

of 1 July 2004.

(3) The product coverage, tariff reduction and elimination, removal of non-tariff barriers, rules of origin, trade remedies and emergency measures applicable to the EHP shall be as follows:

(a) Product Coverage

Common products on which the Parties agree to exchange tariff concessions are listed in Annex A.

Products on which India accords concessions to the New ASEAN Member States are listed in Annex B.

(b) Modality for Tariff Reduction and Elimination

The modality for tariff reduction and elimination for the products covered by the EHP shall be finalised under Article 8(2) of this Agreement.

(c) Removal of non-tariff measures

In order to fully realise the potential benefits of the EHP, the parties shall promote and facilitate trade in all products listed in the EHP. The parties shall also endeavour to refrain from using non-tariff measures adversely affecting trade in Early Harvest products.

(d) Rules of Origin

Products covered by the EHP shall qualify for tariff preferences in accordance with the Rules of Origin to be agreed under Article 8(2) of this Agreement.

(e) 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and countervailing measures, shall, in the interim, be applicable to the products covered under the EHP and shall be superseded and replaced by the relevant disciplines negotiated and agreed to by the Parties under Article 3(8) of this Agreement once these disciplines are implemented.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) The Parties shall also explore the feasibility of cooperation in the areas listed in Annex C.

ARTICLE 8

Timeframes

(1) For trade in goods, negotiations on the agreement for tariff reduction/elimination and other matters as set out in Article 3 of this Agreement shall commence in January 2004 and be concluded by 30 June 2005 in order to establish the India-ASEAN FTA.

(2) The negotiations on Rules of Origin for trade in goods under Articles 3 and 7 and modality for tariff reduction and elimination under Article 7 shall be concluded no later than 31 July 2004.

(3) For trade in services and investments, the negotiations on the respective agreements shall commence in 2005 and be concluded by 2007. The identification, liberalisation, etc., of the sectors of services and investment shall be finalised for implementation subsequently 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 New ASEAN Member States.

(4) For other areas of economic cooperation, the Parties shall continue to build upon existing or agreed programmes set out in Article 6 of this Agreement, develop new economic cooperation programmes and conclude agreements on the various areas of economic cooperation. 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

Most-Favoured Nation Treatment

India shall continue to accord Most-Favoured Nation (MFN) Treatment consistent with WTO rules and disciplines to all the non-WTO ASEAN Member States upon the date of signature of this Agreement.

ARTICLE 10

General Exceptions

Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between or among the Parties where the same conditions prevail, or a disguised restriction on trade within the India-ASEAN FTA, nothing in this Agreement shall prevent any Party from taking action and adopting measures for the protection of its national security or the protection of articles of artistic, historic and archaeological value, or such other measures which it deems necessary for the protection of public morals, or for the protection of human, animal or plant life, health and conservation of exhaustible natural resources.

ARTICLE 11

Dispute Settlement Mechanism

(1) The Parties shall, within one (1) year after the date of entry into force of this Agreement, establish appropriate formal dispute settlement procedures and mechanism for the purposes of this Agreement.

(2) Pending the establishment of the formal dispute settlement procedures and mechanism under paragraph 1 above, any disputes concerning the interpretation, implementation or application of this Agreement shall be settled amicably by mutual consultations.

ARTICLE 12

Institutional Arrangements for the Negotiations

(1) There shall be established an ASEAN-India Trade Negotiating Committee (TNC) to carry out the programme of negotiations set out in this Agreement.

(2) The ASEAN-India TNC may invite experts or establish any Working Group as may be necessary to assist in the negotiations of all sectors in the India-ASEAN RTIA.

(3) The ASEAN-India TNC shall regularly report to the Minister of Commerce and Industry of India and the ASEAN Economic Ministers (AEM-India Consultations), through the meetings of the ASEAN Senior Economic Officials and India (SEOM-India Consultations), on the progress and outcome of its negotiations.

(4) The Ministry of Commerce and Industry, Government of India, and the ASEAN Secretariat shall jointly provide the necessary secretariat support to the ASEAN-India Trade Negotiating Committee (TNC) whenever and wherever negotiations are held.

ARTICLE 13

Miscellaneous Provisions

(1) This Agreement shall include the Annexes and the contents therein, and all future legal instruments agreed pursuant to this Agreement.