

**AGREEMENT
BETWEEN
THE GOVERNMENT OF
THE KINGDOM OF THAILAND
AND
THE GOVERNMENT OF
THE PEOPLE’S REPUBLIC OF CHINA
ON
ACCELERATED TARIFF ELIMINATION
UNDER THE EARLY HARVEST PROGRAMME
OF THE FRAMEWORK AGREEMENT ON
COMPREHENSIVE ECONOMIC COOPERATION BETWEEN
ASEAN AND CHINA**

The Government of the Kingdom of Thailand and the Government of the People’s Republic of China (hereinafter referred to as the “Parties”),

Pursuant to the meeting between H.E. Pol. Lt. Col. Thaksin Shinawatra, Prime Minister of the Kingdom of Thailand, and H.E. Wen Jiabao, Prime Minister of the People’s Republic of China, in Bangkok, Thailand, on 29 April 2003, during which they agreed to undertake the elimination of tariffs on vegetable and fruit products between the two countries as soon as possible,

Recalling the Framework Agreement on Comprehensive Economic Cooperation between the Association of South East Asian Nations and the People’s Republic of China (hereinafter referred to as the “Framework Agreement”) incorporating the Early Harvest Programme,

Desiring to accelerate the implementation of the Early Harvest Programme of the Framework Agreement, which forms an integral part of the ASEAN-China Free Trade Area,

Have agreed as follows:

1. The Parties shall eliminate tariffs on all vegetable and fruit products subject to HS Chapters 07 and 08 under the Early Harvest

Programme of the Framework Agreement as soon as possible, and in any case, no later than 1 October 2003.

2. The Parties shall apply the rules of origin based on wholly-obtained principle, as defined in Annex 1 of this Agreement, and establish a close cooperation mechanism between the concerned authorities of the Parties responsible for customs administration and supervision.

3. Annex 1 of this Agreement is an integral part of this Agreement.

This Agreement shall enter into force upon signature.

IN WITNESS WHEREOF, the undersigned, duly authorized by their respective Governments, have signed this Agreement.

DONE at Beijing, this 18th day of June, 2003 in duplicate copies in the English language, with both copies being equally authentic.

FOR
THE GOVERNMENT OF
THE KINGDOM OF THAILAND

FOR
THE GOVERNMENT OF
THE PEOPLE'S REPUBLIC
OF CHINA

ADISAI BODHARAMIK
Minister of Commerce

LU FUYUAN
Minister of Commerce

Annex 1

UNDERSTANDING BETWEEN THAILAND AND CHINA ON THE TEMPORARY DEFINITION OF WHOLLY OBTAINED PRINCIPLE

1. Vegetable and fruit products, which are covered in chapters 07-08 of the Harmonized System, harvested, picked or gathered in the territory of a party, and imported into another party from the party, shall be considered as originating in the party provided that the condition of the direct consignment is met.

2. The following shall be considered as consigned directly from the exporting Party to the importing Party:

(1) The products whose transport does not involve transit through any intermediate non-Party:

(2) The products whose transport involves transit through one or more intermediate non-Parties with or without transshipment or temporary storage in such Parties, provided that:

(a) The transit entry is justified for geographical reason or by consideration related exclusively to transport requirements;

(b) The products have not entered into trade or consumption there; and

(c) The products have not undergone any operation there other than unloading and reloading or any operation required to keep them in good condition.

3. This temporary definition of wholly obtained principle shall be superseded and replaced by the new definition of wholly obtained principle in the Rules of Origin to be formulated and implemented under Article 3(8)(b) of the Framework Agreement on Comprehensive Economic Cooperation between ASEAN and China.