

APPENDIX A

TARIFF RATE QUOTAS OF VIET NAM

1. This Appendix sets out modifications to the Harmonized Schedule of Viet Nam (HSV) that reflect the tariff rate quotas (TRQs) that Viet Nam shall apply to certain originating goods under this Agreement. In particular, originating goods of the Parties included under this Appendix shall be subject to the rates of duty set out in this Appendix in lieu of the rates of duty specified in Chapters 1 through 97 of the HSV. Notwithstanding any other provision of the HSV, originating goods of the Parties in the quantities described in this Appendix shall be permitted entry into the territory of Viet Nam as provided in this Appendix. Furthermore, any quantity of originating goods imported from a Party under a TRQ provided for in this Appendix shall not be counted toward the in-quota quantity of any TRQ provided for such goods under Viet Nam's WTO tariff schedule or any other trade agreement.

2. The product or products covered by each TRQ set out below are informally identified in the title to the paragraph setting out the TRQ. These titles are included solely to assist readers in understanding this Appendix and shall not alter or supersede the coverage for each TRQ established through identification of covered codes of the HSV.

3. Each TRQ set out below shall apply to an aggregate quantity of originating goods.

4. TRQ-VN1: Used Vehicles with an Engine Capacity Less Than or Equal to 3000 Cubic Centimetres

- (a) The TRQ described in this paragraph is designated in the Schedule of Viet Nam to Annex 2-D (Tariff Commitments) with the designation “TRQ-VN1”.
- (b) The aggregate quantity of originating goods described in subparagraph (f) that shall be permitted to enter Viet Nam in each year subject to duties determined in accordance with staging category VN16-A shall be:

Year	Aggregate Quantity (Number of Vehicles)
1	30
2	33
3	36
4	39
5	42
6	45
7	48
8	51
9	54
10	57
11	60
12	63
13	66
14	69
15	72
16	75

Starting in year 16, the quantity shall remain at 75 vehicles per year.

- (c) Viet Nam shall administer this TRQ and allocate the in-quota quantity through an annual auction, which shall take place in the first quarter of each year. Viet Nam shall be permitted to retain, in addition to duties determined in accordance with staging category VN16-A, the amount of each successful bid in the auction.
- (d) Viet Nam sha

- (ii) Any entity registered as a trader in accordance with Viet Nam's laws shall be eligible to receive a quota allocation through the auction.
 - (iii) Viet Nam shall not require any minimum bid to participate in or receive a quota allocation through the auction.
 - (iv) Viet Nam shall maintain transparent procedures for the auction, and shall allocate the quota to the person or persons submitting the highest valid bids.
 - (v) Within two weeks of the auction, Viet Nam shall publish on an official government website the names of all bidders receiving an allocation, the quantity allocated to each, and the price paid by the bidder for the allocation.
- (e) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall be applied at the MFN rate.
 - (f) Subparagraphs (a) through (e) apply to used goods less than or equal to five years old having an engine capacity less than or equal to 3000 cubic centimetres provided for in the following HSV headings: 87.02, 87.03 and 87.04.

5. TRQ-VN2: Used Vehicles with an Engine Capacity in Excess of 3000 Cubic Centimetres

- (a) The TRQ described in this paragraph is designated in the Schedule of Viet Nam to Annex 2-D (Tariff Commitments) with the designation "TRQ-VN2".
- (b) The aggregate quantity of originating goods described in subparagraph (f) that shall be permitted to enter Viet Nam in each year subject to duties determined in accordance with staging category VN16-A shall be:

Year	Aggregate Quantity (Number of Vehicles)
1	30
2	33
3	36
4	39
5	42
6	45
7	48
8	51
9	54
10	57
11	60
12	63
13	66
14	69
15	72
16	75

Starting in year 16, the quantity shall remain at 75 vehicles per year.

- (c) Viet Nam shall administer this TRQ and allocate the in-quota quantity through an annual auction, which shall take place in the first quarter of each year. Viet Nam shall be permitted to retain, in addition to duties determined in accordance with staging category VN16-A, the amount of each successful bid in the auction.
- (d) Viet Nam shall administer the auction referred to in subparagraph (c) in accordance with all commitments set out elsewhere in this Agreement and with the following procedures:
 - (i) The auction, and the procedures for submitting a bid, shall be announced on an official website of a governmental authority of Viet Nam at least 30 days prior to the auction.
 - (ii) Any entity registered as a trader in accordance with Viet Nam's laws shall be eligible to receive a quota allocation through the auction.
 - (iii) Viet Nam shall not require any minimum bid to participate in or receive a quota allocation through the auction.
 - (iv) Viet Nam shall maintain transparent procedures for the auction, and shall allocate the quota to the person or persons submitting the highest valid bids.
 - (v) Within two weeks of the auction, Viet Nam shall publish on an official government website the names of all bidders

receiving an allocation, the quantity allocated to each, and the price paid by the bidder for the allocation.

- (e) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall be applied at the MFN rate.
- (f) Subparagraphs (a) through (e) apply to used goods less than or equal to five years old having an engine capacity in excess of 3000 cubic centimetres provided for in the following HSV headings: 87.02, 87.03 and 87.04.

6. TRQ-VN3: Unmanufactured Tobacco; Tobacco Refuse

- (a) The TRQ described in this paragraph is designated in the Schedule of Viet Nam to Annex 2-D (Tariff Commitments) with the designation “TRQ-VN3”.
- (b) The aggregate quantity of originating goods described in subparagraph (f) that shall be permitted to enter Viet Nam in each year subject to duties determined in accordance with staging category B11 shall be:

Year	Aggregate Quantity (Metric tonnes)
1	500
2	525
3	550
4	575
5	600
6	625
7	650
8	675
9	700
10	725
11	750
12	775
13	800
14	825
15	850
16	875
17	900
18	925
19	950
20	975
21	unlimited

Starting in year 21, the quantity shall remain unlimited each year.

- (c) Viet Nam shall administer this TRQ and allocate the in-quota quantity through state trading enterprises.
- (d) Viet Nam shall administer allocation method of the state trading enterprises referred to in subparagraph (c) in accordance with all commitments set out in this Agreement.
- (e) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall be determined in accordance with staging category VN21-A.
- (f) Subparagraphs (a) through (e) apply to goods classified in the following HSV heading: 24.01.