



Overview of ASEAN-India FTA (AIFTA)

**Department of Trade Negotiations
Ministry of Commerce of Thailand
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Milestones of ASEAN-India FTA

- **Early 2002:** Completed Joint Study Report.
- **September 2002:** Established ASEAN-India Economic Linkages Task Force (AIELTF) to prepare a draft Framework Agreement Comprehensive Economic Cooperation.
- **Oct. 2003:** Signed Framework Agreement which aims to establish a Regional Trade and Investment Area covering FTA in Goods, Services and Investment, as well as Areas of Economic Cooperation.
- **March 2004:** ASEAN-India Trade Negotiating Committee (AITNC) was constituted and commenced its first session.
- **August 2009:** Signed Agreement on Trade in Goods, Dispute Settlement Mechanism & Protocol to Amend the Framework Agreement.
- **Current Status:** 23 meetings have been held so far. Negotiations on Trade in Services and Investment Agreements have commenced and are targeted to be conclude in 2010.



ASEAN-India FTA Tariff Commitments

Enter into Force: 1 Jan. 2010 **Base rate: MFN applied as on 1 Jul. 2007**

Schedule	India		Thailand	
	Tariff Lines	% at 6 digit HS	Tariff Lines	% at 6 digit HS
Normal Track 1: Phased tariff elimination by 31.12.2013	3,666	70.18	3,704	70.9
Normal Track 2: Phased tariff elimination by 31.12.2016	479	9.17	441	8.44
Sensitive Track: Phased tariff reduction to 5% by 31.12.2013	560	10.72	511	9.78
Standstill: Maintained tariff at 5% not exceed 50 tariff lines	25	0.48	91	1.74
Highly Sensitive List: Phased tariff reduction to agreed rates by 31.12.2019	5	0.10	14	0.27
Exclusion List: No tariff reduction	489	9.36	463	8.96
Total	5,224	100.0	5,224	100.0



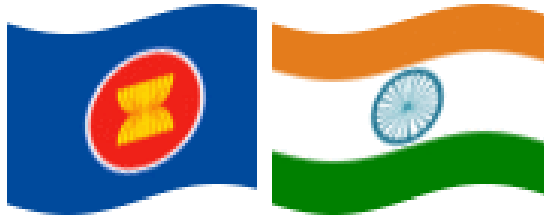
ASEAN-India FTA Rules of Origin

Standard Features:

- 1. General RO:** a combination of a change in Tariff Sub Heading (CTSH) and 35% Regional Value Content
- 2. Product Specific Rules (PSRs):** on-going negotiations

Additional Features:

- 1. Third Party Invoicing Arrangement:** accept an AIFTA Certificate of Origin where the sales invoice is issued either by a company located in a third country or an AIFTA exporter.
- 2. Back-to-back C/O:** facilitate exports of partial shipments, of which the bulk-break activities are conducted in an intermediate AIFTA party



Preferential Access

INDIA	FTA rates at 0 - 5% i.e. chemicals, plastics & plastic products, fruit juices, rubber tires, automotive components, gemstones and ornaments, petrochemicals, processed foods, furniture, cosmetics and electronics, electrical products, and toys.
	No tariff reduction i.e. agricultural products (rice, sugar, tapioca starch, rubber), farm products (frozen chicken, dairy products), automobiles and certain categories of auto parts, and textiles products.
THAILAND	FTA rates at 0 - 5% i.e. chemicals, gemstones and ornaments, petrochemicals, refined copper, machinery & parts, vegetable products, yarn & fibres, and fabrics.
	No tariff reduction i.e. agricultural products (rice, sugar, garlic, shallot, tea, coffee, pepper, soya bean oil-cake), farm products (frozen chicken, dairy products), automobiles and certain categories of auto parts, and textiles products.

Legal Texts

- www.dtn.go.th
- www.thaifta.com
- www.dft.go.th/level3.asp?level2=34
- www.asean.org/22563.htm