

ANNEX 2-D

TARIFF SCHEDULE OF VIET NAM

GENERAL NOTES

1. The provisions of this Schedule are generally expressed in terms of Viet Nam *Export and Import Classification Nomenclature* (EICN), and the interpretation of the provisions of this Schedule, including the product coverage of subheadings of this Schedule, shall be governed by the General Notes, Section Notes and Chapter Notes of the EICN. To the extent that provisions of this Schedule are identical to the corresponding provisions of the EICN, the provisions of this Schedule shall have the same meaning as the corresponding provisions of the EICN.
2. Except as otherwise provided in this Schedule, the base rates of duty set out in this Schedule reflect Viet Nam -Favoured-Nation (MFN) rates of duty in effect on January 1, 2010. For items identified with an asterisk (*), the applicable base rates of duty are those set forth in this Schedule.
3. In this Schedule, rates of duty expressed in monetary units shall be rounded down to the nearest hundredth of a US dollar or one Viet Nam Dong.
4. The following staging categories shall apply to the elimination or reduction of customs duties by Viet Nam pursuant to Article 2.4.2 (Elimination of Customs Duties):
 - (a) customs duties on originating goods provided for in the items in staging category EIF shall be eliminated entirely, and these goods shall be duty-free on the date of entry into force of this Agreement for Viet Nam;
 - (b) customs duties on originating goods provided for in the items in staging category B2 shall be eliminated in two annual stages, and these goods shall be duty-free effective January 1 of year 2;
 - (c) customs duties on originating goods provided for in the items in staging category B3 shall be eliminated in three annual stages, and these goods shall be duty-free effective January 1 of year 3;
 - (d) customs duties on originating goods provided for in the items in staging category B4 shall be eliminated in four annual stages, and these goods shall be duty-free effective January 1 of year 4;

- (e) customs duties on originating goods provided for in the items in staging category B5 shall be eliminated in five annual stages, and these goods shall be duty-free effective January 1 of year 5;
- (f) customs duties on originating goods provided for in the items in staging category B6 shall be eliminated in six annual stages, and these goods shall be duty-free effective January 1 of year 6;
- (g) customs duties on originating goods provided for in the items in staging category B7 shall be eliminated in seven annual stages, and these goods shall be duty-free effective January 1 of year 7;
- (h) customs duties on originating goods provided for in the items in staging category B8 shall be eliminated in eight annual stages, and these goods shall be duty-free effective January 1 of year 8;
- (i) customs duties on originating goods provided for in the items in staging category B10 shall be eliminated in 10 annual stages, and these goods shall be duty-free effective January 1 of year 10;
- (j) customs duties on originating goods provided for in the items in staging category B11 shall be eliminated in 11 annual stages, and these goods shall be duty-free effective January 1 of year 11;
- (k) customs duties on originating goods provided for in the items in staging category B12 shall be eliminated in 12 annual stages, and these goods shall be duty-free effective January 1 of year 12;
- (l) customs duties on originating goods provided for in the items in staging category B13 shall be eliminated in 13 annual stages, and these goods shall be duty-free effective January 1 of year 13;
- (m) customs duties on originating goods provided for in the items in staging category B16 shall be eliminated in 16 annual stages, and these goods shall be duty-free effective January 1 of year 16;
- (n) customs duties on originating goods provided for in the items in staging category VN4-A shall be at 12 per cent *ad valorem* through December 31 of year 2, shall be reduced to 6 per cent *ad valorem* on January 1 of year 3, and these goods shall be duty-free effective January 1 of year 4;
- (o) customs duties on originating goods provided for in the items in staging category VN7-A shall be at 19 per cent *ad valorem* through December 31 of year 2, shall be reduced to 16 per cent *ad valorem* on January 1 of year 3, to 12 per cent *ad valorem* on January 1 of

year 4, to 8 per cent *ad valorem* on January 1 of year 5 and to 4 per cent *ad valorem* on January 1 of year 6, and these goods shall be duty-free effective January 1 of year 7;

