

CHAPTER 2

NATIONAL TREATMENT AND MARKET ACCESS FOR GOODS

Article 2.1: Definitions

For the purposes of this Chapter:

advertising films and recordings means recorded visual media or audio materials that exhibit for prospective customers the nature or operation of goods or services offered for sale or lease by a person established or resident in the territory of a Party, provided that the films and recordings are not for broadcast to the general public;

commercial samples of negligible value means commercial samples having a value, individually or in the aggregate as shipped, of not more than one U.S. dollar, or the equivalent amount in the currency of another Party, or so marked, torn, perforated, or otherwise treated that they are unsuitable for sale or use except as commercial samples;

consular transactions means requirements that goods of a Party intended for export to the territory of another Party must first be submitted to the supervision of the consul of the importing Party in the territory of the exporting Party, or in the territory of a non-Party, for the purpose of obtaining a consular invoice or a consular visa for a commercial invoice, certificate of origin, manifest, shipper's export declaration, or any other customs documentation in connection with the importation of the good;

consumed means:

- (a) actually consumed; or
- (b) further processed or manufactured so as to result in a substantial change in the value, form, or use of the good or in the production of another good;

customs duty includes a duty or charge of any kind imposed on or in connection with the importation of a good, and any surtax or surcharge imposed in connection with such importation, but does not include any:

- (a) charge equivalent to an internal tax imposed consistently with Article III:2 of the GATT 1994;
- (b) fee or other charge in connection with the importation commensurate with the cost of the services rendered;
- (c) anti-dumping or countervailing duty; and

- (d) premium offered or collected on an imported good arising out of any tendering system in respect of the administration of quantitative import restrictions, tariff rate quotas, or tariff preference levels;

distributor means a person of a Party who is responsible for the commercial distribution, agency, concession, or representation in the territory of the Party of goods of another Party;

duty deferral program includes measures such as those governing foreign trade zones, temporary importations under bond, bonded warehouses, “maquiladoras”, and inward processing programs;

duty-free means free of customs duty;

goods admitted for sports purposes means sports requisites admitted into the territory of the importing Party for use in sports contests, demonstrations, or training in the territory of the Party;

import licensing means an administrative procedure requiring the submission of an application or other documentation (other than that generally required for customs clearance purposes) to the relevant administrative body as a prior condition for importation into the territory of the importing Party;

Import Licensing Agreement means the *Agreement on Import Licensing Procedures*, set out in Annex 1A to the WTO Agreement;

performance requirement means a requirement that:

- (a) a given level or percentage of goods or services be exported;
- (b) a domestic good or service of the Party granting a waiver of a custom duty or an import license be substituted for an imported good or service;
- (c) a person benefitting from a waiver of a custom duty or a grant of an import license, purchase a good or service in the territory of the Party granting the waiver or the import license or accord a preference to a domestically produced good or service;
- (d) a person benefitting from a waiver of a custom duty or a grant of an import license produce a good or provide a service, in the territory of the Party granting the waiver or import license, with a given level or percentage of domestic content;
or
- (e) relates in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows;

but does not include a requirement that an imported good be:

- (f) subsequently exported;
- (g) used as a material in the production of another good that is subsequently exported;
- (h) substituted by an identical or similar good used as a material in the production of another good that is subsequently exported; or
- (i) substituted by an identical or similar good that is subsequently exported;

printed advertising materials means those goods classified in Chapter 49 of the Harmonized System, including brochures, pamphlets, leaflets, trade catalogues, yearbooks published by trade associations, tourist promotional materials, and posters, that are used to promote, publicize, or advertise a good or service, are essentially intended to advertise a good or service, and are supplied free of charge;

satisfactory evidence means:

- (a) a receipt, or a copy of a receipt, evidencing payment of a customs duty on a particular entry;
- (b) a copy of the entry document with evidence that it was received by a customs administration;
- (c) a copy of a final customs duty determination by a customs administration respecting the relevant entry; or
- (d) any other evidence of payment of a customs duty acceptable under the Uniform Regulations; and

used vehicle means an automobile, a truck, a bus, or a special purpose motor vehicle, not including a motorcycle, that:

- (a) has been sold, leased, or loaned;
- (b) has been driven for more than:
 - (i) 1,000 kilometers if the vehicle has a gross weight of less than five metric tons, or
 - (ii) 5,000 kilometers if the vehicle has a gross weight of five metric tons or more; or

- (c) was manufactured prior to the current year and at least 90 days have elapsed since the date of manufacture.

Article 2.2: Scope

Except as otherwise provided in this Agreement, this Chapter applies to trade in goods of a Party.

Article 2.3: National Treatment

1. Each Party shall accord national treatment to the goods of another Party in accordance with Article III of the GATT 1994, including its interpretative notes, and to this end, Article III of the GATT 1994 and its interpretative notes are incorporated into and made part of this Agreement, *mutatis mutandis*.
2. The treatment to be accorded by a Party under paragraph 1 means, with respect to a regional level of government, treatment no less favorable than the most favorable treatment that regional level of government accords to any like, directly competitive, or substitutable goods, as the case may be, of the Party of which it forms a part.
3. Paragraphs 1 and 2 do not apply to the measures set out in Annex 2-A (Exceptions to Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions)).

Article 2.4: Treatment of Customs Duties

1. Unless otherwise provided in this Agreement, no Party shall increase any existing customs duty, or adopt any new customs duty, on an originating good.
2. Unless otherwise provided in this Agreement, each Party shall apply a customs duty on an originating good in accordance with its Schedule to Annex 2-B (Tariff Commitments).
3. On the request of a Party, the Parties shall consult to consider accelerating or broadening the scope of the elimination of customs duties set out in their Schedules to Annex 2-B (Tariff Commitments). An agreement between two or more Parties to accelerate or broaden the scope of the elimination of a customs duty on an originating good shall supersede any customs duty rate determined pursuant to those Parties' Schedules to Annex 2-B (Tariff Commitments) for that good once approved by each Party in accordance with its applicable legal procedures.
4. A Party may at any time unilaterally accelerate the elimination of customs duties set out in its Schedule to Annex 2-B (Tariff Commitments) on originating goods.

5. Annex 2-C (Provisions Between Mexico and the United States on Automotive Goods) contains additional provisions between Mexico and the United States relating to customs duties on automotive goods that are not originating under Chapter 4 (Rules of Origin).

Article 2.5: Drawback and Duty Deferral Programs

1. Except as otherwise provided in this Article, no Party shall refund the amount of customs duties paid, or waive or reduce the amount of customs duties owed, on a good imported into its territory, on condition that the good is:

- (a) subsequently exported to the territory of another Party;
- (b) used as a material in the production of another good that is subsequently exported to the territory of another Party; or
- (c) substituted by an identical or similar good used as a material in the production of another good that is subsequently exported to the territory of another Party,

in an amount that exceeds the lesser of the total amount of customs duties paid or owed on the good on importation into its territory and the total amount of customs duties paid to another Party on the good that has been subsequently exported to the territory of that other Party.

2. No Party shall, on condition of export, refund, waive, or reduce:

- (a) an antidumping or countervailing duty;
- (b) a premium offered or collected on an imported good arising out of any tendering system in respect of the administration of quantitative import restrictions, or tariff rate quotas or tariff preference levels; or
- (c) customs duties paid or owed on a good imported into its territory and substituted by an identical or similar good that is subsequently exported to the territory of another Party.

3. If a good is imported into the territory of a Party pursuant to a duty deferral program and is subsequently exported to the territory of another Party, or is used as a material in the production of another good that is subsequently exported to the territory of another Party, or is substituted by an identical or similar good used as a material in the production of another good that is subsequently exported to the territory of another Party, the Party from whose territory the good is exported:

- (a) shall assess the customs duty as if the exported good had been withdrawn for domestic consumption; and

- (b) may waive or reduce such customs duty to the extent permitted under paragraph 1.

4. In determining the amount of a customs duty that may be refunded, waived, or reduced pursuant to paragraph 1 on a good imported into its territory, each Party shall require presentation of satisfactory evidence of the amount of customs duties paid to another Party on the good that has been subsequently exported to the territory of that other Party.

5. If satisfactory evidence of the customs duty paid to the Party to which a good is subsequently exported under a duty deferral program described in paragraph 3 is not presented within 60 days after the date of exportation, the Party from whose territory the good was exported:

- (a) shall collect the customs duty as if the exported good had been withdrawn for domestic consumption; and
- (b) may refund such customs duty, to the extent permitted under paragraph 1, on the timely presentation of such evidence under its laws and regulations.

6. This Article does not apply to:

- (a) a good entered under bond for transportation and exportation to the territory of another Party;
- (b) a good exported to the territory of another Party in the same condition as when imported into the territory of the Party from which the good was exported.¹ If that good has been commingled with fungible goods and exported in the same condition, its origin for purposes of this subparagraph may be determined on the basis of inventory management methods such as first-in, first-out or last-in, first-out. For greater certainty, nothing in this subparagraph shall be construed to permit a Party to waive, refund, or reduce a customs duty contrary to paragraph 2(c);
- (c) a good imported into the territory of a Party that is deemed to be exported from its territory, is used as a material in the production of another good that is deemed to be exported to the territory of another Party, or is substituted by an identical or similar good used as a material in the production of another good that is deemed to be exported to the territory of another Party, by reason of:

*_____

¹ Processes such as testing, cleaning, repacking, inspecting, sorting, or marking a good, or preserving a good in its same condition, shall not be considered to change the good's condition.

- (i) delivery to a duty-free shop,
 - (ii) delivery for ship's stores or supplies for ships or aircraft, or
 - (iii) delivery for use in joint undertakings of two or more of the Parties and that will subsequently become the property of the Party into whose territory the good was deemed to be exported;
- (d) a refund of customs duties by a Party on a particular good imported into its territory and subsequently exported to the territory of another Party, if that refund is granted by reason of the failure of that good to conform to sample or specification, or by reason of the shipment of that good without the consent of the consignee;
- (e) an originating good that is imported into the territory of a Party and is subsequently exported to the territory of another Party, or used as a material in the production of another good that is subsequently exported to the territory of another Party, or is substituted by an identical or similar good used as a material in the production of another good that is subsequently exported to the territory of another Party;
- (f) for exports from the territory of the United States to the territory of Canada or Mexico, goods provided for in U.S. tariff items 1701.13.20 or 1701.14.20 that are imported into the territory of the United States under any re-export program or any like program and used as a material in the production of, or substituted by an identical or similar good used as a material in the production of:
- (i) a good provided for in Canadian tariff item 1701.99.00 or Mexican tariff items 1701.99.01, 1701.99.02, and 1701.99.99 (refined sugar), or
 - (ii) sugar containing products that are prepared foodstuffs or beverages classified in headings 17.04 and 18.06 or in Chapters 19, 20, 21, or 22; or
- (g) for trade between Canada and the United States:
- (i) imported citrus products,
 - (ii) an imported good used as a material in the production of, or substituted by an identical or similar good used as a material in the production of, a good provided for in U.S. tariff items 5811.00.20 (quilted cotton piece goods), 5811.00.30 (quilted man-made piece goods) or 6307.90.99 (furniture moving pads), or Canadian tariff items 5811.00.10 (quilted cotton piece goods), 5811.00.20 (quilted man-made piece goods) or 6307.90.30

(furniture moving pads), that are subject to the most-favored-nation rate of duty when exported to the territory of the other Party, and

- (iii) an imported good used as a material in the production of apparel that is subject to the most-favored-nation rate of duty when exported to the territory of the other Party.

7. For the purposes of this Article:

identical or similar goods means “identical goods” and “similar goods,” respectively, as defined in the Customs Valuation Agreement, or as otherwise provided for under the law of the importing Party;

material means “material” as defined in Article 4.1 (Definitions);

used means “used” as defined in Article 4.1 (Definitions).

8. If a good referred to by a tariff item number in this Article is described in parentheses following the tariff item number, the description is provided for purposes of reference only.

Article 2.6: Waiver of Customs Duties

No Party shall adopt or maintain any waiver of a customs duty if the waiver is conditioned, explicitly or implicitly, on the fulfillment of a performance requirement.

