



13 January 2017

SECOND AMENDMENT TO THE ASIA-PACIFIC TRADE AGREEMENT

The Governments of the People's Republic of Bangladesh, the People's Republic of China, the Republic of India, the Lao People's Democratic Republic, the Republic of Korea and the Democratic Socialist Republic of Sri Lanka:

RECALLING the decision of the Ministers of Participating States in their Ministerial Declaration adopted at the Third Session of the Ministerial Council in Seoul on 15 December 2009, directing the Standing Committee of the Asia-Pacific Trade Agreement to deepen tariff concessions and to expand negotiations into additional areas of cooperation as "a truly pan-Asia-Pacific Trade Agreement,"

Noting that the Fourth Round of tariff negotiations have now been concluded and also that the Rules of Origin have been successfully negotiated, and to implement these decisions the APTA has to be amended in view of its Article 26,

HAVE AGREED as follows:

1. The following amendments are made to the Asia-Pacific Trade Agreement:
 - (i) The National Lists of Concessions (Annex I of APTA) are substituted by the new National Lists of Concessions, which are annexed to this Second Amendment.
 - (ii) In the Rules of Origin (Annex II of APTA)
 - a) The following is added as Footnote 9:

***'RULE 4: INTERPRETATION OF THE TERM "AGGREGATE
CONTENT"***

“The aggregate content” in Rule 4 shall be calculated as the sum of the value of originating materials used as a input (VOM1) and the value for originating materials added by the Participating State where working or processing of the finished product has taken place (VOM2).

VOM1 means value of the products which have acquired originating status in the territory of a previous Participating State, which shall be calculated on the basis of the customs value determined in accordance with Articles 1 through 8, Article 15, and the corresponding interpretative notes of the Customs Valuation Agreement.

VOM2 means value of the originating materials obtained in the territory of the Participating State where working or processing of the finished product has taken place, and the value used as input in working or processing of the finished product in that Participating State, including direct labour cost, direct overhead cost, transportation cost and profit for the finished product.

Under the above interpretation, the product shall be considered as a product originating in the territory of the Participating State where working or processing of the finished product has taken place, provided that the sum of VOM1 and VOM2 is not less than 60% of its f.o.b. value.’

b) The following is added as Footnote 10:

**‘RULE 5(b)(ii): INTERPRETATION OF THE TERM “DIRECT
CONSIGNMENT”**

The provision of Rule 5(b)(ii) of “The products have not entered into trade or consumption there” shall be interpreted that the products which remain under the control of customs authority of the intermediate non-Participating state without any proceedings of import clearance procedures shall be considered as directly consigned from the exporting Participating State to the importing Participating State.

The expression of "entered into trade or consumption there" is understood that the import declaration on the product was accepted and the product was released out of a bonded area into the domestic market of the intermediate country to be consumed or subsequently exported under another contract. Therefore, the product that is temporarily stored in the bonded area under the control of customs authority and has not undergone any operations or processes other than those defined in Rule 5b(iii), is understood to have not entered into trade or consumption.'

c) Annex II.A as appended to this Second Amendment is attached as Sectoral agreements in accordance with Rule 3(b)

2. This Second Amendment shall be deposited with the Executive Secretary of ESCAP, who shall promptly furnish a certified copy thereof to each Participating State.

3. This Second Amendment shall enter into force upon the deposit of instruments of ratification or acceptance by all signatory States with the Executive Secretary of ESCAP.

IN WITNESS WHEREOF, the undersigned, duly authorized representatives of the signatory States, have signed the present Agreement on behalf of their respective Governments.


Done at Bangkok, Thailand, on this thirteenth day of January two thousand and seventeen, in one single copy in the English language.

FOR THE PEOPLE'S REPUBLIC OF BANGLADESH:

A handwritten signature in black ink, appearing to read 'Tofail', with a stylized flourish extending from the end.

Tofail AHMED, M.P.
Minister, Ministry of Commerce

FOR THE PEOPLE'S REPUBLIC OF CHINA:



NING Fukui

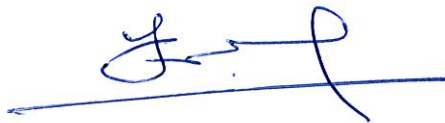
**Ambassador Extraordinary and Plenipotentiary
of the People's Republic of China to
the Kingdom of Thailand**

FOR THE REPUBLIC OF INDIA:

Bhagwant Singh Bishnoi

Bhagwant Singh BISHNOI
Ambassador Extraordinary and Plenipotentiary
of India to the Kingdom of Thailand and
Permanent Representative to ESCAP

FOR THE LAO PEOPLE'S DEMOCRATIC REPUBLIC:

A handwritten signature in blue ink, consisting of stylized, cursive letters, positioned above a horizontal line.

