

**MGA KAUTUSANG TAGAPAGPAGANAP, PROKLAMASYON AT  
KAUTUSANG MEMORANDUM**

[PROCLAMATIONS, EXECUTIVE ORDERS AND MEMORANDUM ORDERS]

MALACAÑANG  
MANILA

EXECUTIVE ORDER No. 50

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 PREFERENTIAL TARIFF RATES ON CERTAIN PRODUCTS UNDER THE ASEAN INDUSTRIAL COOPERATION (AICO) SCHEME, IN FAVOR OF LAGUNA AUTO-PARTS MANUFACTURING CORPORATION (LAMCOR)

WHEREAS, the Philippines is a Contracting Party to the Basic Agreement on the ASEAN Industrial Cooperation Scheme (AICO) signed in Singapore on 27 April 1996;

WHEREAS, the Philippines is a participating country in the approved AICO Arrangements of Laguna Auto-Parts Manufacturing Corporation (LAMCOR) along with Indonesia;

WHEREAS, under the LAMCOR AICO Arrangement, the Philippines (Laguna Auto-Parts Manufacturing Corporation) will import from Indonesia certain parts/components for LAMCOR starter motors (HS Nos. 8483.60 00 and 8511.90 00), and in exchange Indonesia will import from the Philippines complementary component parts of the starter motors and alternators;

WHEREAS, AICO Certificate of Eligibility (COE) No. MEL/2001/2 was issued on 15 January 2001 in favor of the participating companies in the LAMCOR AICO Arrangement;

WHEREAS, in consonance with Articles 5 and 7 of the Basic Agreement of the AICO Scheme, participating companies in the approved

LAMCOR AICO Arrangements shall qualify for 0 - 5% preferential tariff rates to be extended by Indonesia and the Philippines as participating countries, effective within 45 days from the date of issuance of the Certificate of Eligibility No. MEL/2001.1 by the ASEAN Secretariat.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, 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 in *Annex "A"* hereof, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be accorded the AICO rate of 3% on components parts (HS Hdg. Nos. 8483.60 00 and 8511.90 00) of LAMCOR starter motors as specified in Column 5 thereof.

SEC. 2. The AICO rate provided in *Annex "A"* shall be accorded to the AICO entity in Indonesia (PT. Lippo MELCO Auto-Parts of Indonesia) effective from 15 January 2001.

SEC. 3. In the event that any subsequent changes are made in the basic (Most Favored Nation) Philippine rate of duty on any of the articles listed in *Annex "A"* to a rate lower than the AICO rate prescribed in Column 5 of *Annex "A"*, such article shall automatically be accorded the corresponding reduced rate of duty. Effective 1 January 2003, the final CEPT rate on the article shall apply.

SEC. 4. Upon the effectivity of this Executive Order, the articles specifically listed in the aforesaid *Annex "A"* which are entered or withdrawn from warehouses in the Philippines for consumption shall pay the applicable AICO preferential tariff rate specified under Section 1

hereof, subject to qualification under the Rules of Origin for the CEPT, as evidenced by the Certificate of Origin - Form "D".

DONE in the City of Manila, this 3rd day of November in the year of Our Lord, two thousand and one.

Sec. 5. The Secretary of Finance in consultation with the National Economic & Development Authority (NEDA) shall issue the appropriate guidelines to implement and rationalize the preferential tariff privilege herein granted.

(Sgd.) GLORIA MACAPAGAL-ARROYO  
*President of the Philippines*

By the President:

Sec. 6. This Executive Order shall take effect immediately.

(Sgd.) ALBERTO G. ROMULO  
*Executive Secretary*

ANNEX "A"

ARTICLES GRANTED PREFERENTIAL TARIFF UNDER THE APPROVED LAMCOR AICO SCHEME

H.S. CODE	PRODUCT DESCRIPTION	PART NO.	SOURCE COUNTRY (AICO COMPANY)	APPLICABLE AICO PREFERENTIAL TARIFF (%)
(1)	(2)	(3)	(4)	(5)
8483.60 00	Overrunning Clutch Assy for Starter Motors	M191B68071	Indonesia (PT. Lippo MELCO Auto-Parts (LMA)	3
8511.90 00	Brush Holder Assy for Starter Motors	M649B20471	Indonesia (PT. Lippo MELCO Auto-Parts (LMA)	3