Article 2.7: Temporary Admission of Goods

1. Each Party shall grant duty-free temporary admission for:

- (a) professional equipment, including equipment for the press or television, software, and broadcasting and cinematographic equipment, that is necessary for carrying out the business activity, trade, or profession of a person who qualifies for temporary entry in accordance with the law of the importing Party;
- (b) a good intended for display or demonstration, including its component parts, ancillary apparatus and accessories;
- (c) commercial samples and advertising films and recordings; and
- (d) a good admitted for sports purposes,

admitted from the territory of another Party, regardless of their origin and regardless of whether like, directly competitive, or substitutable goods are available in the territory of the Party.

2. No Party shall condition the duty-free temporary admission of a good referred to in paragraph 1, other than to require that the good:

- (a) be imported by a national of another Party who seeks temporary entry;
- (b) be used solely by or under the personal supervision of a national of another Party in the exercise of the business activity, trade, profession, or sport of that person;
- (c) not be sold, leased, or, for goods referred to in paragraph 1(c), not be put to any use other than exhibition or demonstration, while in its territory;
- (d) be accompanied by a security in an amount no greater than 110 percent of the charges that would otherwise be owed on entry or importation, and releasable on exportation of the good except that a bond for customs duties shall not be required for an originating good;
- (e) be capable of identification when exported;
- (f) be exported on the departure of the person referenced in subparagraph (a), or within any other period reasonably related to the purpose of the temporary admission as the Party may establish, unless extended;
- (g) be admitted in no greater quantity than is reasonable for its intended use; and
- (h) be otherwise admissible into the Party's territory under its law.

3. Subject to its law, each Party shall extend the time limit for temporary admission beyond the period initially fixed at the request of the person concerned.

4. Each Party shall adopt or maintain procedures providing for the expeditious release of a good admitted under this Article. To the extent possible, those procedures must provide that when such a good accompanies a national of another Party who is seeking temporary entry, the good shall be released simultaneously with the entry of that national.

5. Each Party shall permit a good temporarily admitted under this Article to be exported through a customs port other than the port through which it was admitted.

6. Each Party shall provide, in accordance with its law, that the person responsible for a good admitted under this Article shall not be liable for failure to export the good upon presentation of proof satisfactory to the Party into whose territory the good was admitted that the

good has been destroyed within the original time period fixed for temporary admission or any lawful extension.

7. If any condition that a Party imposes under paragraph 2 has not been fulfilled, the Party may apply the customs duty and any other charge that would normally be owed on entry or importation of the good in addition to any other charges or penalties provided for under its law.

8. Subject to Chapters 14 (Investment) and Chapter 15 (Cross Border Trade in Services):

- (a) each Party shall allow a vehicle, or shipping container or other substantial holder, that enters its territory from the territory of another Party to exit its territory on any route that is reasonably related to the economic and prompt departure of that vehicle, or shipping container or other substantial holder;
- (b) no Party shall require any security or impose any penalty or charge solely by reason of any difference between the port of entry and the port of departure of a vehicle, or shipping container or other substantial holder;
- (c) no Party shall condition the release of any obligation, including any security, that it imposes in respect of the entry of a vehicle, or shipping container or other substantial holder, into its territory on the exit of that vehicle, or shipping container or other substantial holder, through any particular port of departure; and
- (d) no Party shall require that the vehicle or carrier bringing a shipping container or other substantial holder from the territory of another Party into its territory be the same vehicle or carrier that takes that shipping container or other substantial holder to the territory of another Party.

9. For the purposes of paragraph 8, **vehicle** means a truck, a truck tractor, a tractor, a trailer unit or trailer, a locomotive, or a railway car or other railroad equipment, if used in international traffic.

10. Each Party shall adopt or maintain procedures allowing for the arrival and release from customs custody, such as through a procedure that provides for temporary admission as set forth in this Article, of a shipping container or other substantial holder being used or to be used in the shipment of goods in international traffic, whether arriving full or empty and of any size, volume, or dimension, with relief from custom duties and allowing it to remain within its territory for at least 90 consecutive days.

11. Each Party shall, in accordance with its laws, regulations, and procedures, extend the timeframe for temporary admission of a shipping container or other substantial holder beyond the period initially fixed at the request of the person concerned.

12. A Party may require that a shipping container or other substantial holder be registered with the customs authority the first time it arrives in its territory, as a condition for the treatment described in paragraphs 10 and 11.

13. Each Party shall include in the treatment of any shipping container or other substantial holder that has an internal volume of one cubic meter or more, the accessories or equipment accompanying it as defined by the importing Party.

14. For the purposes of paragraph 8 and paragraphs 10 through 13, a “shipping container or other substantial holder” includes any container or holder, whether collapsible or not, that is constructed of a sturdy material capable of repeated use, and is used in the shipment of goods in international traffic.

Article 2.8: Goods Re-Entered after Repair or Alteration

1. No Party shall apply a customs duty to a good, regardless of its origin, that re-enters its territory after that good has been temporarily exported from its territory to the territory of another Party for repair or alteration, regardless of whether that repair or alteration could have been performed in the territory of the Party from which the good was exported for repair or alteration or has increased the value of the good.

2. Paragraph 1 does not apply to a good imported under a duty deferral program that is exported for repair or alteration and is not re-imported under a duty deferral program.

3. Notwithstanding Article 2.5 (Drawback and Duty Deferral Programs), no Party shall apply a customs duty to a good, regardless of its origin, admitted temporarily from the territory of another Party for repair or alteration.

4. For the purposes of this Article, repair or alteration does not include an operation or process that:

- (a) destroys a good’s essential characteristics or creates a new or commercially different good; or
- (b) transforms an unfinished good into a finished good.

Article 2.9: Duty-Free Entry of Commercial Samples of Negligible Value and Printed Advertising Materials

No Party shall apply a customs duty to commercial samples of negligible value or to printed advertising materials imported from the territory of another Party, regardless of their origin, but a Party may require that:

- (a) the samples be imported solely for the solicitation of orders for goods, or services provided from the territory, of another Party or a non-Party; or
- (b) the advertising materials be imported in packets that each contain no more than one copy of each such material and that neither the materials nor the packets form part of a larger consignment.

Article 2.10: Most-Favored-Nation Rates of Duty on Certain Goods

1. Each Party shall accord most-favored-nation duty-free treatment to a good provided for under the tariff provisions set out in Tables 2.10.1, 2.10.2, and 2.10.3.

2. Notwithstanding Chapter 4 (Rules of Origin), each Party shall consider a good set out in Table 2.10.1, if imported into its territory from the territory of another Party, to be an originating good.

Table 2.10.1		
A. Automatic Data Processing Machines (ADP)		
	8471.30	
	8471.41	
	8471.49	
B. Digital Processing Units		
	8471.50	
C. Input or Output Units		
Combined Input/Output Units		
Canada	8471.60.00	
Mexico	8471.60.02	
United States	8471.60.10	
Display Units		
Canada	8528.42.00	
	8528.52.00	

	8528.62.00	
Mexico	8528.41.99 8528.51.01 8528.51.99 8528.61.01	
United States	8528.42.00 8528.52.00 8528.62.00	
Other Input or Output Units		
Canada	8471.60.00	
Mexico	8471.60.03 8471.60.99	
United States	8471.60.20 8471.60.70 8471.60.80 8471.60.90	
D. Storage Units		
	8471.70	
E. Other Units of Automatic Data Processing Machines		
	8471.80	
F. Parts of Computers		
	8443.99	parts of machines of subheading 8443.31 and 8443.32, excluding facsimile machines and teleprinters
	8473.30	parts of ADP machines and units thereof
	8517.70	parts of LAN equipment of subheading 8517.62
Canada	8529.90.19 8529.90.50 8529.90.90	parts of monitors and projectors of subheading 8528.42, 8528.52, and 8528.62
Mexico	8529.90.01 8529.90.06	parts of monitors or projectors of subheadings 8528.41, 8528.51, and 8528.61
United States	8529.90.22 8529.90.75 8529.90.99	parts of monitors and projectors of subheading 8528.42, 8528.52, and 8528.62
G. Computer Power Supplies		
Canada	8504.40.30 8504.40.90 8504.90.10 8504.90.20	

	8504.90.90	
Mexico	8504.40.12 8504.40.14 8504.90.02 8504.90.07 8504.90.08	parts of goods classified in tariff item 8504.40.12
United States	8504.40.60 8504.40.70 8504.90.20 8504.90.41	

Table 2.10.2	
A. Metal Oxide Varistors	
Canada	8533.40.00
Mexico	8533.40.05
United States	8533.40.40
B. Diodes, Transistors and Similar Semiconductor Devices; Photosensitive Semiconductor Devices; Light Emitting Diodes; Mounted Piezo-electric Crystals	
	8541.10
	8541.21
	8541.29
	8541.30
	8541.50
	8541.60
	8541.90
Canada	8541.40
Mexico	8541.40.01 8541.40.02 8541.40.03
United States	8541.40.20 8541.40.60 8541.40.70 8541.40.80 8541.40.95
C. Electronic Integrated Circuits and Microassemblies	
	8542
Canada	8548.90.00
Mexico	8548.90.04
United States	8548.90.01

Table 2.10.3 Local Area Network (LAN) Apparatus	
Canada	8517.62.00
Mexico	8517.62.01
United States	8517.62.00

Article 2.11: Import and Export Restrictions

1. Except as otherwise provided in this Agreement, no Party shall adopt or maintain any prohibition or restriction on the importation of any good of another Party or on the exportation or sale for export of any good destined for the territory of another Party, except in accordance with Article XI of the GATT 1994, including its interpretative notes, and to this end Article XI of the GATT 1994 and its interpretative notes are incorporated into and made a part of this Agreement, *mutatis mutandis*.

2. The Parties understand that GATT 1994 rights and obligations incorporated by paragraph 1 prohibit, in any circumstances in which any other form of restriction is prohibited, a Party from adopting or maintaining:

- (a) an export or import price requirement, except as permitted in enforcement of antidumping and countervailing duty orders or price undertakings;
- (b) import licensing conditioned on the fulfilment of a performance requirement; or
- (c) a voluntary export restraint inconsistent with Article VI of the GATT 1994, as implemented under Article 18 of the SCM Agreement and Article 8.1 of the AD Agreement.

3. If a Party adopts or maintains a prohibition or restriction on the importation from or exportation to a non-Party of a good, nothing in this Agreement shall be construed to prevent that Party from:

- (a) limiting or prohibiting the importation of the good of that non-Party from the territory of another Party; or
- (b) requiring, as a condition for exporting the good of the Party to the territory of another Party, that the good not be re-exported to the non-Party, directly or indirectly, without being consumed in the territory of the other Party.

4. If a Party adopts or maintains a prohibition or restriction on the importation of a good from a non-Party, the Parties, on the request of a Party, shall consult with a view to avoiding

undue interference with or distortion of pricing, marketing, or distribution arrangements in another Party.

5. No Party shall as a condition for engaging in importation generally, or for the importation of a particular good, require a person of another Party to establish or maintain a contractual or other relationship with a distributor in its territory.

6. For greater certainty, paragraph 5 does not prevent a Party from requiring that a person referred to in that paragraph designate a point of contact for the purpose of facilitating communications between its regulatory authorities and that person.

7. Paragraphs 1 through 6 do not apply to the measures set out in Annex 2-A (Exceptions to Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions)).

8. For greater certainty, paragraph 1 applies to the importation of any good implementing or incorporating cryptography, if the good is not designed or modified specifically for government use and is sold or otherwise made available to the public.

9. For greater certainty, no Party shall adopt or maintain a prohibition or restriction on the importation of originating used vehicles from the territory of another Party. This Article does not prevent a Party from applying motor vehicle safety or emissions measures, or vehicle registration requirements, of general application to originating used vehicles in a manner consistent with this Agreement.

Article 2.12: Remanufactured Goods

1. For greater certainty, Article 2.11.1 (Import and Export Restrictions) applies to prohibitions and restrictions on a remanufactured good.

2. Subject to its obligations under this Agreement and the WTO Agreement, a Party may require that a remanufactured good:

- (a) be identified as such, including through labelling, for distribution or sale in its territory, and
- (b) meet all applicable technical requirements that apply to an equivalent good in new condition.

3. If a Party adopts or maintains a prohibition or a restriction on a used good, it shall not apply the measure to a remanufactured good.