Khemmani PHOLSENA
Minister of Industry and Commerce

FOR THE REPUBLIC OF KOREA:



CHOI, Sang Mok
First Vice Minister of Strategy and Finance

FOR THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA:

A handwritten signature in blue ink, appearing to read 'Rishad Bathiudeen', is positioned above a horizontal line.

Rishad BATHIUDEEN M.P.
Minister of Industry and Commerce

The National Lists of Concessions

- **Bangladesh**
 - General concessions
 - Special concessions

- **China**
 - General concessions
 - Special concessions

- **India**
 - General concessions
 - Special concessions

- **Lao PDR**
 - General concessions

- **Republic of Korea**
 - General concessions
 - Special concessions to Bangladesh
 - Special concessions to Lao PDR

- **Sri Lanka**
 - General concessions
 - Special concessions

Annex II.A of APTA

Sectoral RoO (Rules of Origin) of APTA

Annex note:

1. In accordance with rule 3(b) of the rules of origin (Annex II of APTA), the criteria specified in Column 3 below shall apply for the products listed therein.
2. The origin criteria under Column 3 and Rule 3 (a), respectively, would be applied sequentially to specific items. If the products cannot meet the criteria under Column 3, then the Rule 3(a) would be applied.
3. CTH (Change in Tariff Heading) means that the non-originating materials have undergone a change in tariff classification of the Harmonised Commodity Description and Coding System to a Heading from any other Heading.
4. The final process of manufacture is performed within the territory of the exporting Participating State.

HS Heading	Product Description	Origin Criteria
2201	Beverages, spirits and vinegar	<i>CTH</i>
2707, 2708, 2709, 2710, 2711, 2712, 2713, 2714, 2715	Mineral fuels	<i>CTH</i>
2901, 2902, 2903, 2904, 2905, 2906, 2907, 2908, 2909, 2910, 2911, 2912, 2913, 2914, 2915, 2931, 2932, 2933, 2934, 2935, 2936, 2937, 2938, 2939, 2940, 2941, 2942	Organic chemicals	<i>CTH</i>
3817	Mixed alkyl benzenes	<i>CTH</i>
3901, 3902, 3903, 3904, 3905, 3906	Plastics and articles thereof	<i>CTH</i>
3916, 3917, 3918, 3919, 3920, 3921, 3922, 3923, 3924, 3925, 3926		<i>CTH</i>

HS Heading	Product Description	Origin Criteria
4002	Synthetic rubber	<i>CTH except from heading 4001</i>
6401, 6402, 6403, 6404, 6405, 6406	Footwear, gaiters and the like; parts of such articles	<i>CTH</i>
6801, 6802, 6803	Articles of stone, plaster, cement, asbestos, mica or similar materials	<i>CTH</i>
7201, 7202, 7203, 7204, 7205, 7206, 7218, 7224	Iron and Steel	<i>CTH</i>
7307, 7308, 7309, 7310, 7311, 7312, 7313, 7314, 7315, 7316, 7317, 7318, 7319, 7320, 7321, 7322, 7323, 7324, 7325, 7326	Articles of Iron or Steel	<i>CTH</i>
7401, 7402, 7403, 7404, 7405, 7406, 7407, 7408, 7409, 7410, 7411, 7412, 7413, 7414, 7415, 7416, 7417, 7418, 7419	Copper and articles thereof	<i>CTH</i>
7501, 7502, 7503, 7504, 7505, 7506, 7507, 7508	Nickel and articles thereof	<i>CTH</i>
7601, 7602, 7603, 7604, 7605, 7606, 7607, 7608, 7609, 7610, 7611, 7612, 7613, 7614, 7615, 7616	Aluminium and articles thereof	<i>CTH</i>
7801, 7802, 7803, 7804, 7805, 7806	Lead and articles thereof	<i>CTH</i>
7901, 7902, 7903, 7904, 7905, 7906, 7907	Zinc and articles thereof	<i>CTH</i>
8001, 8002, 8003, 8004, 8005, 8006, 8007	Tin and articles thereof	<i>CTH</i>

* * * * *