- (p) customs duties on originating goods provided for in the items in staging category VN8-A shall remain at the base rate through December 31 of year 7, and these goods shall be duty-free effective January 1 of year 8;
- (q) customs duties on originating goods provided for in the items in staging category VN8-B shall be at 9 per cent *ad valorem* through December 31 of year 3, shall be reduced to 7 per cent *ad valorem* on January 1 of year 4, to 5 per cent *ad valorem* on January 1 of year 5, to 4 per cent *ad valorem* on January 1 of year 6 and to 2 per cent *ad valorem* on January 1 of year 7, and these goods shall be duty-free effective January 1 of year 8;
- (r) customs duties on originating goods provided for in the items in staging category VN10-A shall be at 52 per cent *ad valorem* through December 31 of year 4, shall be reduced to 45 per cent *ad valorem* on January 1 of year 5, to 36 per cent *ad valorem* on January 1 of year 6, to 30 per cent *ad valorem* on January 1 of year 7, to 25 per cent *ad valorem* on January 1 of year 8 and to 20 per cent *ad valorem* on January 1 of year 9, and these goods shall be duty-free effective January 1 of year 10;
- (s) If this Agreement enters into force for Viet Nam in 2016, customs duties on originating goods provided for in the items in staging category VN11-A shall remain at the base rate through December 31, 2020. On January 1, 2021, these duties shall be reduced to 7 per cent *ad valorem* and remain at that rate through December 31, 2026. These goods shall be duty-free effective January 1, 2027. If this Agreement does not enter into force for Viet Nam in 2016 then customs duties on originating goods provided for in the items in staging category VN11-A shall remain at the base rate through December 31 of year 4. These duties shall be reduced to 7 per cent *ad valorem* on January 1 of year 5 and remain at that rate through December 31 of year 10, and these goods shall be duty-free effective January 1 of year 11;
- (t) If this Agreement enters into force for Viet Nam in 2016, customs duties on originating goods provided for in the items in staging category VN11-B shall remain at the base rate through December 31, 2020. On January 1, 2021, these duties shall be reduced to 8 per cent *ad valorem* and remain at that rate through December 31, 2022. On January 1, 2023, these duties shall be reduced to 7 per cent *ad valorem* and remain at that rate through December 31, 2026. These goods shall be duty-free effective January 1, 2027. If

this Agreement does not enter into force for Viet Nam in 2016 then customs duties on originating goods provided for in the items in staging category VN11-B shall remain at the base rate through December 31 of year 4. These duties shall be reduced to 8 per cent *ad valorem* on January 1 of year 5 and to 7 per cent *ad valorem* on January 1 of year 7, and they shall remain at that rate through December 31 of year 10. These goods shall be duty-free effective January 1 of year 11;

- (u) If this Agreement enters into force for Viet Nam in 2016, customs duties on originating goods provided for in the items in staging category VN11-C shall remain at the base rate through December 31, 2020. On January 1, 2021, these duties shall be reduced to 15 per cent *ad valorem*. On January 1, 2022, these duties shall be reduced to 10 per cent *ad valorem* and remain at that rate through December 31, 2026. These goods shall be duty-free effective January 1, 2027. If this Agreement does not enter into force for Viet Nam in 2016 then customs duties on originating goods provided for in the items in staging category VN11-C shall remain at the base rate through December 31 of year 4. These duties shall be reduced to 15 per cent *ad valorem* on January 1 of year 5, to 10 per cent *ad valorem* on January 1 of year 6, and to 7 per cent *ad valorem* on January 1 of year 7, and they shall remain at that rate through December 31 of year 10. These goods shall be duty-free effective January 1 of year 11;
- (v) If this Agreement enters into force for Viet Nam in 2016, customs duties on originating goods provided for in the items in staging category VN11-D shall remain at the base rate through December 31, 2019. On January 1, 2020, such duties shall be reduced to 7 per cent *ad valorem* and remain at that rate through December 31, 2026. Such goods shall be duty-free effective January 1, 2027. If this Agreement does not enter into force for Viet Nam in 2016 then customs duties on originating goods provided for in the items in staging category VN11-D shall remain at the base rate through December 31 of year 3 and shall be reduced to 7 per cent *ad valorem* on January 1 of year 4, and they shall remain at that rate through December 31 of year 10. These goods shall be duty-free effective January 1 of year 11;
- (w) If this Agreement enters into force for Viet Nam in 2016, customs duties on originating goods provided for in the items in staging category VN11-E shall remain at the base rate through December 31, 2022. On January 1, 2023, these duties shall be reduced to 7 per cent *ad valorem* and remain at that rate through December 31, 2026. These goods shall be duty-free effective January 1, 2027. If this Agreement does not enter into force for Viet Nam in 2016 then

customs duties on originating goods provided for in the items in staging category VN11-E shall remain at the base rate through December 31 of year 6, shall be reduced to 7 per cent *ad valorem* on January 1 of year 7, and they shall remain at that rate through December 31 of year

on January 1 of year 8, to 15 per cent *ad valorem* on January 1 of year 9, to 10 per cent *ad valorem* on January 1 of year 10, and these goods shall be duty-free effective January 1 of year 11;

