ASEAN Korea (AKFTA) Legal Text

Documents
Joint Declaration on ASEAN-Korea Comprehensive Cooperation Partnership (2004) Joint Declaration on ASEAN-Korea Comprehensive Cooperation Partnership (2004): Annex on Core Elements of the AKFTA Framework Agreement ASEAN-Korea Framework Agreement on Comprehensive Economic Cooperation (2005): Annex on Economic Cooperation ASEAN-Korea Dispute Settlement Mechanism Agreement (2005)

Trade in Goods
Agreement on Trade in Goods Under the Framework Agreement on Comprehensive Economic Cooperation Among the Governments of the Member Countries of the Association of Southeast Asian Nations and the Republic of Korea Letter of Understanding on the Tariff Rate Quota under the ASEAN-Korea Trade in Goods Agreement Letter of Understanding on the Back-to-Back Certificate of Origin under the ASEAN-Korea Trade in Goods Agreement

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Article 3	Tariff Reduction and Elimination
Article 4	Transparency
Article 5	Rules of Origin
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Protocol	Protocol to Amend the ASEAN-Korea Trade in Goods Agreement (2010) Second Protocol to Amend the ASEAN-Korea Trade in Goods Agreement (2011) Third Protocol to Amend the ASEAN-Korea Trade in Goods Agreement (2015) Third Protocol to Amend the ASEAN-Korea Trade in Goods Agreement (2015): Consolidated Annex to Annexes 1 and 2 Tariff Reduction and/or Elimination Schedule Brunei Darussalam Cambodia Indonesia Lao PDR Malaysia Myanmar Philippines Republic of Korea Singapore Thailand Viet Nam

Enterprise Singapore

	Letter of Understanding for the Amendment of Product Specific Rules (Implemented by Singapore on 19 Nov 2009) Letter of Understanding for the Amendment of the Product Specific Rules in Appendix 2 of Annex 3 of the Trade in Goods Appendix 3. Explanatory Notes to Annex 3
Implemented by Thailand on 1 Oct 09: (Note: Thailand will be issuing/receiving Form AK only from ASEAN Member States from 1 Oct 09, and will issue/receive Form AK from Korea from 1 Jan 2010) Protocol on the Accession of the Kingdom of Thailand to the Agreement on Trade in Goods Under the Framework Agreement on Comprehensive Economic Cooperation Among the Governments of the Member Countries of the ASEAN and the Republic of Korea Annexes to Thailand's Accession Protocol to the Trade in Goods Agreement	
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Notice of Ratification w.e.f 1 May 2009 Agreement on Trade in Services Under the Framework Agreement on Comprehensive Economic Cooperation Among the Governments of the Member Countries of the ASEAN and the Republic of Korea Annex on Financial Services Letter of Understanding Among the Parties to the Agreement on Trade In Services Schedules of Specific Commitments: Brunei Cambodia Indonesia Lao PDR Malaysia Myanmar Philippines Republic of Korea Singapore Viet Nam Protocol on the Accession of the Kingdom of Thailand to the Agreement on Trade in Services Under the Framework Agreement on Comprehensive Economic Cooperation Among the Governments of the Member Countries of the ASEAN and the Republic of Korea Annexes to Thailand's Accession Protocol to the Trade in Services Agreement	
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(Updated as of 17 December 2020)

ANNEX 1

MODALITY FOR TARIFF REDUCTION AND ELIMINATION FOR TARIFF LINES PLACED IN THE NORMAL TRACK

1. Tariff lines placed by each Party in the Normal Track shall have their respective applied MFN tariff rates gradually reduced and eliminated according to the following Schedules. The first date of implementation shall be the date of entry into force of the Agreement. The tariff reduction will be in accordance with the rate provided for that year in the schedule.

(i) ASEAN 6 and Korea

X = applied MFN tariff rate	**ASEAN-Korea FTA Preferential Tariff Rate (not later than 1 January)**				
	2006	**2007**	**2008**	**2009**	**2010**
X $\geq$ 20%	20	13	10	5	0
15% $\leq$ x < 20%	15	10	8	5	0
10% $\leq$ x < 15%	10	8	5	3	0
5% < x < 10%	5	5	3	0	0
X $\leq$ 5%	Standstill			0	0

(ii) Socialist Republic of Vietnam ("Vietnam")

X = applied MFN tariff rate	**ASEAN-Korea FTA Preferential Tariff Rate (not later than 1 January)**							
	2006	**2007**	**2008**	**2009**	**2011**	**2013**	**2015**	**2016**
X $\geq$ 60%	60	50	40	30	20	15	10	0
40% $\leq$ X < 60%	45	40	35	25	20	15	10	0
35% $\leq$ X < 40%	35	30	30	20	15	10	0-5	0
30% $\leq$ X < 35%	30	30	25	20	15	10	0-5	0
25% $\leq$ X < 30%	25	25	20	20	10	7	0-5	0
20% $\leq$ X < 25%	20	20	15	15	10	7	0-5	0

15% ≤ X < 20%	15	15	15	10	7	5	0-5	0
10% ≤ X < 15%	10	10	10	8	5	0-5	0-5	0
7% ≤ X < 10%	7	7	7	7	5	0-5	0-5	0
5% ≤ X < 7%	5	5	5	5	5	0-5	0	0
X < 5%	Standstill						0	