Article 2.13: Transparency in Import Licensing Procedures

1. Subject to paragraph 2, each Party shall notify the other Parties of its existing import licensing procedures, if any, as soon as practicable, after this Agreement enters into force. The notification shall:
 - (a) include the information specified in Article 5.2 of the Import Licensing Agreement and in the annual questionnaire on import licensing procedures described in Article 7.3 of the Import Licensing Agreement; and
 - (b) be without prejudice as to whether the import licensing procedures are consistent with this Agreement.
2. A Party shall be deemed to be in compliance with the obligations in paragraph 1 with respect to an import licensing procedure if:
 - (a) it has notified that procedure to the Committee on Import Licensing established under Article 4 of the Import Licensing Agreement together with the information specified in Article 5.2 of that agreement; and
 - (b) it has provided the information requested in the questionnaire on import licensing procedures under Article 7.3 of the Import Licensing Agreement in its most recent submission to the Committee on Import Licensing before the entry into force of this Agreement.
3. A Party shall publish on an official government website any new or modified import licensing procedure, including any information that it is required to be published under Article 1.4(a) of the Import Licensing Agreement. To the extent possible, the Party shall do so at least 20 days before the new procedure or modification takes effect.
4. Each Party shall respond within 60 days to a reasonable inquiry from another Party concerning its licensing rules and its procedures for the submission of an application for an import license, including the eligibility of persons, firms, and institutions to make an application, any administrative body to be approached, and the list of products subject to the licensing requirement.
5. If a Party denies an import license application with respect to a good of another Party, it shall, on request of the applicant and within a reasonable period after receiving the request, provide the applicant with a written explanation of the reason for the denial.
6. No Party shall apply an import licensing procedure to a good of another Party unless the Party has complied with the requirements of paragraphs 1 or 2, and 3, with respect to that procedure.

Article 2.14: Transparency in Export Licensing Procedures

1. Within 30 days after the date of entry into force of this Agreement, each Party shall notify the other Parties in writing of the publications in which its export licensing procedures, if any, are set out, including addresses of relevant government websites on which the procedures are published. Thereafter, each Party shall publish any new export licensing procedure, or any modification of an export licensing procedure, it adopts as soon as practicable but no later than 30 days after the new procedure or modification takes effect.

2. Each Party shall ensure that it includes in the publications it has notified under paragraph 1:

- (a) the texts of its export licensing procedures, including any modifications it makes to those procedures;
- (b) the goods subject to each licensing procedure;
- (c) for each licensing procedure, a description of:
 - (i) the process for applying for a license, and
 - (ii) any criteria an applicant must meet to be eligible to apply for a license, such as possessing an activity license, establishing or maintaining an investment, or operating through a particular form of establishment in a Party's territory;
- (d) a contact point from which interested persons can obtain further information on the conditions for obtaining an export license;
- (e) any administrative body to which an application or other relevant documentation is to be submitted;
- (f) a description of or a citation to a publication reproducing in full any measure that the export licensing procedure implements;
- (g) the period during which each export licensing procedure will be in effect, unless the procedure will remain in effect until withdrawn or revised in a new publication;
- (h) if the Party intends to use a licensing procedure to administer an export quota, the overall quantity and, if practicable, the value of the quota, and the opening and closing dates of the quota; and

- (i) any exemptions from or exceptions to the requirement to obtain an export license that are available to the public, how to request or use these exemptions or exceptions, and the criteria for the exemptions or exceptions.

3. Each Party shall provide another Party, upon the other Party's request and to the extent practicable, the following information regarding a particular export licensing procedure that it adopts or maintains, except when doing so would reveal business proprietary or other confidential information of a particular person:

- (a) the aggregate number of licenses the Party has granted over a recent period specified in the other Party's request; and
- (b) measures, if any, that the Party has adopted in conjunction with the licensing procedure to restrict domestic production or consumption or to stabilize production, supply, or prices for the relevant good.

4. This Article does not require a Party to grant an export license, or prevent a Party from implementing its obligations or commitments under United Nations Security Council Resolutions, as well as multilateral non-proliferation regimes, including: the *Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies*; Nuclear Suppliers Group; the Australia Group; *Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction*, done at Geneva, September 3, 1992, and signed at Paris, January 13, 1993; *Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction*, done at Washington, London, and Moscow, April 10, 1972; *Treaty on the Non-Proliferation of Nuclear Weapons* done at Washington, London, and Moscow, July 1, 1968; and the Missile Technology Control Regime.

5. For the purposes of this Article, **export licensing procedure** means a requirement that a Party adopts or maintains under which an exporter must, as a condition for exporting a good from the Party's territory, submit an application or other documentation to an administrative body or bodies, but does not include customs documentation required in the normal course of trade or any requirement that must be fulfilled prior to introduction of the good into commerce within the Party's territory.

Article 2.15: Export Duties, Taxes, or Other Charges

No Party shall adopt or maintain any duty, tax, or other charge on the export of any good to the territory of another Party, unless the duty, tax, or charge is also applied to the good if destined for domestic consumption.

Article 2.16: Administrative Fees and Formalities

1. Each Party shall ensure, in accordance with Article VIII:1 of the GATT 1994 and its interpretative notes, that all fees and charges of whatever character (other than customs duties, charges equivalent to an internal tax or other internal charges applied in a manner consistent with Article III:2 of the GATT 1994, and antidumping or countervailing duties) imposed on or in connection with importation or exportation are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to a domestic good or a taxation of an import or export for fiscal purposes.
2. No Party shall require a consular transaction, including a related fee or charge, in connection with the importation of a good of another Party.²
3. No Party shall adopt or maintain a customs user fee on an originating good.³

Article 2.17: Committee on Trade in Goods

1. The Parties hereby establish a Committee on Trade in Goods (Goods Committee), comprising representatives of each Party.
2. The Goods Committee shall meet on the request of a Party or the Commission to consider any matter arising under this Chapter.
3. The Goods Committee shall meet at a venue and time as the Parties decide or by electronic means. In-person meetings will be held alternately in the territory of each Party.
4. The Goods Committee's functions shall include:
 - (a) monitoring the implementation and administration of this Chapter;
 - (b) promoting trade in goods between the Parties;
 - (c) providing a forum for the Parties to consult and endeavor to resolve issues relating to this Chapter, including, as appropriate, in coordination or jointly with

*_____

² For Mexico, this paragraph does not apply to the procedures for the duty-free entry of personal and household effects of natural persons relocating to Mexico.

³ The merchandise processing fee (MPF) is the only customs user fee of the United States to which this paragraph applies. The *derecho de trámite aduanero* is the only customs user fee of Mexico to which this paragraph applies.

other Committees, working groups, or other subsidiary bodies established under this Agreement;

- (d) promptly seeking to address tariff and non-tariff barriers to trade in goods between the Parties and, if appropriate, referring the matter to the Commission for its consideration;
- (e) coordinating the exchange of information on trade in goods between the Parties;
- (f) discussing and endeavoring to resolve any difference that may arise between the Parties on matters related to the Harmonized System, including ensuring that each Party's obligations under this Agreement are not altered by its implementation of future amendments to the Harmonized System into its national nomenclature;
- (g) referring to another committee established under this Agreement those issues that may be relevant to that committee, as appropriate; and
- (h) undertaking additional work that the Commission may assign, or another committee may refer, to it.

ANNEX 2-A

EXCEPTIONS TO ARTICLE 2.3 (NATIONAL TREATMENT) AND ARTICLE 2.11 (IMPORT AND EXPORT RESTRICTIONS)

Article 2.A.1: Application of Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions)

1. Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions) do not apply to the continuation, renewal, or amendment made to any law, statute, decree, or administrative regulation giving rise to a measure set out in the articles of this Annex to the extent that the continuation, renewal, or amendment does not decrease the conformity of the measure listed with Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions).

2. Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions) shall not apply to the import and export of rough diamonds (HS codes 7102.10, 7102.21, and 7102.31), pursuant to the Kimberley Process Certification Scheme and any subsequent amendments to that scheme.

Article 2.A.2: Measures of Canada

1. Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions) do not apply to:

- (a) the export of logs of all species;
- (b) the export of unprocessed fish pursuant to the following provincial laws and their related regulations:
 - (i) *New Brunswick Seafood Processing Act, SNB 2006, c S-5.3, and Fisheries and Aquaculture Development Act, SNB 2009, c F-15.001;*
 - (ii) *Newfoundland and Labrador Fish Inspection Act, RSNL 1990, c F-12;*
 - (iii) *Nova Scotia Fisheries and Coastal Resources Act, Chapter 25 of the Acts of 1996;*
 - (iv) *Prince Edward Island Fisheries Act, R.S.P.E.I. 1988, Cap. F-13.01, and Fish Inspection Act, R.S.P.E.I. 1988, Cap. F-1; and*
 - (v) *Quebec Marine Products Processing Act, CQLR c T-11.01.*

For greater certainty, notwithstanding Article 2.A.1:1 of this Annex, Article 2.3 (National Treatment) and 2.11 (Import and Export Restrictions) shall not apply to any requirements for the export of unprocessed fish authorized under the above laws and their related regulations that are not being applied upon the entry into force of this Agreement, or that are in force upon the entry into force of this Agreement but suspended after that date, and subsequently applied;

- (c) the importation of goods of the prohibited provisions of tariff items 9897.00.00, 9898.00.00, and 9899.00.00 referred to in the Schedule of the *Customs Tariff*, except as otherwise provided;
- (d) the use of ships in the coasting trade of Canada; and
- (e) Canadian excise duties on the absolute volume of ethyl alcohol, as listed under tariff item 2207.10.90 in Canada's Schedule of Concessions annexed to GATT 1994 (Schedule V), used in manufacturing under the provisions of the *Excise Act, 2001*, Statutes of Canada 2002, c. 22, as amended.

2. Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions) do not apply to quantitative import restrictions on originating goods from the United States classified in tariff headings 89.01, 89.04, and 89.05, and tariff items 8902.00.10 and 8903.99.90 (of an overall length exceeding 9.2 m only) for as long as the measures adopted under the *Merchant Marine Act of 1920* and *Passenger Vessel Services Act* and 46 U.S.C. §§ 12102, 12113, and 12116, apply with quantitative effect to comparable originating goods from Canada sold or offered for sale into the U.S. market.

Article 2.A.3: Measures of Mexico

1. Paragraphs 1 through 4 of Article 2.11 (Import and Export Restrictions) do not apply to:

- (a) export measures pursuant to Article 48 of the Hydrocarbons Law (*Ley de Hidrocarburos*) published in Mexico's Official Gazette (*Diario Oficial de la Federación*) on August 11, 2014, for the tariff items under the "Agreement that amends and establishes the classification and codification of Hydrocarbons and Petroleum Products subject to import and export permits by the Ministry of Energy" (*Acuerdo que modifica al diverso por el que se establece la clasificación y codificación de Hidrocarburos y Petrólíferos cuya importación y exportación está sujeta a Permiso Previo por parte de la Secretaría de Energía*) published in the Mexico's Official Gazette (*Diario Oficial de la Federación*) on December 4, 2017, subject to Mexico's rights and obligations under the WTO Agreement, including with regard to transparency and non-discriminatory treatment; and

- (b) prohibitions or restrictions on the importation into Mexico of used tyres, used apparel, non-originating used vehicles, and used chassis equipped with vehicle motors set forth in paragraphs 1(I) and 5 of Annex 2.2.1 of the Resolution through which the Ministry of the Economy establishes Rules and General Criteria on International Trade (*Acuerdo por el que la Secretaría de Economía emite reglas y criterios de carácter general en materia de Comercio Exterior*) published in Mexico's Official Gazette (*Diario Oficial de la Federación*) on December 31, 2012.

Article 2.A.4: Measures of the United States

Article 2.3 (National Treatment) and Article 2.11 (Import and Export Restrictions) do not apply to:

- (a) controls on the export of logs of all species; and
- (b)
 - (i) measures under existing provisions of the *Merchant Marine Act of 1920* and *Passenger Vessel Services Act* and 46 U.S.C. §§ 12102, 12113, and 12116, to the extent that such measures were mandatory legislation at the time of the accession of the United States to the General Agreement on Tariffs and Trade 1947 (GATT 1947) and have not been amended so as to decrease their conformity with Part II of the GATT 1947;
 - (ii) the continuation or prompt renewal of a non-conforming provision of any statute referred to in clause (i); and
 - (iii) the amendment to a non-conforming provision of any statute referred to in clause (i) to the extent that the amendment does not decrease the conformity of the provision with Articles 2.3 (National Treatment) and 2.11 (Import and Export Restrictions).

