

MALACAÑANG  
Manila

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 851

**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 COMMITMENTS ON TRADE IN GOODS CHAPTER OF THE AGREEMENT ESTABLISHING THE ASEAN-AUSTRALIA-NEW ZEALAND FREE TRADE AREA (AANZFTA)**

**WHEREAS**, the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) was signed by the Economic Ministers of ASEAN, Australia and New Zealand on 27 February 2009 in Cha-am, Phetchaburi, Thailand;

**WHEREAS**, Parties to the AANZFTA share the view that the Agreement will strengthen economic partnerships, serve as an important building block towards regional economic integration and support sustainable development;

**WHEREAS**, Parties to the AANZFTA further share the view that the Agreement will minimize barriers, deepen and widen economic linkages, lower business costs, increase trade and investment, enhance economic efficiency, create a larger market with more opportunities and greater economies of scale for business;

**WHEREAS**, the President of the Philippines ratified the AANZFTA Agreement on 21 October 2009;

**WHEREAS**, Chapter 2, Article 1 of the AANZFTA Agreement provides that each Party shall progressively reduce and/or eliminate customs duties on originating goods of the other Parties in accordance with its schedule of tariff commitments in Annex 1 of the Agreement;

**WHEREAS**, Section 402 of the Tariff and Customs Code of 1978, as amended, empowers the President of the Republic of the Philippines, upon the recommendation of the National Economic and Development Authority (NEDA), to modify import duties for the promotion of foreign trade.

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

**SECTION 1.** The articles listed in the Annex (Schedules of Tariff Commitments under the AANZFTA) hereof, and accompanied by the proper



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Certificate of Origin (CO) Form AANZ, shall be subject to the rates of import duty as indicated in Columns 4 to 15 of said Annex.

**SECTION 2.** For Australia, New Zealand and ASEAN 9 (i.e. Brunei Darussalam, Cambodia, Indonesia, Lao Peoples Democratic Republic, Malaysia, Myanmar, Singapore, Thailand and Vietnam) the applicable rate shall be the AANZFTA preferential tariff, subject to the submission of the proper CO Form AANZ. Pursuant to Section 1313(a) of the Tariff and Customs Code of the Philippines, as amended, the Tariff Commission may, upon request, issue tariff classification rulings to confirm the applicable rates of duty of particular products covered by this Executive Order.

**SECTION 3.** From the date of effectivity of this Executive Order, all articles listed in the Annex which are entered or withdrawn from warehouses in the Philippines for consumption shall be imposed the rates of duty therein prescribed subject to compliance with the Rules of Origin as provided for in Chapter 3 of the AANZFTA Agreement.

**SECTION 4.** Nothing in this Executive Order shall preclude the Philippines from invoking its right of recourse to all trade remedy measures provided for in its law, the AANZFTA Agreement and relevant international agreements as an effective device against import surges.


**SECTION 5.** The provisions of this Executive Order are hereby declared separable and in the event any such provision is declared invalid or unconstitutional, the other provisions, which are not affected thereby, remain in force and effect.

**SECTION 6.** All presidential issuances, administrative rules and regulations, or parts thereof, which are inconsistent with this Executive Order are hereby revoked or modified accordingly.

**SECTION 7.** This Executive Order shall take effect on 01 January 2010 following its complete publication in the Official Gazette or in a national newspaper of general circulation.

**DONE** in the City of Manila, this 23<sup>rd</sup> day of December, in the year of Our Lord, Two Thousand and Nine.

By the President:

  
**EDUARDO R. ERMITA**  
Executive Secretary

