Free Trade Agreement



FACT SHEET – OPTICAL, PHOTOGRAPHIC, MEASURING AND MEDICAL INSTRUMENTS AND APPARATUS

ASEAN is a market worth some \$100 million in average annual exports from Australia in instruments and apparatus covered by Chapter 90 of the tariff system. Industry will benefit from the almost complete elimination of tariffs in this sector across ASEAN. Tariffs on all tariff lines will be bound at 0% on entry-into-force (EIF), or phased to 0%, by no later than 2013 in several countries (including Indonesia, Malaysia and the Philippines), and by 2018 in Vietnam. Tariffs on all tariff lines will be phased to 0% by 2020 in Brunei and by 2024 in Burma, and by 2021 in Cambodia, except for 1 tariff line excluded from tariff commitments. In Laos, tariffs will be eliminated on all except 17 lines, on which tariffs will phase to 3%-5%.

Australia's Exports to ASEAN (Australian Produce)

Product (HS 90)	Exports to ASEAN 3 year average 2006-2008 (\$A million)	Exports to ASEAN as Percentage of Australia's Global Exports of Each Product 3 year average 2006-2008
Optical Instruments and other optical goods (HS9001,9002,9003,9004,9005)	10.1	% 12.2
Photographical apparatus and equipment (HS9006, 9007)	1.7	7.3
Instruments and appliances for medical, surgical, dental or veterinary purposes (HS9018, 9019, 9021, 9022)	19.9	1.6
Measuring, checking, controlling instruments (HS9014, 9015, 9016, 9017,9023, 9024, 9025, 9026, 9027, 9028, 9029, 9030, 9031, 9032)	61.6	9.5
Other	6.9	4.8
Total	100.0	4.7

Summary of Outcomes:

<u>Australia</u>

- 2005 base tariffs (191 tariff lines):
 - 0% on 156 tariff lines
 - 5% on 25 tariff lines
 - 7.5% on 2 tariff lines
 - 10% on 8 tariff lines.

- Tariffs will be eliminated on all lines by 2010:
 - Tariffs of 0% will be bound at EIF.
 - Tariffs of 5% will be eliminated at EIF (15 lines) or in 2010 (10 lines, covering some spectacles and frames and water or electricity meters).
 - Tariffs of 7.5% covering orthopaedic insoles will be eliminated in 2010
 - Tariffs of 10% will be eliminated at EIF, except for one line covering orthopaedic footwear, which will be eliminated in 2010.

Indonesia

- 2005 base tariffs (131 tariff lines):
 - 0% on 73 tariff lines
 - 5% on 204 tariff lines
 - 10% on 34 tariff lines.
- Tariffs will be bound at 0% on EIF or phase to 0% by 2012:
 - Tariffs of 0% will be bound at EIF.
 - Tariffs of 5% will be eliminated in 2010.
 - Tariffs of 10% phase to 0% by 2012.

Malaysia

- 2005 base tariffs (204 tariff lines):
 - 185 lines at 0%;
 - 15 lines at 5% (measuring, surveying, image projection equipment);
 - 1 line at 10% (projection aligning equipment);
 - 1 line at 20% (photo lab equipment);
 - 2 lines at 25% (water meters).
- Tariffs will be either bound at 0% on EIF or phase to 0% by 2013:
 - Tariffs on 185 lines bound at 0% on EIF.
 - Measuring, surveying, image projection equipment: 5% tariffs phase to 0% by 2010.
 - Projection aligning equipment: 10% tariff will phase to 0% by 2011.
 - Photo lab equipment: 20% tariff will phase to 0% by 2012.
 - Water meters: 25% tariffs phase to 0% by 2013.

New Zealand

- 2005 base tariffs (185 tariff lines):
 - 135 lines at 0%
 - 11 lines at 5%
 - 4 lines at 6.5%
 - 25 lines at 7%
 - 6 lines covering parts have differing rates depending on their end use.
- Tariffs will be eliminated on all tariff lines by 2012:
 - Tariffs on 171 lines bound at 0% on EIF

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- Tariffs on 4 lines covering some meters and measuring and regulating apparatus remain at 7% on EIF, to be eliminated in 2010
- Tariff on the 6 parts lines eliminated in 2012.

