

**UNDERSTANDING ON ARTICLE 1 (REDUCTION AND/OR ELIMINATION OF CUSTOMS DUTIES) OF CHAPTER 2 (TRADE IN GOODS) OF THE AGREEMENT ESTABLISHING THE ASEAN-AUSTRALIA-NEW ZEALAND FREE TRADE AREA**

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand, the Socialist Republic of Viet Nam, Australia and New Zealand ("the Parties to the AANZFTA") refer to the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area ("the AANZFTA") and set out below their common understanding:

The Parties to the AANZFTA affirm their understanding that the commitments under Article 1 (Reduction and/or Elimination of Customs Duties) of Chapter 2 (Trade in Goods) do not prevent a Party to the AANZFTA from taking measures in conformity with Article 1 (General Exceptions) of Chapter 15 (General Provisions and Exceptions).

Each of the Parties to the AANZFTA further notes its understanding that such measures may include measures based on domestic laws and regulations taken in accordance with the *Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal* or other relevant international agreements.

**SIGNED** at Cha-am, Phetchaburi, Thailand, this 27<sup>th</sup> day of February, two thousand and nine, in three copies in the English language.