(iii) Kingdom of Cambodia ("Cambodia"), Lao People's Democratic Republic ("Lao PDR"), and Union of Myanmar ("Myanmar")

X = Applied MFN Tariff Rate	**ASEAN-Korea FTA Preferential Tariff Rate (Not later than 1 January)**						
	2006	**2007**	**2008**	**2009**	**2012**	**2015**	**2018**
X ≥ 60%	60	50	40	30	20	10	0
45% ≤ X < 60%	45	40	35	25	15	10	0
35% ≤ X < 45%	35	30	30	20	15	5	0
30% ≤ X < 35%	30	30	25	20	10	5	0
25% ≤ X < 30%	25	25	20	20	10	5	0
20% ≤ X < 25%	20	20	15	15	10	0-5	0
15% ≤ X < 20%	15	15	15	10	5	0-5	0
10% ≤ X < 15%	10	10	10	8	5	0-5	0
7% ≤ X < 10%	7*	7*	7*	7*	5	0-5	0
5% ≤ X < 7%	5	5	5	5	5	0-5	0
X < 5%	Standstill						0

* Myanmar shall be allowed to maintain ASEAN-Korea FTA preferential tariff rates at no more than 7.5% until 2010.

2. The tariff rates specified in the relevant Schedules in paragraph 1 only set out the level of the applicable ASEAN-Korea FTA preferential tariff rates to be applied by each Party for the tariff lines concerned in the specified year of implementation and shall not prevent any Party from unilaterally accelerating its tariff reduction or elimination at any time if it so wishes.

3. The tariff lines in the Normal Track, which are subject to specific tariff rates, shall have such specific tariff rates reduced to zero, in equal proportions in accordance with the timeframes provided in the Schedules set out in paragraph 1.

4. For all tariff lines placed in the Normal Track where the applied MFN tariff rates are at 0%, they shall remain at 0%. Where they have been reduced to 0%, they shall remain at 0%. No Party shall be permitted to increase the tariff rates for any tariff line, except as otherwise provided in this Agreement.

5. As an integral part of its commitments to reduce and/or eliminate the applied MFN tariff rates in accordance with the relevant Schedules in paragraph 1, each Party hereby commits to undertake further tariff reduction and/or elimination in accordance with the following thresholds:

(a) Korea

(i) Korea shall eliminate its tariffs for at least 70 % of the tariff lines placed in the Normal Track upon the entry into force of this Agreement.

(ii) Korea shall eliminate its tariffs for at least 95% of the tariff lines placed in the Normal Track not later than 1 January 2008.

(iii) Korea shall eliminate all its tariffs for tariff lines placed in the Normal Track not later than 1 January 2010.

(b) ASEAN 6

(i) Each Party shall reduce its applied MFN tariff rates for at least 50 % of the tariff lines placed in the Normal Track to 0-5 % not later than 1 January 2007.

(ii) Each Party shall eliminate its tariffs for at least 90 % of the tariff lines placed in the Normal Track not later than 1 January 2009.

(iii) Each Party shall eliminate its tariffs for all tariff lines placed in the Normal Track not later than 1 January

2010, with flexibility to have tariff lines, not exceeding 5% of all the tariff lines or as listed in an agreed Schedule, eliminated not later than 1 January 2012.

(iv) Each Party shall eliminate all its tariffs for tariff lines placed in the Normal Track not later than 1 January 2012.

(c) Vietnam

(i) Vietnam shall reduce its applied MFN tariff rates for at least 50% of the tariff lines placed in the Normal Track to 0-5% not later than 1 January 2013.

(ii) Vietnam shall eliminate its tariffs for at least 90% of the tariff lines placed in the Normal Track not later than 1 January 2015.

(iii) Vietnam shall eliminate its tariffs for all tariff lines placed in the Normal Track not later than 1 January 2016, with flexibility to have tariff lines, not exceeding 5% of all the tariff lines, eliminated not later than 1 January 2018.

(iv) Vietnam shall eliminate all its tariffs for tariff lines placed in the Normal Track not later than 1 January 2018.

(d) Cambodia, Lao PDR and Myanmar

(i) Each Party shall reduce their respective applied MFN tariff rates for at least 50% of the tariff lines placed in the Normal Track to 0-5% not later than 1 January 2015.

(ii) Each Party shall eliminate their respective tariffs for at least 90% of the tariff lines placed in the Normal Track not later than 1 January 2017.

(iii) Each Party shall eliminate their respective tariffs for all tariff lines placed in the Normal Track not later than 1 January 2018, with flexibility to have tariff lines, not exceeding 5% of all the tariff lines, eliminated not later than 1 January 2020.

(iv) Each Party shall eliminate all its tariffs for tariff lines placed in the Normal Track not later than 1 January 2020.

6. If an exporting Party places a tarrif line in the Normal Track, that exporting Party shall enjoy the tariff concessions which an importing Party has made for that tariff line as specified in and applied pursuant to the relevant Schedules either in this Annex or Annex 2 together with the undertakings and conditions set out therein. This right shall be enjoyed for so long as that exporting Party adheres to its own commitments for tariff reduction and elimination for that tariff line.

7. Each Party shall eliminate all its tariffs for the tariff lines given flexibility in paragraph 5, not later than 1January 2012.

8. Each Party shall notify the other Parties its tariff lines placed in the Normal Track along with the tariff elimination schedule for each tariff line in accordance with paragraph 5, not later than the date when the commitment of the Party commences with respect to the tariff lines.