ANNEX 2-B

TARIFF COMMITMENTS

1. The rate of customs duty for an originating good under this Agreement is indicated in each Party's Schedule to this Annex.
2. Except as otherwise provided in a Party's Schedule to this Annex, and in accordance with Article 2.4 (Treatment of Customs Duties), the rate of customs duty on originating goods is designated with "0," and these goods shall be duty-free on the date of entry into force of this Agreement.
3. For originating goods provided for in the items marked with an asterisk (*) in a Party's Schedule to this Annex, the tariff treatment set forth in Appendix 1 to that Party's Schedule applies.

TARIFF SCHEDULE OF CANADA

GENERAL NOTES

1. The provisions of this Schedule are generally expressed in terms of Canada's *Customs Tariff*, 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 Canada's *Customs Tariff*. To the extent that provisions of this Schedule are identical to the corresponding provisions of Canada's *Customs Tariff*, the provisions of this Schedule shall have the same meaning as the corresponding provisions of Canada's *Customs Tariff*.
2. This Schedule reflects Canada's applied tariff nomenclature as at July 1, 2017, which is implemented in accordance with the Harmonized System (2017 edition), and includes all tariff items of Chapter 1 through 97 of the HS that provide for a Most-Favoured-Nation (MFN) rate of customs duty.
3. For the purpose of this Agreement, Canada's Schedule is authentic in the English and French languages.
4. The base rates of customs duty for determining the interim staged rate of customs duty for a tariff item shall be those set out in Appendix 1 to this Schedule, which reflect Canada's MFN rates of duty in effect on July 1, 2017.
5. In Appendix 1 to this Schedule, the following staging categories apply to the elimination or reduction of customs duties by Canada pursuant to Article 2.4:
 - (a) customs duties on originating goods provided for in the items in staging category "0" shall be duty-free on the date of entry into force of this Agreement. For greater certainty, this rate of customs duty shall also apply to the within access quantity of any TRQ provided for these goods under Canada's Schedule to the WTO;
 - (b) customs duties on originating goods provided for in the items in staging category B6 shall be eliminated in six equal, annual stages, beginning on the date this Agreement enters into force, and these goods shall be duty-free effective January 1 of year six;
 - (c) customs duties on originating goods provided for in the items in staging category B11 shall be eliminated in eleven equal, annual stages, beginning on the date this Agreement enters into force, and these goods shall be duty-free effective January 1 of year eleven;

- (d) customs duties on originating goods provided for in the items in staging category X are exempt from tariff commitments under Article 2.4;⁴ and
- (e) customs duties on originating goods provided for in the items in a staging category denoted by “TRQ” shall be governed by the terms of the TRQ applicable to that tariff item, as outlined in Appendix 2 to this Schedule.

6. For the purposes of Appendix 1 to this Schedule:

- (a) the tariff reduction for year one shall take effect on the date this Agreement enters into force as provided for in Article 34.5 (Final Provisions – Entry into Force), with each subsequent annual stage of tariff reduction taking effect on January 1 of each subsequent year;
- (b) **year one** means the period of time beginning on the date this Agreement enters into force as provided for in Article 34.5 (Final Provisions – Entry into Force), and ending on December 31 of the same calendar year as the date of entry into force;
- (c) **year two** means the 12-month period beginning on January 1 of the calendar year immediately following the calendar year of the date this Agreement enters into force as provided for in Article 34.5 (Final Provisions – Entry into Force); and
- (d) **each subsequent year** means each subsequent 12-month period beginning on January 1 of each subsequent calendar year.

7. Interim staged rates for tariff items in Appendix 1 to this Schedule shall be rounded down at least to the nearest tenth of a percentage point or, if the rate of customs duty is expressed in monetary units, to the nearest tenth of one Canadian cent.

8. If Canada applies different preferential tariff treatment to other Parties for the same originating good in accordance with Canada’s Schedule to this Annex at the time a claim for preferential tariff treatment is made, Canada shall apply the rate of customs duty for the originating good of the Party where the last production process, other than a minimal operation, occurred.

9. For the purposes of paragraph 9, a **minimal operation** is:

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⁴ For greater certainty, Canada retains its rights and obligations under the WTO Agreement with respect to agricultural goods in staging category X.

- (a) an operation to ensure the preservation of a good in good condition for the purposes of transport and storage;
- (b) packaging, re-packaging, breaking up of consignments or putting up a good for retail sale, including placing a good in bottles, cans, flasks, bags, cases or boxes;
- (c) mere dilution with water or another substance that does not materially alter the characteristics of the good;
- (d) collection of goods intended to form sets, assortments, kits or composite goods; and
- (e) any combination of operations referred to in subparagraphs (a) through (d).

10. Notwithstanding paragraph 8, if the good is produced in the first Party from originating materials produced in the second Party, Canada shall apply the rate of customs duty for the good of the first Party, provided that the good satisfies the applicable changes in tariff classification requirement set out in Table B-1 in the territory of the first Party or in Canada.

Table B-1:

HS6	Change in Tariff Classification Requirement
1701.12	A change from any other chapter
1701.13	A change from any other chapter
1701.91	A change from any other chapter
1701.99	A change from any other chapter
1702.90	A change from any other chapter
1806.10	A change from any other heading excluding from heading 17.01
2106.90	A change from any other heading excluding from Chapter 17

TARIFF SCHEDULE OF MEXICO

GENERAL NOTES

1. The provisions of this Schedule are generally expressed in terms of Mexico's Tariff Schedule of the General Import and Export Duties Law (*Tarifa de la Ley de los Impuestos Generales de Importación y de Exportación* (LIGIE)) 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 LIGIE. To the extent that provisions of this Schedule are identical to the corresponding provisions of the LIGIE, the provisions of this Schedule shall have the same meaning as the corresponding provisions of the LIGIE.

2. This Schedule reflects Mexico's applied tariff nomenclature as of September 1st, 2018, which is implemented in accordance with the Harmonized System (2012 edition), and includes all tariff items of Chapter 1 through 97 of the HS that provide for a Most-Favored-Nation (MFN) rate of customs duty.

3. In Appendix 1 to this Schedule, pursuant to Article 2.4, customs duties on originating goods provided for in the items denoted by "excluded" shall be subject to the applicable MFN tariff rates at the time of importation.

4. For an originating good provided for in a tariff item in Appendix 1 to this Schedule, Mexico shall apply a rate of customs duty no higher than zero, if:

- (a) the good is wholly obtained, either in the territory of the United States or in the territory of the United States and of Mexico;
- (b) the good is produced entirely and exclusively from originating materials produced in the territory of the United States or in the territory of the United States and of Mexico; or
- (c) the good is produced entirely in the territory of the United States or of Mexico, provided that operations performed in, or materials obtained from the territory of Canada are considered as if they were performed in or obtained from a non-Party.

TARIFF SCHEDULE OF THE UNITED STATES

GENERAL NOTES

1. The provisions of this Schedule are generally expressed in terms of the Harmonized Tariff Schedule of the United States (HTSUS), 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 HTSUS. To the extent that provisions of this Schedule are identical to the corresponding provisions of the HTSUS, the provisions of this Schedule shall have the same meaning as the corresponding provisions of the HTSUS.
2. The base rates of duty set out in Appendix 1 to this Schedule reflect the United States' Most-Favored-Nation (MFN) rates of duty in effect on July 1, 2017.
3. In Appendix 1 to this Schedule, the following staging categories apply to the elimination or reduction of customs duties by the United States pursuant to Article 2.4:
 - (a) customs duties on originating goods provided for in the items in staging category B6 shall be eliminated in six annual stages, and such goods shall be duty-free effective January 1 of year six;
 - (b) customs duties on originating goods provided for in the items in staging category B11 shall be eliminated in eleven annual stages, and such goods shall be duty-free effective January 1 of year eleven; and
 - (c) customs duties on originating goods provided for in the items in staging category TRQ shall be governed by the terms of the TRQ for that specific tariff line, as outlined in Appendix 2 to this Schedule.
4. Interim staged rates for tariff items in Appendix 1 to this Schedule shall be rounded down to the nearest tenth of a percentage point or, if the rate of duty is expressed in monetary units, to the nearest tenth of one U.S. cent.
5. For the purposes of Appendix 1 to this Schedule, **year one** means the year this Agreement enters into force as provided in Article 34.5 (Final Provisions – Entry into Force).
6. For the purposes of Appendix 1 to this Schedule, beginning in year two, each annual stage of tariff reduction shall take effect on January 1 of the relevant year.
7. For an originating good provided for in a tariff item in Appendix 1 to this Schedule, if the United States applies different preferential treatment to one Party than to the other Party for that good:

- (a) the United States shall apply a rate of customs duty no higher than the applicable rate under the staging category set forth for that tariff item in Appendix 1 to this Schedule if the good qualifies to be marked as a good of Canada pursuant to U.S. law, without regard to whether the good is marked;⁵
- (b) the United States shall apply a rate of customs duty no higher than zero if the good qualifies to be marked as a good of Mexico pursuant to U.S. law, without regard to whether the good is marked.

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⁵ For the purposes of determining whether originating goods are eligible to enter duty-free as provided for in paragraph 15 of Section B of Appendix 2, paragraph 15(h) shall apply in lieu of this paragraph.

Appendix 2: Tariff Schedule of Canada - (Tariff Rate Quotas)

Section A: General Provisions

1. Section B of this Appendix sets out the tariff rate quotas (TRQs) that Canada shall apply to certain originating goods of the United States under this Agreement. In particular, an originating good of the United States included under this Appendix shall be subject to the rates of duty set out in this Appendix instead of the rates of duty specified in Chapter 1 through Chapter 97 of the Schedule to Canada's *Customs Tariff*. Notwithstanding any other provision of Canada's *Customs Tariff*, originating goods under this Agreement in the quantities described in Section B of this Appendix shall be permitted entry into the territory of Canada as provided in this Appendix. Furthermore, unless specified otherwise in this Schedule, any quantity of originating goods imported from a Party under a TRQ provided for in Section B of this Appendix shall not be counted towards, or reduce the in-quota quantity, of any TRQ provided for such goods under Canada's WTO tariff schedule or any other trade agreement.
2. Each good or group of goods covered by each TRQ set out in Section B is 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 established through identification of covered codes of Canada's *Customs Tariff*.
3. Canada shall administer all TRQs provided for in this Agreement and set out in Section B of this Appendix according to the following provisions:
 - (a) Canada shall administer its TRQs through an import licensing system.
 - (b) For the purposes of this Appendix, **quota year** means the 12-month period over which a TRQ applies and is allocated. "Quota year 1" has the meaning assigned to "year 1" in paragraph 6 of the Tariff Schedule of Canada - General Notes.
 - (c) Canada shall allocate its TRQs each quota year to eligible applicants. An eligible applicant means an applicant active in the Canadian food or agriculture sector. In assessing eligibility, Canada shall not discriminate against applicants who have not previously imported the product subject to a TRQ.
4. For the purposes of this Appendix, the term "metric tons" shall be abbreviated as "MT".

Section B: TRQs

5. TRQ-CA1: Milk

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	8,333
2	16,667
3	25,000
4	33,333
5	41,667
6	50,000
7	50,500
8	51,005
9	51,515
10	52,030
11	52,551
12	53,076
13	53,607
14	54,143
15	54,684
16	55,231
17	55,783
18	56,341
19	56,905

Starting in quota year 19, the quantity shall remain at 56,905 MT per year.

- (b) Canada shall apply the following provisions in the administration of this TRQ:
- (i) Up to 85 percent of the TRQ quantities set out in subparagraph (a) shall be for the importation of milk in bulk (not for retail sale) to be processed into dairy products used as ingredients for further food processing (secondary manufacturing).

- (ii) Any remainder of the TRQ quantities set out in subparagraph (a) shall be for the importation of any milk.
- (c) This paragraph applies to goods classified in the following tariff items: 0401.10.10 and 0401.20.10.
- (d) This TRQ shall be allocated on a dairy year basis, meaning from August 1 to July 31.

