

CHAPTER 3 TRADE IN GOODS

ARTICLE 4 Scope and Coverage

This Chapter applies to trade in goods between the Parties, unless otherwise provided.

ARTICLE 5 National Treatment on Internal Taxation and Regulation

Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of the GATT 1994. To this end, the provisions of Article III of the GATT 1994 shall, *mutatis mutandis*, be incorporated into and form an integral part of this Agreement.

ARTICLE 6 Customs Duties

1. The tariff lines that are subject to the tariff reduction or elimination programme under this Agreement are all the tariff lines covered under the Normal Track, as specified in Article 3(2)(a) of the *Agreement on Trade in Goods of the Framework Agreement on Comprehensive Economic Co-operation between the Association of Southeast Asian Nations and the People's Republic of China* done on 29 November 2004 (the "ASEAN-China Trade in Goods Agreement"), read with Annex 1 thereof. In the case of Singapore, this Agreement shall also include all tariff lines covered under the Sensitive Track, as specified in Article 3(2)(b) of the ASEAN-China Trade in Good Agreement, read with Annex 2 thereof¹.

2. Except as otherwise provided in this Agreement, and subject to paragraph 1 as well as a Party's Tariff Elimination Schedule as set out in Annex 1 (Tariff Elimination Schedules), on the date of entry into force of this Agreement, each Party shall eliminate its customs duties on originating goods of the other Party.

3. Except as otherwise provided in this Agreement, either Party shall not increase any existing duty or introduce a new customs duty on an originating good of the other Party.

¹ For greater certainty, in the case of China, tariff lines covered under the Sensitive Track, as specified in Article 3(2)(b) of the ASEAN-China Trade in Goods Agreement, read with Annex 2 thereof, shall continue to be governed by that Agreement.

ARTICLE 7
Accelerated Tariff Elimination

1. At the request of either Party, the Parties shall consult to consider accelerating the elimination of customs duties on originating goods as set out in their Tariff Elimination Schedules in Annex 1 (Tariff Elimination Schedules).
2. An agreement by the Parties to accelerate the elimination of customs duties on originating goods shall supersede any duty rate determined pursuant to their Schedules for such goods, and shall enter into force following approval by each Party in accordance with their applicable legal procedures.
3. A Party may at any time accelerate unilaterally the elimination of customs duties on originating goods of the other Party set out in its Tariff Elimination Schedule. A Party considering doing so shall inform the other Party as early as practicable before the new rate of customs duty takes effect.

ARTICLE 8
Quantitative Restrictions and Non-Tariff Measures

1. Each Party undertakes not to maintain any quantitative restrictions at any time unless otherwise permitted under the WTO disciplines.
2. Neither Party shall adopt or maintain any non-tariff measure on the importation of any good of the other Party or on the exportation of any good destined for the territory of the other Party, except in accordance with its WTO rights and obligations, or in accordance with other provisions of this Agreement.
3. Each Party shall ensure the transparency of its non-tariff measures permitted under paragraph 1 above and that they are not prepared, adopted or applied with a view to or with the effect of creating unnecessary obstacles to trade between the Parties.

ARTICLE 9
State Trading Enterprises

Nothing in this Agreement shall be construed to prevent a Party from maintaining or establishing a state trading enterprise in accordance with Article XVII of the GATT 1994.