

**BY THE PRESIDENT OF THE PHILIPPINES** MFN 14D 12017**EXECUTIVE ORDER NO. 261**

**AMENDING EXECUTIVE ORDER NOS. 74 AND 162, SERIES OF 1999 AND 2003, RESPECTIVELY, ENTITLED "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 PHILIPPINES AUTO COMPONENT, INC. (PAC)-(COE NOS. DENSO/1998/1(A) AND DENSO/2002/6(A).**

**WHEREAS**, AICO Certificate of Eligibility Nos. Denso/1998/1 and Denso/2002/6 were issued on 04 November 1998 and 12 November 2002, respectively, to Denso (Thailand) Co., Ltd. and Philippines Auto Component, Inc. as participating companies in the Denso AICO Arrangement which shall qualify for 0-5% preferential tariff rates, local content accreditation where applicable, and other privileges to be extended by Thailand and the Philippines;

**WHEREAS**, pursuant to the said Certificate of Eligibility, Executive Order Nos. 74 and 162 dated 15 January 1999 and 10 January 2003, respectively, were issued implementing the preferential tariff rates on certain products under the AICO Arrangement of Philippines Auto Component, Inc. and Denso (Thailand) Co., Ltd. on certain original equipment manufacture (OEM) automotive parts/components;

**WHEREAS**, on 08 September 2003, AICO Certificate of Eligibility Nos. Denso/1998/1(A) and Denso/2002/6(A) were re-issued to Denso International (Thailand) Co. Ltd., Denso (Thailand) Co., Ltd. and Philippines Auto Component, Inc., nullifying AICO Certificate of Eligibility Nos. Denso /1998/1 and Denso/2002/6 issued to Philippines Auto Component, Inc., and Denso (Thailand) Co., Ltd.;

**WHEREAS**, it is necessary to amend said Executive Order Nos. 74 and 162 to effect the participation of an additional company, Denso International (Thailand) Co., Ltd., in the AICO Scheme between Thailand and the Philippines.



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**NOW, THEREFORE, I, GLORIA MACAPAGAL ARROYO**, President of the Philippines, pursuant to the powers vested in me by law, do hereby order:

**SECTION 1.** The fifth **WHEREAS** clause of Executive Order No. 74 dated 15 January 1999 is hereby amended to read as follows:

**"WHEREAS**, under the Denso AICO Arrangement, the Philippines (Philippines Auto Component, Inc.) will import from Thailand (Denso International (Thailand) Co., Ltd. and Denso (Thailand) Co., Ltd.) certain original equipment manufacture (OEM) automotive parts/components."

**SECTION 2.** Section 6 of Executive Order No. 74 dated 15 January 1999 is hereby amended to read as follows:

" The AICO rates provided in Annex "A" shall be accorded to the AICO entities in Thailand (Denso International (Thailand) Co., Ltd., and Denso (Thailand) Co., Ltd.) upon the effectivity of this Executive Order."

**SECTION 3.** The third **WHEREAS** clause of Executive Order No. 162 dated 10 January 2003 is hereby amended to read as follows:

**"WHEREAS**, under the Denso AICO Arrangement, the Philippines (Philippines Auto Component, Inc.) will import from Thailand (Denso International (Thailand) Co., Ltd, and Denso (Thailand) Co., Ltd.) certain original equipment manufacture (OEM) automotive parts/components."

**SECTION 4.** Section 2 of Executive Order No. 162 dated 10 January 2003 is hereby amended to read as follows:

"The AICO rates provided in Annex "A" shall be accorded to the AICO entities in Thailand (Denso International (Thailand) Co., Ltd., and Denso (Thailand) Co., Ltd.) upon the effectivity of this Executive Order".

**SECTION 5.** Annex "C" of Executive Order No. 74 dated 15 January 1999 is hereby amended to read as follows:



**ARTICLES GRANTED PREFERENTIAL TARIFF UNDER THE APPROVED  
DENSO (PAC) AICO SCHEME**

HS CODE	DESCRIPTION	SOURCE COUNTRY/(AICO COMPANY)	APPLICABLE AICO PREFERENTIAL TARIFF (%)
(1)	(2)	(3)	(4)
9029.20 90	Motorcycle meters	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	3
9405.40 90	Lighting fittings (bulbs) for instrument clusters	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	5

**SECTION 6.** Annex "A" of Executive Order No. 162 dated 10 January 2003 is hereby amended to read as follows:

## Annex "A"

HS Code	Applied Final Product	Product Description	Source Country (AICO Company)	Applicable AICO Preferential Tariff (%)
(1)	(2)	(3)	(4)	(5)
8414.90 00	Fans	Fan assembly and shroud assembly	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	3
8419.89 10	Evaporators	Evaporators for air-conditioning machines for motor vehicles	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	3
8708.91 10	Aluminum radiators	Upper/lower tanks; tanks subassembly, lower	Thailand (Denso International (Thailand) Co. Ltd. and Denso	3



			(Thailand) Co. Ltd.)	
8708.91 20	Aluminum radiators	Core subassembly	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	3

**SECTION 7.** This Executive Order shall take effect immediately.

Done in the City of Manila, this 30<sup>th</sup> day of December, in the year of Our Lord, Two Thousand and Three.

*Gloria Arroyo*



By the President:

*Avelino J. Cruz, Jr.*

**AVELINO J. CRUZ, JR.**  
Acting Executive Secretary



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## ANNEX "A"

ARTICLES GRANTED PREFERENTIAL TARIFF UNDER THE APPROVED  
DENSO (PAC) AICO SCHEME

HS CODE	DESCRIPTION	SOURCE COUNTRY/(AICO COMPANY)	APPLICABLE AICO PREFERENTIAL TARIFF(%)
(1)	(2)	(3)	(4)
9029.20 90	Motorcycle meters	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	Already at 1
9405.40 90	Lighting fittings (bulbs) for instrument clusters	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	5
8708.91 10	Tank upper Tank lower Tank sub-assy, lower	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	3
8414.90 00	Fan assy; shroud assy	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	3
8708.91 20	Core sub assy.	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	3
8419.89 10	Evaporator	Thailand (Denso International (Thailand) Co. Ltd. and Denso (Thailand) Co. Ltd.)	3