6. TRQ-CA2: Cream

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,750
2	3,500
3	5,250
4	7,000
5	8,750
6	10,500
7	10,605
8	10,711
9	10,818
10	10,926
11	11,036
12	11,146
13	11,257
14	11,370
15	11,484
16	11,599
17	11,715
18	11,832
19	11,950

Starting in quota year 19, the quantity shall remain at 11,950 MT per year.

- (b) Canada shall apply the following provisions in the administration of this TRQ:

- (i) Up to 85 percent of the TRQ quantities set out in subparagraph (a) shall be for the importation of cream in bulk (not for retail sale) to be processed into dairy products used as ingredients for further food processing (secondary manufacturing).
 - (ii) Any remainder of the TRQ quantities set out in subparagraph (a) shall be for the importation of any cream.
- (c) This paragraph applies to goods classified in the following tariff items: 0401.40.10, and 0401.50.10.
 - (d) This TRQ shall be allocated on a dairy year basis, meaning from August 1 to July 31.

7. TRQ-CA3: Skim Milk Powder

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,250
2	2,500
3	3,750
4	5,000
5	6,250
6	7,500
7	7,575
8	7,651
9	7,727
10	7,805
11	7,883
12	7,961
13	8,041
14	8,121
15	8,203
16	8,285
17	8,368

Quota Year	Aggregate Quantity (MT)
18	8,451
19	8,536

Starting in quota year 19, the quantity shall remain at 8,536 MT per year.

- (b) This paragraph applies to goods classified in the following tariff item: 0402.10.10.
- (c) This TRQ shall be allocated on a dairy year basis, meaning from August 1 to July 31.

8. TRQ-CA4: Butter and Cream Powder

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	750
2	1,500
3	2,250
4	3,000
5	3,750
6	4,500
7	4,545
8	4,590
9	4,636
10	4,683
11	4,730
12	4,777
13	4,825
14	4,873
15	4,922
16	4,971
17	5,021
18	5,071
19	5,121

Starting in quota year 19, the quantity shall remain at 5,121 MT per year.

- (b) Canada shall apply the following provision in the administration of this TRQ:
 - (i) Up to 85 percent in year 1 of the TRQ quantities set out in subparagraph (a) shall be for the importation of goods in bulk (not for retail sale) used as ingredients for further food processing (secondary manufacturing), reducing to 50 percent of the TRQ quantities over five years.
 - (ii) Any remainder of the TRQ quantities set out in subparagraph (a) shall be for the importation of any butter or cream powder.
- (c) This paragraph applies to goods classified in the following tariff items: 0405.10.10, 0405.20.10, 0405.90.10, 0402.21.21, and 0402.29.21.
- (d) This TRQ shall be allocated on a dairy year basis, meaning from August 1 to July 31.

9. TRQ-CA5: Industrial Cheeses

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,042
2	2,083
3	3,125
4	4,167
5	5,208
6	6,250
7	6,313
8	6,376
9	6,439
10	6,504
11	6,569
12	6,635
13	6,701
14	6,768

Quota Year	Aggregate Quantity (MT)
15	6,836
16	6,904
17	6,973
18	7,043
19	7,113

Starting in quota year 19, the quantity shall remain at 7,113 MT per year.

- (b) Only goods in bulk (not for retail sale) used as ingredients for further food processing (secondary manufacturing) shall be imported under this TRQ.
- (c) This paragraph applies to goods classified in the following tariff items: 0406.10.10, 0406.20.11, 0406.20.91, 0406.30.10, 0406.40.10, 0406.90.11, 0406.90.21, 0406.90.31, 0406.90.41, 0406.90.51, 0406.90.61, 0406.90.71, 0406.90.81, 0406.90.91, 0406.90.93, 0406.90.95, and 0406.90.98.
- (d) This TRQ shall be allocated on a calendar year basis.

10. TRQ-CA6: Cheeses of All Types

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,042
2	2,083
3	3,125
4	4,167
5	5,208
6	6,250
7	6,313
8	6,376
9	6,439
10	6,504
11	6,569
12	6,635
13	6,701

Quota Year	Aggregate Quantity (MT)
14	6,768
15	6,836
16	6,904
17	6,973
18	7,043
19	7,113

Starting in quota year 19, the quantity shall remain at 7,113 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 0406.10.10, 0406.20.11, 0406.20.91, 0406.30.10, 0406.40.10, 0406.90.11, 0406.90.21, 0406.90.31, 0406.90.41, 0406.90.51, 0406.90.61, 0406.90.71, 0406.90.81, 0406.90.91, 0406.90.93, 0406.90.95, and 0406.90.98.
- (c) This TRQ shall be allocated on a calendar year basis.

11. TRQ-CA7: Milk Powders

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	115
2	230
3	345
4	460
5	575
6	690
7	697
8	704
9	711
10	718
11	725
12	732
13	740
14	747

Quota Year	Aggregate Quantity (MT)
15	755
16	762
17	770
18	778
19	785

Starting in quota year 19, the quantity shall remain at 785 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 0402.21.11 and 0402.29.11.
- (c) This TRQ shall be allocated on a dairy year basis, meaning from August 1 to July 31.

12. TRQ-CA8: Concentrated or condensed milk

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	230
2	460
3	690
4	920
5	1,150
6	1,380
7	1,394
8	1,408
9	1,422
10	1,436
11	1,450
12	1,465
13	1,480
14	1,494
15	1,509
16	1,524

Quota Year	Aggregate Quantity (MT)
17	1,540
18	1,555
19	1,571

Starting in quota year 19, the quantity shall remain at 1,571 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 0402.91.10 and 0402.99.10.
- (c) This TRQ shall be allocated on a calendar year basis.

13. TRQ-CA9: Yogurt and Buttermilk

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	689
2	1,378
3	2,068
4	2,757
5	3,446
6	4,135
7	4,176
8	4,218
9	4,260
10	4,303
11	4,346
12	4,389
13	4,433
14	4,478
15	4,522
16	4,568
17	4,613
18	4,659
19	4,706

Starting in quota year 19, the quantity shall remain at 4,706 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 0403.10.10 and 0403.90.91
- (c) This TRQ shall be allocated on a calendar year basis.

14. TRQ-CA10: Powdered Buttermilk

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	87
2	173
3	260
4	347
5	433
6	520
7	525
8	530
9	536
10	541
11	547
12	552
13	558
14	563
15	569
16	574
17	580
18	586
19	592

Starting in quota year 19, the quantity shall remain at 592 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 0403.90.11.

(c) This TRQ shall be allocated on a calendar year basis.

15. TRQ-CA11: Whey Powder

(a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	689
2	1,378
3	2,068
4	2,757
5	3,446
6	4,135
7	4,176
8	4,218
9	4,260
10	4,303

After quota year 10 this TRQ shall be eliminated.

(b) This paragraph applies to goods classified in the following tariff items: 0404.10.21.

(c) This TRQ shall be allocated on a dairy year basis, meaning from August 1 to July 31.

16. TRQ-CA12: Products Consisting of Natural Milk Constituents

(a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	460
2	920
3	1,380
4	1,840
5	2,300

Quota Year	Aggregate Quantity (MT)
6	2,760
7	2,788
8	2,815
9	2,844
10	2,872
11	2,901
12	2,930
13	2,959
14	2,989
15	3,019
16	3,049
17	3,079
18	3,110
19	3,141

Starting in quota year 19, the quantity shall remain at 3,141 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 0404.90.10.
- (c) This TRQ shall be allocated on a calendar year basis.

17. TRQ-CA13: Ice Cream and Ice Cream Mixes

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	115
2	230
3	345
4	460
5	575
6	690
7	697
8	704

Quota Year	Aggregate Quantity (MT)
9	711
10	718
11	725
12	732
13	740
14	747
15	755
16	762
17	770
18	778
19	785

Starting in quota year 19, the quantity shall remain at 785 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 1806.20.21, 1806.90.11, 1901.90.31, 1901.90.51, 2105.00.91, and 2202.99.32.
- (c) This TRQ shall be allocated on a calendar year basis.

18. TRQ-CA14: Other Dairy

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	115
2	230
3	345
4	460
5	575
6	690
7	697
8	704
9	711
10	718
11	725

Quota Year	Aggregate Quantity (MT)
12	732
13	740
14	747
15	755
16	762
17	770
18	778
19	785

Starting in quota year 19, the quantity shall remain at 785 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 1517.90.21, 1901.20.11, 1901.20.21, 1901.90.33, 1901.90.53, 2106.90.31, 2106.90.33, 2106.90.93, and 2309.90.31.
- (c) This TRQ shall be allocated on a calendar year basis.

19. TRQ-CA15: Chicken

- (a) The aggregate quantity of originating goods described in subparagraph (b) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT eviscerated product basis)
1	47,000
2	49,000
3	51,000
4	53,000
5	55,000
6	57,000
7	57,570
8	58,146
9	58,727
10	59,314
11	59,908
12	60,507
13	61,112

Quota Year	Aggregate Quantity (MT eviscerated product basis)
14	61,723
15	62,340
16	62,963

Starting in quota year 16, the quantity shall remain at 62,963 MT per year.

- (b) This paragraph applies to goods classified in the following tariff items: 0105.94.91, 0207.11.91, 0207.12.91, 0207.13.91, 0207.14.21, 0207.14.91, 0209.90.10, 0210.99.11, 1601.00.21, 1602.20.21, 1602.32.12, and 1602.32.93.
- (c) This TRQ shall be allocated on a calendar year basis.

20. TRQ-CA16: Eggs and Egg Products

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (dozen eggs equivalent)
1	1,666,667
2	3,333,333
3	5,000,000
4	6,666,667
5	8,333,333
6	10,000,000
7	10,100,000
8	10,201,000
9	10,303,010
10	10,406,040
11	10,510,101
12	10,615,202
13	10,721,354
14	10,828,567
15	10,936,853
16	11,046,221

Starting in quota year 16, the quantity shall remain at 11,046,221 dozen eggs equivalent per year.

- (b) Canada shall apply the following provision in the administration of this TRQ:
 - (i) The TRQ quantities set out in subparagraph (a) shall be used in priority for the importation of eggs for breaking purposes for further food processing (secondary manufacturing).
 - (ii) Thirty percent of import licenses for shell egg imports will be made available to new importers.
- (c) This paragraph applies to goods classified in the following tariff items: 0407.11.91, 0407.21.10, 0407.90.11, 0408.11.10, 0408.19.10, 0408.91.10, 0408.99.10, 2106.90.51, 3502.11.10, and 3502.19.10.
- (d) This TRQ shall be allocated on a calendar year basis.

Section C: Turkey, Turkey Products, Broiler Hatching Eggs, and Chicks

21. For the purposes of this Section:

- (a) **turkey and turkey products** means goods classified in the following tariff items: 0105.99.11, 0207.24.11, 0207.24.91, 0207.25.11, 0207.25.91, 0207.26.10, 0207.27.11, 0207.27.91, 0209.90.30, 0210.99.14, 1601.00.31, 1602.20.31, 1602.31.12, and 1602.31.93; and
- (b) **broiler hatching eggs and chicks** means goods classified in the following tariff items: 0105.11.21 and 0407.11.11.

22. If Canada adopts or maintains TRQs under Canada's WTO tariff schedule on any of the goods set out in Section C, Canada shall permit the importation of such goods as follows:

- (a) The level of global import quota on turkey and turkey products, as defined in Section C, for any given year shall be no less than 3.5 percent of the previous year's domestic turkey production in Canada. Except, for a period of 10 years after the entry into force of this Agreement, Canada shall calculate the difference, in any given year, between:
 - (i) 3.5 percent of the previous year's domestic turkey production in Canada, and

(ii) 3.5 percent of that year's Canadian domestic turkey production quota.

If (i) exceeds (ii) by 1,000 metric tons or more, then Canada may restrict the level of global import quota on turkey and turkey products for that quota year to no more than 3.5 percent of that year's Canadian domestic turkey production quota plus 1,000 metric tons.