- (bb) customs duties on originating goods provided for in the items in staging category VN12-A shall be at 54 per cent *ad valorem* on the date of entry into force of this Agreement for Viet Nam, shall be reduced to 49 per cent *ad valorem* on January 1 of year 2, to 44 per cent *ad valorem* on January 1 of year 3, to 39 per cent *ad valorem* on January 1 of year 4, to 35 per cent *ad valorem* on January 1 of year 5, to 30 per cent *ad valorem* on January 1 of year 6, to 25 per cent *ad valorem* on January 1 of year 7, to 20 per cent *ad valorem* on January 1 of year 8, to 15 per cent *ad valorem* on January 1 of year 9, to 10 per cent *ad valorem* on January 1 of year 10 and to 5 per cent *ad valorem* on January 1 of year 11, and these goods shall be duty-free effective January 1 of year 12;
- (cc) customs duties on originating goods provided for in the items in staging category VN12-B shall be at 44 per cent *ad valorem* on the date of entry into force of this Agreement for Viet Nam, shall be reduced to 40 per cent *ad valorem* on January 1 of year 2 and remain at that rate through December 31 of year 3, be reduced to 35 per cent *ad valorem* on January 1 of year 4 and remain at that rate through December 31 of year 5, and be reduced to 30 per cent *ad valorem* on January 1 of year 6, to 25 per cent *ad valorem* on January 1 of year 7, to 20 per cent *ad valorem* on January 1 of year 8, to 15 per cent *ad valorem* on January 1 of year 9, to 10 per cent *ad valorem* on January 1 of year 10 and to 5 per cent *ad valorem* on January 1 of year 11. These goods shall be duty-free effective January 1 of year 12;
- (dd) customs duties on originating goods provided for in the items in staging category VN13-A shall remain at the base rate through December 31 of year 3. Beginning January 1 of year 4, these duties shall be eliminated in 10 annual stages, and these goods shall be duty-free effective January 1 of year 13;
- (ee) customs duties on originating goods provided for in the items in staging category VN13-B shall remain at the base rate through December 31 of year 2. Beginning January 1 of year 3, these duties shall be eliminated in 11 annual stages, and these goods shall be duty-free effective January 1 of year 13;
- (ff) customs duties on originating goods provided for in the items in staging category VN13-C shall remain at the base rate through December 31 of year 1. Beginning January 1 of year 2, these duties shall be eliminated in 12 annual stages, and these goods shall be duty-free effective January 1 of year 13;

- (gg) customs duties on originating goods provided for in the items in staging category VN13-D shall remain at the base rate through December 31 of year 4. Beginning January 1 of year 5, these duties shall be eliminated in nine annual stages, and these goods shall be duty-free effective January 1 of year 13;
- (hh) customs duties on originating goods provided for in the items in staging category VN13-E shall remain at the base rate through December 31 of year 5. Beginning January 1 of year 6, these duties shall be eliminated in eight annual stages, and these goods shall be duty-free effective January 1 of year 13;
- (ii) customs duties on originating goods provided for in the items in staging category VN16-A shall be reduced by 6.25 per cent of the base rate in each of four annual stages. These duties shall remain at the rate as of January 1 of year 4 through December 31 of year 15. These goods shall be duty-free effective January 1 of year 16;
- (jj) customs duties on originating goods provided for in the items in staging category VN21-A shall remain at the base rate through December 31 of year 20, and these goods shall be duty-free effective January 1 of year 21;
- (kk) customs duties on originating goods provided for in the items in staging category TRQ (TRQ-VN1, TRQ-VN2 and TRQ-VN3) shall be governed by the terms of the TRQ applicable to that tariff item, as outlined in Appendix A (Tariff Rate Quotas of Viet Nam)
-D; and
- (ll) customs duties on originating goods provided for in the items in staging category VN22 shall remain at the base rate.

5. The annual stages referred to in paragraph 4 for the elimination or reduction of customs duties shall be equal, annual stages, except:

- (a) as provided in paragraphs 3(b)(i), 4(a)(ii) and 4(b)(ii) in Section A of this Annex; or
- (b) as otherwise provided in paragraph 4.

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valid.