

ASEAN – Hong Kong, China Free Trade Agreement

Highlights of Tariff Reduction Commitments by ASEAN Member States

The ASEAN Member States (AMS) have agreed to eliminate/reduce their customs duties on goods originating from Hong Kong upon the entry into force of the ASEAN – Hong Kong, China Free Trade Agreement (AHKFTA). In general terms, tariff lines subject to tariff reduction/elimination under the AHKFTA are categorised according to the modality set out at https://www.tid.gov.hk/english/ita/fta/hkasean/files/AHKFTA_Chapter_2_Annex_2-1.pdf. The tariff reduction commitments of the AMS are summarised in general as follows:

Brunei Darussalam

2. Brunei Darussalam commits to eliminate customs duties of about 78% of its tariff lines within three years (i.e. by 2021). In fact, the applied tariff rate of majority of these tariff lines are already zero. Besides, Brunei Darussalam commits to eliminate another 8% of its tariff lines within 10 years (i.e. by 2028), reduce customs duties of 5% of its tariff lines to 0-5% within 12 years (i.e. by 2030) and another 5% of its tariff lines to not more than 50% within 14 years (i.e. by 2032). About 4% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

3. For illustration, products that may enjoy tariff free treatment within three years (i.e. by 2021) include certain precious stones and jewellery; and certain footwear.

Cambodia

4. Cambodia commits to eliminate customs duties of about 48% of its tariff lines within eight years (i.e. by 2026) and another 15% of its tariff lines within 15 years (i.e. by 2033). Besides, Cambodia commits to reduce customs duties of 10% of its tariff lines to 0-5% within 17 years (i.e. by 2035) and another 10% of its tariff lines to not more than 50% within

20 years (i.e. by 2038). About 17% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

5. For illustration, products that may enjoy tariff free treatment within eight years (i.e. by 2026) include certain special woven fabrics; certain paper and paperboard; certain tobacco and manufactured tobacco substitutes; certain products of the printing industry; and certain articles of aluminium, etc.

Indonesia

6. Indonesia commits to eliminate customs duties of about 47% of its tariff lines within three years (i.e. by 2021) and another 24% of its tariff lines within 10 years (i.e. by 2028). Besides, Indonesia commits to reduce customs duties of 6% of its tariff lines to 0-5% within 12 years (i.e. by 2030) and another 5% of its tariff lines to not more than 50% within 14 years (i.e. by 2032). About 18% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

7. For illustration, products that may enjoy tariff free treatment within three years (i.e. by 2021) include certain iron and steel articles; certain essential oils/resinoids, perfumery, cosmetic or toilet preparations; certain articles of copper; certain tobacco and manufactured tobacco substitutes; and certain special woven fabrics, etc.

Laos

8. Laos commits to eliminate customs duties of about 50% of its tariff lines within eight years (i.e. by 2026) and another 15% of its tariff lines within 15 years (i.e. by 2033). Besides, Laos commits to reduce customs duties of 10 % of its tariff lines to 0-5% within 17 years (i.e. by 2035) and another 10% of its tariff lines to not more than 50% within 20 years (i.e. by 2038). About 15% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

9. For illustration, products that may enjoy tariff free treatment within eight years (i.e. by 2026) include certain paper and paperboard;

certain articles of plastics; certain articles of base metal; certain special woven fabrics; and certain precious stones and jewellery, etc.

Malaysia

10. Malaysia commits to eliminate customs duties of about 65% of its tariff lines within three years (i.e. by 2021) and another 20% of its tariff lines within 10 years (i.e. by 2028). Besides, Malaysia commits to reduce customs duties of about 5% of its tariff lines to 0-5% within 12 years (i.e. by 2030) and another 5% of its tariff lines to not more than 50% within 14 years (i.e. by 2032). About 5% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

11. For illustration, products that may enjoy tariff free treatment within three years (i.e. by 2021) include certain articles of copper; certain essential oils/resinoids, perfumery, cosmetic or toilet preparations; certain glass and glassware; certain precious stone and jewellery; and certain optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus, etc.

