- (ii) All products where the applied MFN tariff rates are at 0%, shall remain at 0%.
- (iii) Where the implemented tariff rates are reduced to 0%, they shall remain at 0%.
- (iv) A Party shall enjoy the tariff concessions of all the other parties for a product covered under paragraph 3(a)(i) above so long as the same product of that Party remains in the Early Harvest Programme under paragraph 3(a)(i) above.
- (c) Interim Rules of Origin

The Interim Rules of Origin applicable to the products covered under the Early Harvest Programme shall be negotiated and completed by July 2003. The Interim Rules of Origin shall be superseded and replaced by the Rules of Origin to be negotiated and implemented by the Parties under Article 3(8)(b) of this Agreement.

- (d) Application of WTO provisions

  The WTO provisions governing modification of commitments, safeguard actions, emergency measures and other trade remedies, including anti-dumping and subsidies and countervailing measures, shall, in the interim, be applicable to the products covered under the Early Harvest Programme and shall be superseded and replaced by the relevant disciplines negotiated and agreed to by the Parties under Article 3(8) of this Agreement once these disciplines are implemented.
- 4. In addition to the Early Harvest Programme for trade in goods as provided for in the preceding paragraphs of this Article, the Parties will explore the feasibility of an early harvest programme for trade in services in early 2003.
- 5. With a view to promoting economic co-operation between the Parties, the activities set out in Annex 4 of this Agreement shall be undertaken or implemented on an accelerated basis, as the case may be.

## PART 2

## ARTICLE 7

Other Areas Of Economic Co-operation

- 1. The Parties agree to strengthen their co-operation in 5 priority sectors as follows:
  - (a) agriculture;
  - (b) information and communications technology;
  - (c) human resources development;
  - (d) investment; and
  - (e) Mekong River basin development.
- 2. Co-operation shall be extended to other areas, including, but not limited to, banking, finance, tourism, industrial co-operation, transport, telecommunications, intellectual property rights, small and medium

- enterprises (SMEs), environment, bio-technology, fishery, forestry and forestry products, mining, energy and sub-regional development.
- 3. Measures to strengthen co-operation shall include, but shall not be limited to:
  - (a) promotion and facilitation of trade in goods and services, and investment, such as:
    - (i) standards and conformity assessment;
    - (ii) technical barriers to trade/non-tariff measures; and
    - (iii) customs co-operation;
  - (b) increasing the competitiveness of SMEs;
  - (c) promotion of electronic commerce;
  - (d) capacity building; and
  - (e) technology transfer.
- 4. The Parties agree to implement capacity building programmes and technical assistance, particularly for the newer ASEAN Member States, in order to adjust their economic structure and expand their trade and investment with China.

#### PART 3

# ARTICLE 8 Timeframes

- For trade in goods, the negotiations on the agreement for tariff reduction or elimination and other matters as set out in Article 3 of this Agreement shall commence in early 2003 and be concluded by 30 June 2004 in order to establish the ASEAN-China FTA covering trade in goods by 2010 for Brunei, China, Indonesia, Malaysia, the Philippines, Singapore and Thailand, and by 2015 for the newer ASEAN Member States.
- 2. The negotiations on the Rules of Origin for trade in goods under Article 3 of this Agreement shall be completed no later than December 2003.
- 3. For trade in services and investments, the negotiations on the respective agreements shall commence in 2003 and be concluded as expeditiously as possible for implementation in accordance with the timeframes to be mutually agreed: (a) taking into account the sensitive sectors of the Parties; and (b) with special and differential treatment and flexibility for the newer ASEAN Member States.
- 4. For other areas of economic co-operation under Part 2 of this Agreement, the Parties shall continue to build upon existing or agreed programmes set out in Article 7 of this Agreement, develop new economic co-operation programmes and conclude agreements on the various areas of economic co-operation. The Parties shall do so expeditiously for early implementation in a manner and at a pace acceptable to all the parties concerned. The agreements shall include timeframes for the implementation of the commitments therein.

## ARTICLE 9