

## Annex 3.4 Elimination of Customs Duties

### Section 1 Customs Duties on Imports Originating in Chile

1. Customs duties on imports into Korea originating in Chile listed in Appendix 2 (Tariff Elimination Schedule of Korea) under category "**Year 0**", category "**Year 5**", category "**Year 7**", category "**Year 9**", category "**Year 10**" and category "**Year 16**" shall be eliminated in accordance with the following timetable.

*Percentages of annual tariff reduction*

Category	Entry into force	1.1.05	1.1.06	1.1.07	1.1.08	1.1.09	1.1.10	1.1.11	1.1.12	1.1.13	1.1.14
Year 0	100%										
Year 5	16.7%	33.3%	50%	66.7%	83.3%	100%					
Year 7	12.5%	25%	37.5%	50%	62.5%	75%	87.5%	100%			
Year 9	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%	
Year 10	9.1%	18.2%	27.3%	36.4%	45.5%	54.5%	63.6%	72.7%	81.8%	90.9%	100%

Category	Entry into force	1.1.11	1.1.12	1.1.13	1.1.14	1.1.15	1.1.16	1.1.17	1.1.18	1.1.19	1.1.20
Year 16	0.0%	10.0%	20.0%	30.0%	40.0%	50.0%	60.0%	70.0%	80.0%	90.0%	100.0%

2. Tariff quotas on imports into Korea originating in Chile listed in Appendix 2 (Tariff Elimination Schedule of Korea) under category "**TQ(1)**", "**TQ(2)**", "**TQ(3)**", "**TQ(4)**", "**TQ(5)**", "**TQ(6)**" and "**TQ(7)**" shall be applied as from the entry into force of this Agreement, in accordance with the conditions set out in Section 2 of Appendix 2.

3. For imports into Korea originating in Chile listed in Appendix 2 (Tariff Elimination Schedule of Korea) under category "**DDA**", the Tariff Elimination Schedule shall be negotiated after the end of the Doha Development Agenda negotiations of the WTO.

4. For imports into Korea originating in Chile listed in Appendix 2 (Tariff Elimination Schedule of Korea) under category "**10 S**", the Tariff Elimination Schedule shall be applied in accordance with the following condition<sup>1</sup>:

<sup>1</sup> The preferential treatment shall be applied only upon grapes imported from November 1 to April 30 of each year.

*From November 1 to April 30 of each year*

Category	Entry into force	1.1.05	1.1.06	1.1.07	1.1.08	1.1.09	1.1.10	1.1.11	1.1.12	1.1.13	1.1.14
Year 10 S	9.1%	18.2%	27.3%	36.4%	45.5%	54.5%	63.6%	72.7%	81.8%	90.9%	100%

5. For imports into Korea originating in Chile listed in Appendix 2 (Tariff Elimination Schedule of Korea) under category “E”, the customs duties shall not be eliminated.

## Section 2 Customs Duties on Imports Originating in Korea

1. Customs duties on imports into Chile originating in Korea listed in Appendix 1 (Tariff Elimination Schedule of Chile) under category "Year 0", category "Year 3", category "Year 5", category "Year 7", category "Year 10" and category "Year 13" shall be eliminated in accordance with the following timetable.

*Percentages of annual tariff reduction*

Category	Entry into force	1.1.05	1.1.06	1.1.07	1.1.08	1.1.09	1.1.10	1.1.11	1.1.12	1.1.13	1.1.14
Year 0	100%										
Year 3	25%	50%	75%	100%							
Year 5	16.7%	33.3%	50%	66.7%	83.3%	100%					
Year 7	12.5%	25%	37.5%	50%	62.5%	75%	87.5%	100%			
Year 10	9.1%	18.2%	27.3%	36.4%	45.5%	54.5%	63.6%	72.7%	81.8%	90.9%	100%

Category	Entry into force	1.1.10	1.1.11	1.1.12	1.1.13	1.1.14	1.1.15	1.1.16	1.1.17
Year 13	0.0%	12.5%	25.0%	37.5%	50.0%	62.5%	75.0%	87.5%	100%

2. For imports into Chile originating in Korea listed in Appendix 1 (Tariff Elimination Schedule of Chile) under category “E”, the customs duties shall not be eliminated.

