

Protocol to Amend the Agreement on the Common Effective Preferential Tariff (CEPT) Scheme for the ASEAN Free Trade Area (AFTA) for the Elimination of Import Duties

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam, Member States of the Association of Southeast Asian Nations (hereinafter referred to as "ASEAN");

NOTING the Agreement on the Common Effective Preferential Tariff (CEPT) Scheme for the ASEAN Free Trade Area (AFTA) signed in Singapore on 28 January 1992, and the Protocol to Amend the Agreement on the Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area, signed in Bangkok on 15 December 1995 (hereinafter referred to as "the Agreement"), and its protocols;

REITERATING their commitment to accelerating the liberalisation of intra-ASEAN trade through AFTA using the CEPT Scheme;

RECALLING the decision of the Thirteenth AFTA Council Meeting in Singapore on 29 September 1999 to work towards the elimination of import duties on all products to achieve the eventual objective of a free trade area by the year 2015 for the six original ASEAN Member Countries and the year 2018 for the new Members of ASEAN;

RECALLING FURTHER the decision of the Third ASEAN Informal Summit in Manila, the Philippines on 28 November 1999 to eliminate all import duties by 2010, ahead of the original schedule, for the six original members of ASEAN and to advance the schedule from 2018 to 2015 for the new members of ASEAN, but allowing some sensitive products to follow the original date of 2018;

RECOGNISING the need to amend the Agreement to reflect the decision by the ASEAN Heads of Government/State;

HAVE AGREED AS FOLLOWS:

Article 1 Elimination of Import Duties

The following paragraphs shall be added as Article 4(C) (Elimination of Import Duties) of the Agreement:

1. Import duties on products in the Inclusion Lists of Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand shall be eliminated not later than 1 January 2010.
2. Import duties on products in the Inclusion Lists of Cambodia, Lao PDR, Myanmar and Viet Nam shall be eliminated not later than 1 January 2015, with flexibility however allowed for import duties on some sensitive products to be eliminated not later than 1 January 2018.
3. The provisions of Articles 4(C)(1) and 4(C)(2) of the Agreement shall not apply to the list of products of Member States contained in Annexes 1 and 2 of the Protocol on the Special Arrangement for Sensitive and Highly Sensitive Products. The tariff reduction schedule for these products shall be governed by Article III of the Protocol on the Special Arrangement for Sensitive and Highly Sensitive Products.

**Article 2
Final Provisions**

1. This Protocol shall be effective upon signing.
2. This Protocol shall be deposited with the Secretary-General of ASEAN, who shall promptly furnish a certified copy thereof to each Member State.

IN WITNESS WHEREOF, the undersigned being duly authorised by their respective Governments, have signed this Protocol to Amend the Agreement on the Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area.

DONE this 31st day of January 2003, in a single copy, in the English language.

INTERPRETATIVE NOTES

New Provision in the CEPT Agreement	Interpretative Notes
<p><u>Article 4 (C)(1)</u></p> <p>1. Import duties on products in the inclusion lists of Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand shall be eliminated not later than 1 January 2010.</p>	<p><u>Article 4 (C)(1)</u></p> <p>1. Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore and Thailand shall eliminate import duties on at least 60% of the products in the Inclusion List by 1 January 2003. Tariffs on the remaining 40% of the Inclusion List shall be eliminated not later than 1 January 2010.</p>
<p><u>Article 4 (C)(2)</u></p> <p>2. Import duties on products in the Inclusion Lists of Cambodia, Lao PDR, Myanmar and Viet Nam shall be eliminated not later than 1 January 2015, with flexibility however being accorded by allowing the duties on some sensitive products to be eliminated not later than 1 January 2018.</p>	<p><u>Article 4 (C)(2)</u></p> <p>1. Cambodia, Lao PDR, Myanmar and Viet Nam shall eliminate import duties on products in the Inclusion List by January 2015.</p> <p>2. Flexibility to defer the elimination of duties to 1 January 2018 for some products in the Inclusion List deemed sensitive shall be allowed. Cambodia, Lao PDR, Myanmar and Viet Nam shall notify the AFTA Council of these products in advance.</p>