- (b) The combined level of global import quotas on broiler hatching eggs and chick products, as defined in Section C, for any given year shall be no less than 21.1 percent of the estimated Canadian domestic production of broiler hatching eggs for that year. This estimate shall be adjusted and finalized on the first of August of each year. This combined annual access level shall be subdivided into separate and distinct access levels for broiler hatching eggs and for chicks for broiler production such that the annual access level for broiler hatching eggs shall be equivalent to 17.4 percent of Canadian domestic broiler hatching egg production and the annual access level for egg-equivalent chicks shall be 3.7 percent of Canadian domestic broiler hatching egg production. Canada shall permit any person who has received an allocation of annual access for broiler hatching eggs to convert any proportion of said allocation into an allocation for chick imports at a conversion rate such that 1.27 broiler hatching eggs are equal to 1 chick. Chick import allocations may not be converted into egg import allocations, unless agreed by both Parties in advance in writing.

Appendix 2: Tariff Schedule of the United States - (Tariff Rate Quotas)

Section A: General Provisions

1. This Appendix sets out modifications to the Harmonized Tariff Schedule of the United States (HTSUS) that reflect the tariff rate quotas (TRQs) that the United States shall apply to certain originating goods from Canada under this Agreement. In particular, originating goods of Canada included under this Appendix shall be subject to the rates of duty set out in this Appendix instead of the rates of duty specified in Chapter 1 through Chapter 97 of the HTSUS. Notwithstanding any other provision of the HTSUS, originating goods of Canada in the quantities described in this Appendix shall be permitted entry into the territory of the United States as provided in this Appendix. Furthermore, except as provided below, any quantity of originating goods imported from Canada 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 the United States' WTO Tariff Schedule, the United States' WTO Schedule of Concessions or any other trade agreement.
2. Except as provided below, the United States shall administer all TRQs provided for in this Agreement and set out in this Appendix on a first-come, first-served basis.
3. For the purposes of this Appendix, **quota year** means calendar year.
4. Each good or group of goods covered by each TRQ set out below is informally described 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 by reference to the relevant Table 1 provisions.
5. For the purposes of this Appendix, the term "metric tons" shall be abbreviated as "MT".

Section B: Country-Specific TRQs

6. TRQ – US 1: Fluid Cream, Sour Cream, Ice Cream, and Milk Beverages
 - (a) This paragraph sets out a TRQ for the originating goods of Canada described in subparagraph (d). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation "US 1".

- (b) The aggregate quantity of originating goods of Canada described in subparagraph (d) that shall be permitted to enter free of duty in in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (‘000 Liters)
1	1,750
2	3,500
3	5,250
4	7,000
5	8,750
6	10,500

Starting in quota year seven, the quantity shall increase at a compounded annual growth rate of one percent for the subsequent 13 years.

- (c) Goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall continue to receive most-favored-nation tariff treatment.
- (d) This paragraph applies to the following Table 1 provisions: AG04014025, AG04015025, AG04039016, AG 21050020, and AG22029928.

7. TRQ – US 2: Skim Milk Powder

- (a) This paragraph sets out a TRQ for the originating goods of Canada described in subparagraph (d). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 2”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (d) that shall be permitted to enter free of duty in in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,250
2	2,500
3	3,750
4	5,000
5	6,250
6	7,500

Starting in quota year seven, the quantity shall increase at a compounded annual growth rate of one percent for the subsequent 13 years.

- (c) Goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall continue to receive most favored nation tariff treatment.
- (d) This paragraph applies to the following Table 1 provisions: AG04021050 and AG04022125.

8. TRQ – US 3: Butter, Cream, and Cream Powder

- (a) This paragraph sets out a TRQ for the originating goods of Canada described in subparagraph (d). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 3”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (d) that shall be permitted to enter free of duty in in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	750
2	1,500
3	2,250
4	3,000
5	3,750
6	4,500

Starting in quota year seven, the quantity shall increase at a compounded annual growth rate of one percent for the subsequent 13 years.

- (c) Goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall continue to receive most favored nation tariff treatment.

- (d) This paragraph applies to the following Table 1 provisions: AG04015075, AG04022190, AG04039065, AG04039078, AG04051020, AG04052030, AG04052070, AG04059020, AG21069026, and AG21069036

9. TRQ – US 4: Cheese

- (a) This paragraph sets out a TRQ for the originating goods of Canada described in subparagraph (d). The TRQ set out in this paragraph is designated in the Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 4”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (d) that shall be permitted to enter free of duty in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	2,083
2	4,167
3	6,250
4	8,333
5	10,416
6	12,500

Starting in quota year seven, the quantity shall increase at a compounded annual growth rate of one percent for the subsequent 13 years.

- (c) Goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall continue to receive most favored nation tariff treatment.
- (d) This paragraph applies to the following Table 1 provisions: AG04061008, AG04061018, AG04061028, AG04061038, AG04061048, AG04061058, AG04061068, AG04061078, AG04061088, AG04062028, AG04062033, AG04062039, AG04062048, AG04062053, AG04062063, AG04062067, AG04062071, AG04062075, AG04062079, AG04062083, AG04062087, AG04062091, AG04063018, AG04063028, AG04063038, AG04063048, AG04063053, AG04063063, AG04063067, AG04063071, AG04063075, AG04063079, AG04063083, AG04063087, AG04063091, AG04064070, AG04069012, AG04069018, AG04069032, AG04069037, AG04069042, AG04069048, AG04069054, AG04069068, AG04069074, AG04069078, AG04069084, AG04069088, AG04069092, AG04069094, AG04069097, and AG19019036.

10. TRQ – US 5: Whole Milk Powder

- (a) This paragraph sets out a country-specific TRQ for the originating goods of Canada described in subparagraph (d). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 5”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (d) that shall be permitted to enter free of duty in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	115
2	230
3	345
4	460
5	575
6	690

Starting in quota year seven, the quantity shall increase at a compounded annual growth rate of one percent for the subsequent 13 years.

- (c) Goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall continue to receive most favored nation tariff treatment.
- (d) This paragraph applies to the following Table 1 provisions: AG04022150, AG04022950, AG23099028, and AG23099048.

11. TRQ – US 6: Dried Yogurt, Sour Cream, Whey, and Products of Milk Constituents

- (a) This paragraph sets out a country-specific TRQ for the originating goods of Canada described in subparagraph (e). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 6”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (e) that shall be permitted to enter free of duty in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,838
2	3,677

3	5,515
4	7,353
5	9192
6	11,030

Starting in quota year seven, the quantity shall increase at a compounded annual growth rate of one percent for the subsequent 13 years.

- (c) With respect to goods described in subparagraph (e) entered in quantities in excess of the quantities listed in subparagraph (b), for those goods provided for in:
 - (i) Table 1 provisions AG04041015 and AG04041090, duties shall be removed in accordance with the provisions of staging category B11 in the General Notes to the Schedule of the United States to Annex 2-B (Tariff Commitments), and
 - (ii) any other Table 1 provision described in subparagraph (e) shall continue to receive most favored nation tariff treatment.
- (d) Starting on January 1 of quota year 11, originating goods of Canada provided for in Table 1 provisions AG04041015 and AG04041090 shall not count towards the quantities specified in subparagraph (b).
- (e) This paragraph applies to the following Table 1 provisions: AG04031050, AG04039045, AG04039055, AG04039095, AG04041015, AG04041090, and AG04049050.

12. TRQ – US 7: Concentrated Milk

- (a) This paragraph sets out a country-specific TRQ for the originating goods of Canada described in subparagraph (d). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 7”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (d) that shall be permitted to enter free of duty in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	230
2	460
3	690
4	920

5	1,150
6	1,380

Starting in quota year seven, the quantity shall increase at a compounded annual growth rate of one percent for the subsequent 13 years.

- (c) Goods entered in aggregate quantities in excess of the quantities listed in subparagraph (b) shall continue to receive MFN tariff treatment.
- (d) This paragraph applies to the following Table 1 provisions: AG04029170, AG04029190, AG04029945, AG04029955, and AG04029990.

13. TRQ – US 8: Other Dairy

- (a) This paragraph sets out a country-specific TRQ for the originating goods of Canada described in subparagraph (e). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 8”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (e) that shall be permitted to enter free of duty in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	317
2	633
3	950
4	1,267
5	1,583
6	1,900

Starting in quota year seven, the quantity shall increase at a compounded annual growth rate of one percent for the subsequent 13 years.

- (c) With respect to goods described in subparagraph (e) entered in quantities in excess of the quantities listed in subparagraph (b), for those goods provided for in:
 - (i) Table 1 provision AG15179060, duties shall be removed in accordance with the provisions of staging category B6 in the General Notes to the Schedule of the United States to Annex 2-B (Tariff Commitments), and
 - (ii) any other Table 1 provision described in subparagraph (e) shall continue to receive most favored nation tariff treatment.

- (d) Starting on January 1 of quota year 6, originating goods of Canada provided for in Table 1 provision AG15179060 shall not count towards the quantities specified in subparagraph (b).
- (e) This paragraph applies to the following Table 1 provisions: AG15179060, AG17049058, AG18062026, AG18062028, AG18062036, AG18062038, AG18062082, AG18062083, AG18062087, AG18062089, AG18063206, AG18063208, AG18063216, AG18063218, AG18063270, AG18063280, AG18069008, AG18069010, AG18069018, AG18069020, AG18069028, AG18069030, AG19011016, AG19011026, AG19011036, AG19011044, AG19011056, AG19011066, AG19012015, AG19012050, AG19019062, AG19019065, AG21050040, AG21069009, AG21069066, and AG21069087.

14. TRQ – US 9: Sugar

- (a) This paragraph sets out a country-specific TRQ for the originating goods of Canada described in subparagraph (e). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 9”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (e) that shall be permitted to enter free of duty in each quota year under this TRQ is 9,600 MT. However, no quantity shall be permitted to enter free of duty unless wholly obtained from sugar beets produced in Canada.
- (c) In any year in which the United States Secretary of Agriculture (the Secretary) makes a determination to permit the importation into the United States at in-quota tariff rates of additional quantities of refined sugar, other than specialty sugar, above the quantities made available at those rates pursuant to its commitments under the WTO Agreement and other trade agreements, including this Agreement, that is to say, additional in-quota rate imports of refined sugar, the quantity set out for that year in subparagraph (b) shall increase by an amount equal to 20 percent of the quantity of additional in-quota rate imports of refined sugar that the Secretary determines to permit to enter into the United States in that year. Any increase pursuant to this subparagraph of a quantity set out in subparagraph (b) shall not take effect until the date on which the additional in-quota rate imports of refined sugar are permitted entry into the United States. Refined sugar imported pursuant to this subparagraph may be made from non-originating raw sugar. Nothing in this paragraph shall alter Canada’s rights under the WTO Agreement with respect to any increase by the United States of the quantities of refined sugar permitted to be imported above the quantities made available at in-quota tariff rates pursuant to its commitments under the WTO Agreement and other trade

agreements, including this Agreement.

- (d) Goods entered in quantities in excess of the quantities provided under subparagraph (b) and, goods not wholly obtained from sugar beets produced in Canada, shall continue to receive most favored nation tariff treatment.
- (e) This paragraph applies to the following Table 1 provisions: AG17011250, AG17011350, AG17011450, AG17019130, AG17019950, and AG17029020.

15. TRQ – US 10: Sugar Containing Products

- (a) This paragraph sets out a country-specific TRQ for the originating goods of Canada described in subparagraph (g). The TRQ set out in this paragraph is designated in Appendix 1 of the Schedule of the United States to Annex 2-B (Tariff Commitments) with the designation “US 7”.
- (b) The aggregate quantity of originating goods of Canada described in subparagraph (g) that shall be permitted to enter free of duty in each quota year under this TRQ is 9,600 MT.
- (c) In any year for which Canada has provided the United States with a written notification in accordance with the terms of subparagraph (d) of Canada’s intent to require export certificates for the exportation of goods for import under this TRQ, the above quantity shall only be eligible for duty-free treatment if the U.S. importer makes a declaration to U.S. Customs and Border Protection (Customs), in the form and manner determined by Customs, that a valid export certificate issued by the Government of Canada is in effect for the goods.
- (d) Canada shall provide the United States with the notification referred to in subparagraph (c) at least 150 days prior to the start of each year in which Canada requires an export certificate for the exportation of goods for import under this TRQ. Canada shall provide the notification in writing to the U.S. Contact Point designated pursuant to Article 30.5 (Agreement Coordinator and Contact Points).
- (e) Goods entered within the quantity listed in subparagraph (b) that are provided for in Table 1 provisions AG17019148, AG17019158, AG17022028, AG17023028, AG17024028, AG17026028, AG17029058, AG17029068, AG18061015, AG18061028, and AG18061038 may be made from sugar refined in Canada. For the purposes of this subparagraph, **refined** means a change to a good of HS subheading 1701.91 or 1701.99 from any other subheading.
- (f) Goods entered in quantities in excess of the quantity listed in subparagraph (b) shall continue to receive MFN tariff treatment.