## **Appendix 1**

### **Tariff Elimination Schedule of Chile**

#### **Section A**

##### **Introductory Note**

The tariff schedule in this Annex contains the following four columns:

- (a) “heading HS”: the headings used in the nomenclature of the Harmonised System;
- (b) “description”: description of the product falling under the heading;
- (c) “category” : the category or categories under which the product concerned falls for the purposes of tariff elimination. The categories are applicable to imports, as established in Section 2 of this Annex:
  - “Year 0” : liberalisation at entry into force of the Agreement,
  - “Year 3” : liberalisation over a transitional period of 3 years;
  - “Year 5” : liberalisation over a transitional period of 5 years;
  - “Year 7” : liberalisation over a transitional period of 7 years;
  - “Year 10” : liberalisation over a transitional period of 10 years;
  - “Year 13” : liberalisation over a transitional period of 13 years, with the elimination starting from the sixth year; and
  - “E” : customs duty applied shall not be eliminated; and
- (d) “observations”: observation related to the product.

## **Section B**

### **Schedule of Chile**

## **Appendix 2**

### **Tariff Elimination Schedule of Korea**

#### **Section A**

##### **Introductory Note**

The tariff schedule in this Annex contains the following four columns:

- (a) “heading HS” : the headings used in the nomenclature of the Harmonised System;
- (b) “description” : description of the product falling under the heading;
- (c) “category” : the category or categories under which the product concerned falls for the purposes of tariff elimination. The categories are applicable to imports, as established in Section 1 of this Annex:
  - “Year 0” : liberalisation at the entry into force of the Agreement;
  - “Year 5” : liberalisation over a transitional period of 5 years;
  - “Year 7” : liberalisation over a transitional period of 7 years;
  - “Year 9” : liberalisation over a transitional period of 9 years;
  - “Year 10” : liberalisation over a transitional period of 10 years;
  - “Year 16” : liberalisation over a transitional period of 16 years, with the elimination starting from the seventh year;
  - “DDA” : tariff elimination schedule shall be negotiated after the end of the Doha Development Agenda negotiations of the WTO;
  - “TQ” : liberalisation within a tariff quota (for the specific conditions, refer to Section B of Appendix 2 of this Annex)
  - “10 S” : liberalisation over a transitional period of 10 years on a seasonal basis (for the specific conditions, refer to paragraph 4 under Section 1 of this Annex); and
  - “E” : customs duty applied shall not be eliminated; and
- (d) “observations” : observation regarding the product.

## **Section B**

### **Tariff Quotas for Products under Category “TQ” referred to in Paragraph 2 under Section 1 of this Annex**

The following tariff concessions shall apply as from the date of entry into force of this Agreement on an annual basis to imports into Korea of products originating in Chile:

- (a) Korea shall allow duty free importation of 400 metric tonnes of products classified in headings 0201.20.00.00 and 0202.20.00.00, listed in this Annex as “TQ(1)”, distributed as follows:
  - (i) 200 tonnes for heading 0201.20.00.00; and
  - (ii) 200 tonnes for heading 0202.20.00.00;
- (b) Korea shall allow duty free importation of an aggregate quantity of 2000 metric tonnes of products classified in headings 0207.14.10.10, 0207.14.10.20, 0207.14.10.30, 0207.14.10.90, 0207.14.20.10, 0207.14.20.90, 1602.32.10.10, 1602.32.10.90 and 1602.32.90.00, listed in this Annex as “TQ(2)”;
- (c) Korea shall allow duty free importation of an aggregate quantity of 600 metric tonnes of products classified in headings 0207.25.00.00, 0207.27.10.00, 0207.27.20.10, 0207.27.20.90, 1602.31.10.00 and 1602.31.90.00, listed in this Annex as “TQ(3)”;
- (d) Korea shall allow duty free importation of an aggregate quantity of 1000 metric tonnes of products classified in headings 0404.10.10.10, 0404.10.21.20, 0404.10.21.30 and 0404.90.00.00, listed in this Annex as “TQ(4)”;
- (e) Korea shall allow duty free importation of 100 metric tonnes of products classified in headings 0712.90.20.99, listed in this Annex as “TQ(5)”;
- (f) Korea shall allow duty free importation of 100 metric tonnes of products classified in headings 0805.20.90.00, listed in this Annex as “TQ(6)”;
- (g) Korea shall allow duty free importation of 280 metric tonnes of products classified in headings 0809.40.10.00, listed in this Annex as “TQ(7)”;
- (h) These quotas shall be managed according to Korea’s internal regulations (auctioning).