1999 Protocol on the Special Arrangement for Sensitive and Highly Sensitive Products

1.Member States, with the exception of Cambodia, Lao PDR, Myanmar and Viet Nam, shall phase in sensitive products to the CEPT Scheme beginning on 1 January 2001 with flexibility but no later than 1 January 2003 and shall complete their phasing in by 1 January 2010.

2.Viet Nam shall phase in sensitive products to the CEPT Scheme beginning on 1 January 2004 but no later than 1 January 2006 and shall complete the process by 1 January 2013. In the case of sugar, Viet Nam shall complete the phasing in by 1 January 2010.

3.Lao PDR and Myanmar shall phase in sensitive products to the CEPT Scheme beginning on 1 January 2006 but no later than 1 January 2008 and shall complete the process by 1 January 2015.

4.Cambodia shall phase in sensitive products to the CEPT Scheme beginning on 1 January 2008 but no later than 1 January 2010 and shall complete the process by 1 January 2017.

5.Member States shall phase in highly sensitive products to the CEPT Scheme beginning on 1 January 2001 but no later than 1 January 2005 and shall complete their phasing in by 1 January 2010.

6.The applied tariff rates shall be used as the beginning rate for the tariff reduction of sensitive products.

7.Member States shall use the following guidelines in determining the tariff reduction for sensitive products: The same tariff rate shall not be applied for more than three consecutive years; Tariffs shall be reduced at a minimum quantum of 10 percentage points.

8.All sensitive products shall have ending tariff rates of 0-5%.

9.Member States shall have flexibility, in accordance with Annex 3 of this Protocol, in determining the ending tariff rates for highly sensitive products. Tariff reduction for highly sensitive products shall be in accordance with the said Annex 3.

10.Member States, except Cambodia, Lao PDR, Myanmar and Viet Nam, shall eliminate all quantitative restrictions on sensitive and highly sensitive products by 1 January 2010.

11.Viet Nam shall eliminate all quantitative restrictions on sensitive products by 1 January 2013.

12.Lao PDR and Myanmar shall eliminate all quantitative restrictions on sensitive products by 1 January 2015.

13.Cambodia shall eliminate all quantitative restrictions on sensitive products by 1 January 2017.

14.Member States, except Cambodia, Lao PDR, Myanmar and Viet Nam, shall eliminate all other nontariff barriers on sensitive and highly sensitive products by 1 January 2010.

15.Viet Nam shall eliminate all other non-tariff barriers on sensitive products by 1 January 2013.

16.Lao PDR and Myanmar shall eliminate all other non-tariff barriers on sensitive products by 1 January 2015.

17.Cambodia shall eliminate all other non-tariff barriers on sensitive products by 1 January 2017.

18.Member States shall take measures to encourage State-Trading Enterprise to accord preferential treatment to ASEAN suppliers.

19.Any emergency measures applied to sensitive products shall be subject to the provisions of Article 6 of the CEPT Agreement and its Interpretative Notes.

20.In addition, flexibility shall be accorded to highly sensitive products. The provisions on flexibility appear in Annex 4 of this Protocol.

21.Sensitive products shall enjoy CEPT concessions subject to the provision of Article 4, Section B of the CEPT Agreement.

22.This Protocol shall enter into force upon the deposit of instruments of ratification or acceptance by all signatory governments with the Secretary-General of ASEAN.

23.New Members of ASEAN shall accede to this Protocol on terms and conditions which have been agreed between them and the existing Members of ASEAN.

24.This Protocol shall be deposited with the Secretary-General of ASEAN who shall promptly furnish a certified copy thereof to each Member State. The Secretary-General of ASEAN shall also promptly furnish notifications of ratifications and acceptances made pursuant to paragraph 1 to each Member State.