



ASEAN TRADE IN GOODS AGREEMENT (ATIGA)

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ASEAN integration in trade in goods has been governed by a number of separate regional legal instruments. The goal of a single market and production base with free flow of goods by 2015 envisaged in the ASEAN Economic Community Blueprint requires ASEAN to adopt a holistic approach by integrating various existing trade-in-goods related initiatives and adopting new necessary measures into a comprehensive framework. To achieve this, the ASEAN Economic Ministers at their 39th meeting in August 2007 agreed to enhance the CEPT Agreement into a more comprehensive agreement. This led to the signing of the ASEAN Trade in Goods Agreement (ATIGA).

What's New in ATIGA Compared to CEPT?

- (i) The ATIGA consolidates and streamlines all the said provisions as well as incorporates the Ministerial decisions to provide them with legal standing. This makes the ATIGA user-friendly to both government officials as the enforcers and the private sector as the beneficiaries, by turning it into a single reference document.
- (ii) The ATIGA annex provides the full tariff reduction schedule of each Member State and spells out the tariff rates to be applied for each year on each product up to 2015. This will provide transparency and predictability for the business community. A single legal enactment to effectively implement the stipulated reduction schedule up to 2015 is also expected. In the event that no single legal enactment can be issued, Member States are to issue legal enactment three months before its effective year is provided in ATIGA.
- (iii) The ATIGA covers all areas that are critical in ensuring the realisation of free flow of goods in any regional trading arrangement, i.e. tariff liberalisation, non-tariff barrier liberalisation, rules of origin, trade facilitation, customs, standards and conformance, and sanitary and phytosanitary measures. Such comprehensive coverage and institutional arrangements would ensure synergy among the various initiatives relating to the free flow of goods that are currently being

undertaken by various ASEAN sectoral bodies.

- (iv) The provisions on non-tariff measures (NTMs) in the ATIGA have been enhanced further through the codification of relevant provisions and establishment of a mechanism to monitor the application of NTMs with a view to eliminate the non-tariff barriers component of the applied NTMs.
- (v) To put emphasis on trade facilitation initiatives, the ATIGA includes a dedicated Chapter on Trade Facilitations. A comprehensive work programme on ASEAN Trade Facilitation and ASEAN Framework on Trade Facilitation will be developed as an integral part of the ATIGA.

When Will It Come into Force and What Will Happen to the CEPT Agreement?

The ATIGA will come into force upon ratification of all Member States, which is expected to be completed by end of August 2009. Upon its entry into force, a number of ASEAN economic agreements related to goods, such as the CEPT Agreements and some selected Protocols would be superseded by the ATIGA. In the case of inconsistency between the ATIGA and any ASEAN economic agreements that are not superseded, the ATIGA shall prevail. -

Please visit www.asean.org for the full text of the ASEAN Trade in Goods Agreement and its annexes.

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FACT SHEET

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