



ASEAN TRADE IN GOODS AGREEMENT (ATIGA)

2nd edition

17 May 2010

In pursuing the goal of establishing a single market and production base with free flow of goods by 2015 for the ASEAN Economic Community, a more integrating and holistic approach would be required. This calls for the integration of various existing as well as the inclusion of additional necessary measures relevant to trade in goods initiatives under one umbrella. To achieve this, the ASEAN Economic Ministers agreed at their 39th Meeting in August 2007 to enhance the Common Effective Preferential Tariff for ASEAN Free Trade Agreement (CEPT-AFTA) into a more comprehensive legal instrument. This has led to the signing of ATIGA in February 2009.

Key Elements of ATIGA

- (i) ATIGA consolidates and streamlines all the provisions in the CEPT-AFTA and formalises several Ministerial decisions. As a result, ATIGA becomes a single legal instrument for government officials who implement and enforce the Agreement, as well as for the private sector who are the beneficiaries.
- (ii) ATIGA annex provides the full tariff reduction schedule of each Member State and spells out the tariff rates to be applied on each product for each year up to 2015. This makes tariff reduction schedules transparent and predictable for the business community. A single legal enactment to effectively implement the stipulated reduction scheduled up to 2015 is also expected.
- (iii) ATIGA comprises elements to ensure the realisation of free flow of goods in ASEAN, including the following: tariff liberalisation; removal of non-tariff barriers; rules of origin; trade facilitation; customs; standards and conformance; and sanitary and phytosanitary measures. ATIGA contains comprehensive coverage of commitments related to trade in goods and mechanisms of its implementation, as well as institutional arrangements.

This would allow for synergy of actions being undertaken by the various ASEAN sectoral bodies.

- (iv) With the objectives of eliminating non-tariff barriers, the provisions on non-tariff measures (NTMs) in ATIGA have been enhanced further through codification of measures, as well as establishment of a mechanism to monitor the committed elimination of non-tariff measures.
- (v) ATIGA places emphasis on trade facilitation measures by including the ASEAN Framework on Trade Facilitation. Subsequently, ASEAN has developed the Trade Facilitation Work Programme for the period of 2009-2015.

Entry into Force of the ATIGA

ATIGA entered into force on 17 May 2010, upon the notification of the ratification of all ASEAN Member States. With this, certain ASEAN agreements relating to trade in goods, such as the CEPT Agreement and selected Protocols, would be superseded by ATIGA.

With the coming into force of ATIGA, Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand will issue their legal enactments in 90 days, while Cambodia, Lao PDR, Myanmar and Viet Nam will do in 180 days. Thereafter, tariff liberalisation commitments under the ATIGA will be implemented retroactively from 1 January 2010.

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For more information on ATIGA, please contact Mr Quang Anh Le (quang@asean.org), Assistant Director and Head of the Trade and Facilitation Division of the ASEAN Secretariat.

FACT SHEET

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