



China-ASEAN Free Trade Areas
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Starting on 1 January 2010, the China-ASEAN Free Trade Areas (FTA) will go into effect. The FTA is a zone within which China and ASEAN members have agreed to eliminate tariffs, quotas and preferences on most goods and services traded among them. China's press has announced that this FTA will be the largest free trade area in the world that includes developing countries, covering countries with a total population of 1.9 billion goods and trade volume valued at about 4.5 trillion U.S. dollars.

The six original ASEAN members, Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, will slash the average tariff on Chinese goods from 12.8 percent to 0.6 percent. By 2015, the policy of zero-tariff rate for 90 percent of Chinese goods is expected to extend to the four new ASEAN members, Cambodia, Laos, Myanmar and Vietnam. Meanwhile, high-tariff items that include automobiles, rice and some petrochemical products are listed as "highly sensitive," thereby allowing both sides to reduce their tariffs below 50 percent by 2015 for original ASEAN members and 2018 for new members.