



Australian Government

Department of Foreign Affairs and Trade

FACT SHEET – AUTOMOTIVE PARTS AND COMPONENTS

ASEAN is a valuable market for Australian exports of automotive parts and components, worth some \$205 million in annual average exports. While many ASEAN tariffs are low, a very significant number of tariff lines have high tariffs, particularly in the 15%-30% range. AANZFTA will achieve very high levels of tariff elimination, with tariffs on almost all tariff lines being bound at 0% on entry-into-force (EIF) or phasing to 0% in the major ASEAN markets, including Indonesia, Malaysia, the Philippines and Vietnam, with the remaining lines generally phasing to 5% or lower. Furthermore, much of this tariff elimination will be achieved early in the transition period, with most tariffs either eliminated or in the 0-5% range by 2013 or, for Vietnam, by 2018. In addition to improving access opportunities through the reduction and elimination of tariffs, AANZFTA should create opportunities for Australian industry to integrate into supply chains in the region through the Agreement's use of regional rules of origin (see the Fact Sheet on Rules of Origin).

Australia's Exports to ASEAN (Australian Produce)

Product (ex HS 40, ex HS 68, ex HS 70, ex HS 83, ex HS 84, ex HS 85, ex HS 87, ex HS 90, ex HS 94)	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 %
Spark ignition engines (8407.34)	24.8	5.5
Miscellaneous auto parts and accessories (8708.99)	21.4	10.7
Gears and gearing (8483.40)	12.7	34.7
Brakes (8708.3)	12.3	16.0
Body parts, except seat belts (8708.29)	6.1	9.6
Parts for diesel engines (8409.99)	2.7	11.0
Other key auto parts	125.0	13.4
Total	205.1	11.5

Note: the export figures and the analysis in this Fact Sheet are based on a broad set of tariff lines covering automotive parts and components. However, given the diversity of the sector it does not claim to cover an exhaustive list of possibly relevant tariff lines (in particular, it does not cover plastic fittings that are in Chapter 39 of the Tariff System, which are covered in the Fact Sheet on Plastics). Industry needs to check the Tariff Schedule of each country to confirm the treatment of specific auto part tariff lines.

Summary of Outcomes

Australia

2005 base tariff rates (137 tariff lines):

- 0%: 19 lines
- 5%: 18 lines
- 10%: 100 lines.

Tariffs on 135 lines bound at 0% or eliminated on EIF, and tariffs on the remaining 2 lines eliminated in 2010.

Indonesia

2005 base tariff rates (323 tariff lines):

- 0%: 62 lines
- 5%: 61 lines
- 10% 19 lines
- 15%: 171 lines
- Dependent on type of vehicle in which used: 10 lines.

Tariffs phased to 0% on 318 tariff lines, to 4% on 3 lines, and 22.5% on 2 lines:

- Tariffs at 0% at selected dates:
 - 2010: 121 lines
 - 2013: 261 lines
 - 2020: 318 lines.
- Tariffs in the 0-5% range at selected dates:
 - 2010: 143 lines
 - 2013: 278 lines
 - 2020: 321 lines.

Malaysia

2005 base tariff rates (168 tariff lines):

- 0%: 46 lines
- 5%: 37 lines
- 10%-15%: 9 lines
- 17%-20%: 16 lines
- 25%-30%: 56 lines
- 40%-50%: 3 lines
- Specific rate: 1 line.

Tariffs phased to 0% on 168 tariff lines:

- Tariffs at 0% at selected dates:
 - 2010: 88 lines
 - 2013: 148 lines
 - 2020: 168 lines.
- Tariffs in the 0-5% range at selected dates:
 - 2010: 96 lines
 - 2013: 148 lines
 - 2020: 168 lines.

New Zealand

2005 base tariff rates (185 tariff lines):

- 0%: 63 lines
- 5%-7.5%: 49 lines
- 10%: 42 lines
- 11.5%: 3 lines
- 17.5%: 20 lines
- Dependent on type of vehicle in which used: 8 lines.

Tariffs on 118 lines bound at 0% or eliminated on EIF, and tariffs on the remaining lines eliminated by 2020:

- Tariffs at 0% at selected dates:
 - 2010: 160 lines
 - 2013: 179 lines
 - 2020: 185 lines.

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

Philippines

2005 base tariff rates (327 tariff lines):

- 0%: 5 lines
- 1%-3%: 149 lines
- 5%-7%: 11 lines
- 10%: 137 lines
- 15%: 25 lines.

Tariffs phased to 0% on 304 tariff lines, to 5% or less on 22 lines, and 8% on 1 line:

- Tariffs at 0% at selected dates:
 - 2010: 236 lines
 - 2013: 298 lines
 - 2020: 304 lines
- Tariffs in the 0-5% range at selected dates:
 - 2010: 285 lines
 - 2013: 305 lines
 - 2020: 326 lines.

Singapore

- All tariffs bound at 0% on EIF.

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

Thailand

2005 base tariff rates (113 tariff lines):

- 0%: 3 lines
- 1-5%: 19 lines
- 10%: 73 lines
- 20%-30%: 16 lines
- 40%: 1 line
- 80%: 1 line.

Tariffs phased to 0% on 113 tariff lines:

- Tariffs at 0% at selected dates:
 - 2010: 95 lines
 - 2013: 113 lines
 - 2020: 113 lines.
- Tariffs in the 0-5% range at selected dates:
 - 2010: 95 lines
 - 2013: 113 lines
 - 2020: 113 lines.

Note: for all products, tariff commitments are as good or better under TAFTA.

Vietnam

2005 base tariff rates (323 tariff lines)

- 0%: 27 lines
- 3%-5%: 29 lines
- 10%: 21 lines
- 20%: 53 lines
- 30%: 172 lines
- 40%-50%: 21 lines.

Tariffs phased to 0% on 283 tariff lines, to 5% on 37 lines, and 3 lines excluded from tariff commitments.

- Tariffs at 0% at selected dates:
 - 2010: 27 lines
 - 2013: 27 lines
 - 2017: 97 lines
 - 2020: 283 lines
 - 2022: 283 lines.
- Tariffs in the 0-5% range at selected dates:
 - 2010: 56 lines
 - 2013: 72 lines
 - 2017: 283 lines
 - 2020: 283 lines
 - 2022: 320 lines.