

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

The Government of the Islamic Republic of Pakistan and the Government of the People’s Republic of China (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 Pakistan-China 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 Islamic Republic of Pakistan and the People's Republic of China* 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 30<sup>th</sup> 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 English and Chinese 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 Islamic Republic of Pakistan

For and on behalf  
of the Government of  
the People's Republic of China

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Minister of Commerce

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Minister of Commerce