

**AGREEMENT ON THE EARLY HARVEST PROGRAMME FOR THE FREE TRADE
AGREEMENT BETWEEN THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF
CHINA AND THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF PAKISTAN**

The Government of the People’s Republic of China and the Government of the Islamic Republic of Pakistan (hereinafter referred to as the “Parties”),

NOTING WITH SATISFACTION the multi-dimensional and all-weather friendship, as well as the close and expanding economic and trade relations of the two Parties,

CONSIDERING the strong complementarities in industrial and trade structures, as well as the willingness to further develop economic and trade relations of the two Parties,

CONVINCED that progressive reduction and elimination of trade barriers through the conclusion of a Free Trade Agreement (FTA), will facilitate a win-win scenario and mutual development of the two Parties,

ACKNOWLEDGING that the Early Harvest Program will facilitate enterprises of both sides to benefit from the FTA at an early time and boost the confidence of both governments in FTA negotiations,

DECIDING to conclude the Joint Feasibility Study on a China-Pakistan FTA, launch the negotiations on the FTA, and reach an agreement on the Early Harvest Program of the FTA,

HAVE agreed as follows:

Article One

The Early Harvest Program is an integral part of FTA, which covers the lists for zero-tariff products (Annex I & II) and the preferential tariff products (Annex III).

Article Two

The margin of preference of the preferential tariff products is at Annex III. The tariff reduction modality of the zero-tariff products of the Early Harvest Program is at Annex IV.

Article Three

In case the preferential tariff products overlap with the zero-tariff products, the lower tariff shall prevail.

Article Four

The Early Harvest Program shall be implemented from January 1, 2006. On its implementation, *the Preferential Trade Arrangement between the People's Republic of China and the Islamic Republic of Pakistan* shall be abolished.

Article Five

The Rules of Origin of the FTA shall be formulated through negotiation by September 2005. They shall also be applicable to the Early Harvest Program.

Article Six

Annex I & II (lists for zero tariff products), Annex III (schedules for preferential tariff products) and Annex IV (tariff reduction modality of zero-tariff products) shall be regarded as integral parts of the Agreement.

Article Seven

The Agreement shall enter into force on the 30th day after the Parties have notified each other through Diplomatic Channels that their respective constitutional requirements and procedures have been completed in respect of the Agreement including the Annexes.

Article Eight

The Agreement is signed in Islamabad on the Fifth day of April in the year Two Thousand and Five, in the Chinese and English languages, both texts being equally authentic.

IN WITNESS WHEREOF, the undersigned, duly authorized thereto by their respective Governments, have signed the Agreement.

For and on behalf

of the Government of

**the People's Republic of China
Pakistan**

Minister of Commerce

For and on behalf

of the Government of

the Islamic Republic of

Minister of Commerce