Myanmar

12. Myanmar commits to eliminate customs duties of about 47% of its tariff lines within eight years (i.e. by 2026) and another 14% of its tariff lines within 15 years (i.e. by 2033). Besides, Myanmar commits to reduce customs duties of 10% of its tariff lines to 0-5% within 17 years (i.e. by 2035) and another 10% of its tariff lines to not more than 50% within 20 years (i.e. by 2038). About 19% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

13. For illustration, products that may enjoy tariff free treatment within eight years (i.e. by 2026) include certain petroleum oils and oils obtained from bituminous minerals; certain essential oils/resinoids, perfumery, cosmetic or toilet preparations; certain slide fasteners and parts; certain paper and paperboard; and certain optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus, etc.

The Philippines

14. The Philippines commits to eliminate customs duties of about 61% of its tariff lines within three years (i.e. by 2021) and another 20% of its tariff lines within 10 years (i.e. by 2028). Besides, the Philippines commits to reduce customs duties of about 5% of its tariff lines to 0-5% within 12 years (i.e. by 2030) and another 6% of its tariff lines to not more than 50% within 14 years (i.e. by 2032). About 8% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

15. For illustration, products that may enjoy tariff free treatment within three years (i.e. by 2021) include certain tobacco and manufactured tobacco substitutes; certain electronic products; certain optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; certain essential oils/resinoids, perfumery, cosmetic or toilet preparations; and certain inorganic chemicals, etc.

Singapore

16. Singapore commits to eliminate customs duties on all originating goods under the AHKFTA upon the entry into force of the Agreement.

Thailand

17. Thailand commits to eliminate customs duties of about 63% of its tariff lines within three years (i.e. by 2021) and another 19% of its tariff lines within 10 years (i.e. by 2028). Besides, Thailand commits to reduce customs duties of about 5% of its tariff lines to 0-5% within 12 years (i.e. by 2030) and another 10% of its tariff lines to not more than 50% within 14 years (i.e. by 2032). About 4% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

18. For illustration, products that may enjoy tariff free treatment within three years (i.e. by 2021) include certain precious stones and jewellery; certain articles of aluminium; certain essential oils/resinoids,

perfumery, cosmetic or toilet preparations; certain inorganic chemicals; and certain iron and steel articles, etc.

Viet Nam

19. Viet Nam commits to eliminate customs duties of about 48% of its tariff lines within three years (i.e. by 2021) and another 24% of its tariff lines within 10 years (i.e. by 2028). Besides, Viet Nam commits to reduce customs duties of 4% of its tariff lines to 0-5% within 12 years (i.e. by 2030) and another 5% of its tariff lines to not more than 50% within 14 years (i.e. by 2032). About 19% of its tariff lines are on the exclusion list, under which the products are not subject to any tariff reduction.

20. For illustration, products that may enjoy tariff free treatment within three years (i.e. by 2021) include certain iron and steel articles; certain essential oils/resinoids, perfumery, cosmetic or toilet preparations; certain special woven fabrics; certain articles of plastics; and certain paper and paperboard, etc.

Tariff Reduction Schedules

21. For details of the tariff reduction commitments, please refer to the following links:

- Trade in Goods: Tariff Reduction Commitments by AMS - https://www.tid.gov.hk/english/ita/fta/hkasean/text_agreement.html
- Trade in Goods: Tariff Reduction Commitments by Commodity - <https://www.tid.gov.hk/english/ita/fta/hkasean/tig.html>

Enquiry

22. For on-line enquiry service of preferential tariff rates under the AHKFTA, please refer to the “Tariff Enquiry Form” at the following link:

https://www.tid.gov.hk/english/trade_relations/tariffenquiry/tariffenquiry.html.

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