Note: Australia already benefits from bound 0% tariffs under ANZCERTA.

Philippines

- 2005 base tariffs (311 tariff lines):
 - Gauges for motor vehicles (3 lines): 10%;
 - Rulers (1 tariff line): 7%;
 - Spectacles, spectacle frames, some cameras, electricity meters, binoculars (16 lines): 5%;
 - Other: 0% (50 lines) or 1-3% (241 lines).
- Tariffs will be bound at 0% on EIF or phase to 0% by 2012:
 - Tariffs of 0% are bound on EIF.
 - Gauges for motor vehicles: tariffs either eliminated on EIF or phase to 0% by 2012.
 - Rulers: tariffs phase to 0% by 2011.
 - Other: All other tariffs eliminated in 2010.

Singapore

• All tariffs bound at 0% on EIF.

Note: these tariff commitments are the same as in SAFTA.

Thailand

- 2005 base tariffs (206 tariff lines):
 - 54 lines at 0%
 - 20 lines at 1%
 - 62 lines at 3%
 - 32 lines at 5%
 - 38 lines at 10%.
- Tariffs will be eliminated on all lines by 2010:
 - 164 lines at 5% or less and 3 lines at 10% covering gas meters and some regulating and controlling apparatus bound at 0% on EIF
 - 1 line at 1% (results boards with LCD screens), 1 line at 3% (some astronomical instruments) and 2 lines at 5% (certain cinematographic equipment) remain at base levels at EIF and are eliminated in 2010
 - 35 lines at 10% reduce to 7% on EIF and are eliminated in 2010.

Note: for some products there is earlier elimination of tariffs under TAFTA.

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Vietnam

- 2005 base tariffs (311 tariff lines):
 - 241 tariff lines with tariffs at 0%, including for optical fibres, most lenses, most medical equipment, orthopaedic appliances, measuring and checking apparatus, spectrometers, survey equipment, etc.
 - Remaining 70 tariff lines with tariffs of 1% to 30%, including for example:
 - o Corrective spectacles: 1%;
 - o Syringes, developing apparatus, measuring tapes, spectacle lenses: 5%.
 - o Photocopy apparatus, spectacle frames, balances: 10%;
 - o Cameras and parts: 15-30%;
 - o Taximeters, sunglasses: 20%;
 - o Electric meters, speedometers, manostats, voltage regulators: 30%.
- Tariffs will be bound at 0% on EIF or phase to 0% by 2018:
 - Tariffs of 0% are bound on EIF.
 - Tariffs of 1% and 5% will be eliminated in one step in 2016.
 - Tariffs of 10% and 15% phase to 0% by 2016.
 - Tariffs of 20% and 30% phase to 0% by 2017 and 2018 respectively.

Other ASEAN countries:

Brunei:

- 2005 base tariffs: 311 tariff lines with tariffs between 0% and 20%.
- Tariffs on all tariff lines phase to 0% by 2020: 173 lines bound at 0% on EIF, 15 lines at 5% eliminated in 2010, 97 lines at 20% phase to 0% by 2013, 26 lines at 20% eliminated in 2020.

Burma:

- 2005 base tariffs: 312 tariff lines with tariffs between 1% and 20%.
- Tariffs on all tariff lines phase to 0% by 2024.

Cambodia:

- 2005 base tariffs: 68 tariff lines between 7% and 35%.
- Tariffs on all tariff lines phase to 0% by 2021, except for 1 line (other microscopes) excluded from tariff commitments.

Laos

- 2005 base tariffs: 311 tariff lines between 5% and 10%.
- Tariffs on 294 tariff lines eliminated by 2021, and the remaining 17 lines phase to 3% (15 lines) or 5% (2 lines).

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