- (g) This paragraph applies to the following Table 1 provisions: AG17019148, AG17019158, AG17022028, AG17023028, AG17024028, AG17026028, AG17029058, AG17029068, AG17049068, AG17049078, AG18061015, AG18061028, AG18061038, AG18061055, AG18061075, AG18062073, AG18062077, AG18062094, AG18062098, AG18069039, AG18069049, AG18069059, AG19011076, AG19012025, AG19012035, AG19012060, AG19012070, AG19019068, AG19019071, AG21011238, AG21011248, AG21011258, AG21012038, AG21012048, AG21012058, AG21039078, AG21069046, AG21069072, AG21069076, AG21069080, AG21069091, AG21069094, and AG21069097.
- (h) Originating goods which last underwent production in Canada shall be considered eligible for this TRQ regardless of whether they qualify to be marked as a good of Canada pursuant to U.S. law.

Table 1

<u>Heading</u>	<u>Article Description</u>
AG04014025	Provided for in tariff item 04014025
AG04015025	Provided for in tariff item 04015025
AG04015075	Provided for in tariff item 04015075
AG04021050	Provided for in tariff item 04021050
AG04022125	Provided for in tariff item 04022125
AG04022150	Provided for in tariff item 04022150
AG04022190	Provided for in tariff item 04022190
AG04022950	Provided for in tariff item 04022950
AG04029170	Provided for in tariff item 04029170
AG04029190	Provided for in tariff item 04029190
AG04029945	Provided for in tariff item 04029945
AG04029955	Provided for in tariff item 04029955
AG04029990	Provided for in tariff item 04029990
AG04031050	Provided for in tariff item 04031050
AG04039016	Provided for in tariff item 04039016
AG04039045	Provided for in tariff item 04039045
AG04039055	Provided for in tariff item 04039055
AG04039065	Provided for in tariff item 04039065
AG04039078	Provided for in tariff item 04039078
AG04039095	Provided for in tariff item 04039095
AG04041015	Provided for in tariff item 04041015
AG04041090	Provided for in tariff item 04041090
AG04049050	Provided for in tariff item 04049050
AG04051020	Provided for in tariff item 04051020
AG04052030	Provided for in tariff item 04052030
AG04052070	Provided for in tariff item 04052070
AG04059020	Provided for in tariff item 04059020
AG04061008	Provided for in tariff item 04061008
AG04061018	Provided for in tariff item 04061018
AG04061028	Provided for in tariff item 04061028
AG04061038	Provided for in tariff item 04061038
AG04061048	Provided for in tariff item 04061048
AG04061058	Provided for in tariff item 04061058
AG04061068	Provided for in tariff item 04061068
AG04061078	Provided for in tariff item 04061078

AG04061088	Provided for in tariff item 04061088
AG04062028	Provided for in tariff item 04062028
AG04062033	Provided for in tariff item 04062033
AG04062039	Provided for in tariff item 04062039
AG04062048	Provided for in tariff item 04062048
AG04062053	Provided for in tariff item 04062053
AG04062063	Provided for in tariff item 04062063
AG04062067	Provided for in tariff item 04062067
AG04062071	Provided for in tariff item 04062071
AG04062075	Provided for in tariff item 04062075
AG04062079	Provided for in tariff item 04062079
AG04062083	Provided for in tariff item 04062083
AG04062087	Provided for in tariff item 04062087
AG04062091	Provided for in tariff item 04062091
AG04063018	Provided for in tariff item 04063018
AG04063028	Provided for in tariff item 04063028
AG04063038	Provided for in tariff item 04063038
AG04063048	Provided for in tariff item 04063048
AG04063053	Provided for in tariff item 04063053
AG04063063	Provided for in tariff item 04063063
AG04063067	Provided for in tariff item 04063067
AG04063071	Provided for in tariff item 04063071
AG04063075	Provided for in tariff item 04063075
AG04063079	Provided for in tariff item 04063079
AG04063083	Provided for in tariff item 04063083
AG04063087	Provided for in tariff item 04063087
AG04063091	Provided for in tariff item 04063091
AG04064070	Provided for in tariff item 04064070
AG04069012	Provided for in tariff item 04069012
AG04069018	Provided for in tariff item 04069018
AG04069032	Provided for in tariff item 04069032
AG04069037	Provided for in tariff item 04069037
AG04069042	Provided for in tariff item 04069042
AG04069048	Provided for in tariff item 04069048
AG04069054	Provided for in tariff item 04069054
AG04069068	Provided for in tariff item 04069068
AG04069074	Provided for in tariff item 04069074

AG04069078	Provided for in tariff item 04069078
AG04069084	Provided for in tariff item 04069084
AG04069088	Provided for in tariff item 04069088
AG04069092	Provided for in tariff item 04069092
AG04069094	Provided for in tariff item 04069094
AG04069097	Provided for in tariff item 04069097
AG15179060	Provided for in tariff item 15179060
AG17011250	Provided for in tariff item 17011250
AG17011350	Provided for in tariff item 17011350
AG17011450	Provided for in tariff item 17011450
AG17019130	Provided for in tariff item 17019130
AG17019148	Provided for in tariff item 17019148
AG17019158	Provided for in tariff item 17019158
AG17019950	Provided for in tariff item 17019950
AG17022028	Provided for in tariff item 17022028
AG17023028	Provided for in tariff item 17023028
AG17024028	Provided for in tariff item 17024028
AG17026028	Provided for in tariff item 17026028
AG17029020	Provided for in tariff item 17029020
AG17029058	Provided for in tariff item 17029058
AG17029068	Provided for in tariff item 17029068
AG17049058	Provided for in tariff item 17049058
AG17049068	Provided for in tariff item 17049068
AG17049078	Provided for in tariff item 17049078
AG18061015	Provided for in tariff item 18061015
AG18061028	Provided for in tariff item 18061028
AG18061038	Provided for in tariff item 18061038
AG18061055	Provided for in tariff item 18061055
AG18061075	Provided for in tariff item 18061075
AG18062026	Provided for in tariff item 18062026
AG18062028	Provided for in tariff item 18062028
AG18062036	Provided for in tariff item 18062036
AG18062038	Provided for in tariff item 18062038
AG18062073	Provided for in tariff item 18062073
AG18062077	Provided for in tariff item 18062077
AG18062082	Provided for in tariff item 18062082
AG18062083	Provided for in tariff item 18062083

AG18062087	Provided for in tariff item 18062087
AG18062089	Provided for in tariff item 18062089
AG18062094	Provided for in tariff item 18062094
AG18062098	Provided for in tariff item 18062098
AG18063206	Provided for in tariff item 18063206
AG18063208	Provided for in tariff item 18063208
AG18063216	Provided for in tariff item 18063216
AG18063218	Provided for in tariff item 18063218
AG18063270	Provided for in tariff item 18063270
AG18063280	Provided for in tariff item 18063280
AG18069008	Provided for in tariff item 18069008
AG18069010	Provided for in tariff item 18069010
AG18069018	Provided for in tariff item 18069018
AG18069020	Provided for in tariff item 18069020
AG18069028	Provided for in tariff item 18069028
AG18069030	Provided for in tariff item 18069030
AG18069039	Provided for in tariff item 18069039
AG18069049	Provided for in tariff item 18069049
AG18069059	Provided for in tariff item 18069059
AG19011016	Provided for in tariff item 19011016
AG19011026	Provided for in tariff item 19011026
AG19011036	Provided for in tariff item 19011036
AG19011044	Provided for in tariff item 19011044
AG19011056	Provided for in tariff item 19011056
AG19011066	Provided for in tariff item 19011066
AG19011076	Provided for in tariff item 19011076
AG19012015	Provided for in tariff item 19012015
AG19012025	Provided for in tariff item 19012025
AG19012035	Provided for in tariff item 19012035
AG19012050	Provided for in tariff item 19012050
AG19012060	Provided for in tariff item 19012060
AG19012070	Provided for in tariff item 19012070
AG19019036	Provided for in tariff item 19019036
AG19019062	Provided for in tariff item 19019062
AG19019065	Provided for in tariff item 19019065
AG19019068	Provided for in tariff item 19019068
AG19019071	Provided for in tariff item 19019071

AG21011238	Provided for in tariff item 21011238
AG21011248	Provided for in tariff item 21011248
AG21011258	Provided for in tariff item 21011258
AG21012038	Provided for in tariff item 21012038
AG21012048	Provided for in tariff item 21012048
AG21012058	Provided for in tariff item 21012058
AG21039078	Provided for in tariff item 21039078
AG21050020	Provided for in tariff item 21050020
AG21050040	Provided for in tariff item 21050040
AG21069009	Provided for in tariff item 21069009
AG21069026	Provided for in tariff item 21069026
AG21069036	Provided for in tariff item 21069036
AG21069046	Provided for in tariff item 21069046
AG21069066	Provided for in tariff item 21069066
AG21069072	Provided for in tariff item 21069072
AG21069076	Provided for in tariff item 21069076
AG21069080	Provided for in tariff item 21069080
AG21069087	Provided for in tariff item 21069087
AG21069091	Provided for in tariff item 21069091
AG21069094	Provided for in tariff item 21069094
AG21069097	Provided for in tariff item 21069097
AG22029928	Provided for in tariff item 22029928
AG23099028	Provided for in tariff item 23099028
AG23099048	Provided for in tariff item 23099048

ANNEX 2-C

PROVISIONS BETWEEN MEXICO AND THE UNITED STATES ON AUTOMOTIVE GOODS

1. This Annex does not apply to originating goods that qualify for duty free preferential tariff treatment under Chapter 4 (Rules of Origin) that are imported to the United States from Mexico and are:

- (a) passenger vehicles classified in subheadings 8703.21 through 8703.90;
- (b) light trucks classified in subheading 8704.21 or 8704.31, or
- (c) auto parts listed in the Appendix to this Annex.

2. The customs duty applied by the United States on passenger vehicles imported from Mexico classified in subheadings 8703.21 through 8703.90 that do not qualify as originating under Chapter 4 (Rules of Origin), shall not exceed the lesser of 2.5 percent or the United States' most-favored-nation (MFN) applied rate in effect at the time of the importation of the good.

3. The customs duty applied by the United States on light trucks imported from Mexico classified in subheadings 8704.21 or 8704.31 that do not qualify as originating under Chapter 4 (Rules of Origin), shall not exceed the lesser of 25 percent or the United States' MFN applied rate in effect at the time of the importation of the good.

4. The customs duty applied by the United States on auto parts imported from Mexico listed in the Appendix to this Annex that do not qualify as originating under Chapter 4 (Rules of Origin), shall not exceed the lesser of the United States' MFN applied rate in effect on August 1, 2018 or the MFN applied rate in effect at the time of the importation of the good.

5. If the United States implements any measure that increases its MFN applied rate in effect on August 1, 2018 on passenger vehicles classified in subheadings 8703.21 through 8703.90, or on auto parts listed in the Appendix to this Annex, and in order to protect Mexico's ability to export passenger vehicles and auto parts throughout the territories of the Parties at volumes that take into account Mexico's existing manufacturing capacity, the following shall apply:

- (a) The customs duty applied by the United States on a passenger vehicle classified in subheadings 8703.21 through 8703.90 imported from Mexico that does not qualify as originating under Chapter 4 (Rules of Origin) shall not exceed 2.5 percent, provided that the vehicle meets a regional value content requirement of at least 62.5 percent under the net cost method as set out under Article 4.5 (Regional Value Content). In addition, averaging provisions under Article 10.4 of the Appendix to Annex 4-B (Regional Value Content for Other Vehicles) and other

provisions under Article 10.6 of the Appendix to Annex 4-B (Regional Value Content for Other Vehicles) apply. The United States may limit this treatment to 1,600,000 vehicles in any calendar year.

