

ELIMINATION OF IMPORT CUSTOMS DUTIES

Section I

Tariff Elimination Schedule of China

General Notes

1. Relation to the Customs Tariff of Import and Export of the People's Republic of China. The provisions of this Schedule are generally expressed in terms of the China Customs Tariff of Import and Export of the People's Republic of China, and the interpretation of the provisions of this Schedule, including the description and product coverage of subheadings of this Schedule, shall be governed by the Customs Tariff of Import and Export of the People's Republic of China.
2. Base Rates of Customs Duty. The base rates of customs duty set out in this Schedule reflect the applied rates under the Free Trade Agreement in effect on January 1, 2013.
3. Category. The following categories apply to the reduction or elimination of the customs duties by China:
 - (a) customs duties on originating goods provided for in category "A-0" in the Schedule shall be eliminated entirely and such goods shall be free of customs duty on the date of entry into force of this Protocol;
 - (b) customs duties on originating goods provided for in category "A-5" in the Schedule shall be removed in five equal annual stages beginning on the date of entry into force of this Protocol, and such goods shall be free of customs duty, effective January 1 of year five;
 - (c) customs duties on originating goods provided for in category "A-10" in the Schedule shall be removed in ten equal annual stages beginning on the date of entry into force of this Protocol, and such goods shall be free of customs duty, effective January 1 of year ten;
 - (d) customs duties on originating goods provided for in category "MOP1" in the Schedule shall be reduced by twenty percent of the base rates on the date of entry into force of this Protocol;
 - (e) customs duties on originating goods provided for in category "MOP2" in the Schedule shall be reduced by twenty percent of the base rates on January 1, 2022;

- (f) customs duties on originating goods provided for in category "C1" in the Schedule shall remain at base rates; and
 - (g) customs duties on originating goods provided for in category "C2" in the Schedule shall not be subject to any tariff concession.
4. The base rate of customs duty and category for determining the interim rate of customs duty at each stage of reduction are indicated for the item in the Schedule.
 5. Reduced rates shall be rounded at least to the nearest tenth of a percentage point or, if the rate of duty is expressed in monetary units, at least to the nearest tenth of one Chinese Yuan in the case of China.
 6. For the purposes of this Section and the Schedule, year one means the year this Protocol enters into force.
 7. For the purposes of this Section and the Schedule, beginning in year two, each annual stage of tariff reduction shall take effect on January 1 of the relevant year.