIN OF PREFERENCE (MOP) TO CONSTANT VELOCITY JOINT DRIVESHAFTS ASSEMBLY AND PARTS THEREOF UNDER THE AGREEMENT ON ASEAN INDUSTRIAL JOINT VENTURES (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 Malaysia and Thailand, is a participating country in the Constant Velocity Joint Driveshaft - Asian Driveshaft (Malaysia) Sdn. Bhd. AIJV project that was approved during the Thirty-Fifth Meeting of the COIME held in Manila on 16-18 July 1992;

WHEREAS, in accordance with paragraph 1 of Article III of the Revised BAAIJV, all participating countries shall extend a minimum ninety per centum (90%) Margin of Preference (MOP) to new AIJV products within ninety (90) days of their commercial production;

WHEREAS, under paragraph 3(c) of Article III of the Revised BAAIJV, the participating countries shall waive their rights under Chapter II, Article 8, paragraph 2, of the ASEAN Preferential Trading Arrangements (PTA) for a four-year period commencing from the actual date of commercial production of the new AIJV product in respect of entities that are not AIJVs but produce the same products within their countries;

WHEREAS, under paragraph 3(a) of Article III of the same Agreement, non-participating countries shall initially waive their rights under Chapter II, Article 8, paragraph 2, of the ASEAN PTA for the first four years but, at any time thereafter, can enjoy the MOP granted by participating countries as soon as they extend the same MOP;

WHEREAS, constant velocity joint driveshafts assembly and parts thereof are new AIJV products whose commercial production by ASIAN DRIVESHAFT SDN. BHD. Penang (Malaysia) started on 1 January 1994;

IN REPLYING, PLEASE CITE:

PFVR Letter # L950593



L950593

NOW, THEREFORE, I FIDEL V. RAMOS, President of the Philippines, pursuant to the powers vested in me under Section 402 of the Tariff and Customs Code of 1978, as amended, do hereby order:

SECTION 1. The articles specifically listed hereunder 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 6. In effect, such articles shall be subject to the AIJV Preferential Tariff in accordance with the schedule indicated in columns 7, 8 and 9.

HS Code	Description	Rate of Duty (%)			Applicable AIJV MOP: Preferential Tariff (%)			
		1 Jan.: 1994	1 July :1994:	1995	1 Jan.: 1994	July 994	1995	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ex 8708.99 90	Constant Velocity (C.V.) joint Driveshafts Assembly and parts thereof	10	10	0	90	1.0	.0	1.0

SEC. 2. The MOP herein provided on constant velocity joint driveshafts assembly and parts thereof shall be accorded exclusively to the AIJV entity in Malaysia effective from 1 January 1994 up to 31 December 1997. Thereafter, the said MOP shall likewise be accorded to any entity in the participating countries which is not an AIJV but produces the same AIJV products.

SEC. 3. The MOP herein provided on constant velocity joint driveshafts assembly and parts thereof shall be accorded to any entity in the non-participating countries at any time beginning 1 January 1998, provided said countries extend the same MOP on the AIJV products.

SEC. 4. The minimum ninety per centum (90%) MOP accorded under this Executive Order shall remain effective irrespective of any subsequent change in the basic Philippine rate of duty on the above-mentioned articles.


SEC. 5. Upon the effectivity of this Executive Order, all the aforementioned 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, and shall pay the applicable AIJV Preferential Tariff specified under Section 1 hereof.

SEC. 6. This Executive Order shall take effect immediately after its publication in two (2) newspapers of general circulation in the Philippines.


Done in the City of Manila, this 24th day of April in the year of Our Lord, nineteen hundred and ninety five.



By the President:



TEODORO T. GUINGONA, JR.
Executive Secretary



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