- (b) The customs duty applied by the United States on an auto part listed in the Appendix to this Annex imported from Mexico that do not qualify as originating under Chapter 4 (Rules of Origin) shall not exceed the United States' MFN applied rate in effect on August 1, 2018, provided that the part meets a regional value content requirement of at least 50 percent under the net cost method, or 60 percent under the transaction value method, as set out under Article 4.5 (Regional Value Content) or any non-originating materials used in the production of the auto part are classified in a different heading than the auto part. In addition, averaging provisions under Article 10.5 of the Appendix to Annex 4-B (Regional Value Content for Other Vehicles). The United States may limit this treatment to auto parts valued at 108 billion U.S. dollars in any calendar year.
- (c) Mexico shall monitor and allocate or otherwise administer quantities of passenger vehicles and auto parts eligible for this treatment under subparagraphs (a) and (b).
- (d) The customs duty applied by the United States on passenger vehicles classified in subheadings 8703.21 through 8703.90 or auto parts listed in the Appendix to this Annex that do not qualify as originating under Chapter 4 (Rules of Origin) imported from Mexico in excess of the quantities set out in subparagraphs (a) and (b) shall be the United States' MFN applied rate in effect at the time of importation of the good.
- (e) For greater certainty, goods described under subparagraphs (a) and (b) shall be subject to Chapter 5 (Origin Procedures).

APPENDIX

AUTO PARTS

Note: For purposes of reference only, descriptions are provided next to the corresponding tariff provisions.

381900	Hydraulic Brake Fluid
382000	Anti-Freeze
392350	Stoppers, lids, caps and other closures
392630	Fittings for furniture, coachwork or the like
392690	General Use Plastic Articles
400912	Pipe, Not Reinforced/Comb. W/ Materials W/ Fittings
400922	Pipes, Vulc Rub, Reinforced/Combo With Metal,W/ Fitting
400931	Reinforced or otherwise combined only with textile materials: Without fittings
400932	Pipe of Vul Rub, Reinforced W/ Text Only Mat,W/Fittings
400942	Pipe, Reinforced/Comb W/Other Textile Mat,W/Fittings
401031	Endless Trans. Belts V-Belt/V-Ribbed/Circ 60-180Cm
401032	Endless Trans. Belts V-Belt, Circ 60-180Cm, Nesoi
401033	Endless Trans Belts V-Belt/V-Ribbed/Circ 180-240Cm
401034	Endless Trans. Belts V-Belt, Circ 180-240Cm, Nesoi
401039	Transmission Belt/Belting, of Vulcanize Rub, Nesoi
401110	New Pneumatic Tires of Rubber, for Motor Cars
401120	New Pneumatic Tires of Rubber, for Buses or Trucks
401211	Retreaded Tires of Rubber, for Use on Motor Cars
401212	Retreaded Tires of Rubber, for Use on Trucks
401219	Retreaded Tires of Rubber, Nesoi
401310	Inner Tubes of Rubber for Mot Cars, Buses & Trucks
401610	Articles Nesoi, Of Vulcanized Rubber Other Than Hard Rubber, Of Cell Rubber
401693	Gasket, Washers & Other Seals, of Vulcanized Rub
401699	Articles of Soft Vulcanized Rubber Nesoi
490890	Other
681320	Containing asbestos
681381	Not containing asbestos: brake linings and pads
681389	Not containing asbestos: other
681510	Non-electrical articles of graphite or other carbon
700711	toughened Safety Glass of Size a Shape for Vehicles Etc
700721	Laminated Safety Glass for Vehicles, Aircraft Etc.
700910	Rear-View Mirrors for Vehicles
701400	Signalling glassware and optical elements of glass (other than those of heading 7015), not optically worked.

APPENDIX

AUTO PARTS

Continued

731511	Articulated link chain and parts thereof: roller chain
731815	Threaded articles: other screws and bolts, whether or not with their nuts or washers
731816	Lugnuts
732010	Leaf Springs and Leaves Therefor, of Iron or Steel
732020	Helical Springs of Iron or Steel
830120	Locks of a Kind Used On Motor Vehicles, Base Metal
830210	Hinges, and Parts Thereof, of Base Metal
830230	Other Base Metal Mountings, Fittings Etc for Motor Vehicles
830260	Automatic door closers
830990	Other
831000	Sign plates, name-plates, address-plates and similar plates, numbers, letters and other symbols, of base metal, excluding those of heading 9405.
840731	Spark-Ignition Piston Engine for Vehicle Ex Railway Not Over 50 Cc
840732	Spark-Ignition Reciprocating Piston Engine Etc Nov 250Cc
840733	Spark-Ignition Reciprocating Piston Engine Etc >250 Nov1000Cc
840734	Spark-Ignition Reciprocating Piston Engine Etc > 1000 Cc
840820	Compression-Ignition Internal Combustion Piston Engine Etc
840991	Spark-Ignition Internal Combustion Piston Engine Parts Nesoi
840999	Spark-Ignition Reciprocating Internal Combustion Piston Engine Parts
841330	Fuel, Lub/Cooling Med Pumps for Internal Comb Piston Engine
841350	Hydraulic Fluid power Pumps
841391	Parts of hydraulic fluid power pumps
841430	Compressors Used In Refrigerating Equipment
841459	Fans, Nesoi (turbochargers and superchargers)
841480	Air/Gas Pumps, Compressors and Fans Etc, Nesoi
841520	Automotive Air Conditioners
841590	Parts, Nesoi, of Air Conditioning Machines
842123	Filtering or purifying machinery and apparatus for liquids: oil or petrol-filters for internal combustion engines
842131	Filtering or purifying machinery and apparatus for gases: intake air filters for internal combustion engines
842139	Catalytic converters
842199	Parts: other
842541	Jacks; hoists of a kind used for raising vehicles: built-in jacking systems of a type used in garages

APPENDIX

AUTO PARTS

Continued

842542	Jacks; hoists of a kind used for raising vehicles: other jacks and hoists, hydraulic
842549	Jacks, Nesoi; Hoists for Raising Vehicles, Nesoi
842691	Lifting or Handling Machinery for Road Vehicles
843110	Parts for Pulley Tackle, Hoist Ex Skip, Winches, Etc
847989	Electronic brake systems incl. ABS and ESC systems
848120	Valves for Oleohydraulic or Pneumatic Transmissions
848130	Check Valves
848180	Taps Cocks Etc for Pipe Vat Inc Thermo Control Nesoi
848210	Ball Bearings
848220	Tapered Roll Bearings, Including Cone & Roller Assemblies
848230	Spherical Roller Bearings
848240	Needle Roller Bearings
848250	Cylindrical Roller Bearing Nesoi
848280	Other Ball or Roll Bearings, Inc Comb Ball/Roll Bearings
848291	Balls, Needles and Rollers for Bearings
848299	Parts: other
848310	Transmission Shafts (Inc Cam-& Crank-Shaft), Etc.
848320	Housed Bearings, Incorp Ball or Roller Bearings
848330	Bearing Housings; Plain Shaft Bearings
848340	Gears; Ball or Roller Screws; Gear Boxes, Etc
848350	Flywheels and Pulleys, Including Pulley Blocks
848360	Clutches and Shaft Couplings (Incl. Universal Joints)
848390	Toothed Wheels, Chain Sprockets & Other Trans Elem; Parts
848410	Gaskets and similar joints of metal sheeting combined with other material or of two or more layers of metal
848420	Mechanical seals
848490	Other
848790	Other
850110	Electric Motors of an Output Not Exceeding 37.5 W
850120	Universal Ac/Dc Motors of an Output > 37.5 W
850131	Dc Motors & Generators W Output N Over 750 W
850132	Dc Motors & Generators W Output > 750W; N Over 75 Kw
850133	Dc Motors & Generators W Output > 75Kw; N Over 375Kw
850140	Other AC motors, single-phase
850152	Other AC motors, multi-phase: of an output exceeding 750 W but not exceeding 75 kW
850153	Other AC motors, multi-phase: of an output exceeding 75 kW

APPENDIX

AUTO PARTS

Continued

850300	Parts suitable for use solely or principally with the machines of heading 8501 or 8502.
850520	Electromagnetic couplings, clutches and brakes
850590	Other Electromagnets and permanent magnets, including parts
850710	Lead-Acid Batteries of a Kind Used for Stg Engines
850720	Lead-Acid Storage Batteries Nesoi
850730	Nickel-Cadmium Storage Batteries
850740	Nickel-Iron Storage Batteries
850750	Nickel-metal Hydride Batteries
850760	Lithium Ion Batteries
850780	Storage Batteries Nesoi
850790	Parts Elect Storage Batteries Including Separators Thereof
851110	Internal Combustion Engine Spark Plugs
851120	Internal Combustion Engine Magnetos, Magneto-Dynam
851130	Distributors; Ignition Coils
851140	Internal Combustion Engine Starter Motors
851150	Internal Combustion Engine Generators, Nesoi
851180	Elect Ignition/Start Equipment for Spark/Comp Engine; Generator Nesoi
851190	Parts Elect Ignition/Start Equip; Generators & Cut-Outs
851220	Elect Lighting/Visual Signaling Equipment Ex for Bicycles
851230	Electrical Sound Signaling Equipment for Motor Vehicles
851240	Windshield Wiper Defroster & Demister for Cycle/Motor Vehicle
851290	Parts Elect Lighting/Signaling Equipment Windshield Wiper Defroster Etc
851679	Other electro-thermic appliances: other
851712	Telephone sets, including telephones for cellular networks or for other wireless networks: telephones for cellular networks or for other wireless networks
851761	Other apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network: base stations
851762	Other apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network: machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus
851840	Audio-frequency electric amplifiers
851981	Sound Recording/Reproducing App Magnetic/Optical/Semiconductor Nesoi
852290	Other
852560	Transmission apparatus incorporating reception apparatus

APPENDIX

AUTO PARTS

Continued

852580	TV Cameras, Digital Cameras, Video Camera Recorders
852691	Radio navigational aid apparatus incl. GPS equip.
852692	Radio remote control apparatus
852721	Radiobroadcast Receivers for Motor Vehicles W Rcos
852729	Radiobroadcast Receivers for Motor Vehicles Nesoi
852859	Monitors, Not Incorporating TV Reception Apparatus
852910	Antennas and Antenna Reflectors and Parts Thereof
852990	Parts for Radio Trans. Radar Radio Navigational Aid
853180	Electric Sound or Visual Signaling Apparatus Nesoi
853610	Fuses
853641	Relays for a Voltage Not Exceeding 60 V
853650	Elect Switches for Voltage Not Over 1000 V, Nesoi
853690	Elect Apparatus for Protect to Elect Circuit Nov 1000 V Nesoi
853710	Controls Etc W Elect Appr for Elect Cont Nov 1000 V
853910	Sealed Beam Electric Lamp Units
854449	Other electrical conductors, for a voltage not exceeding 1,000 V: other
853921	Tungsten Halogen Electric Filament Lamps
854370	Electrical Machines & Apparatus Having Ind Functions
854430	Insulated Wiring Sets for Vehicles Ships Aircraft
854442	Other electric conductors: Fitted with connectors
854520	Electrical Carbon or Graphite Brushes
870600	Chassis W Engine for Trac, Motor Vehicle for Pass/Good & Special Purpose
870710	Bodies for Motor Cars/Vehicles for Transporting Persons
870790	Bodies for Road Tractors and Motor Vehicles (Pub Tran, Etc)
870810	Bumpers and Parts, for Motor Vehicles
870821	Safety Seat Belts for Motor Vehicles
870829	Parts & Accessories of Bodies of Motor Vehicles, Nesoi
870830	Brakes and Servo-Breaks; Parts Thereof
870840	Gear Boxes for Motor Vehicles
870850	Drive Axles with Differential for Motor Vehicles
870870	Road Wheels & Parts & Accessories for Motor Vehicles
870880	Suspension Shock Absorbers for Motor Vehicles
870891	Radiators for Motor Vehicles
870892	Mufflers and Exhaust Pipes for Motor Vehicles
870893	Clutches and Parts Thereof for Motor Vehicles
870894	Steering Wheels, Columns & Boxes for Motor Vehicles
870895	Safety Airbags with Inflator System; Parts Thereof
870899	Parts and Accessories of Motor Vehicles, Nesoi

APPENDIX

AUTO PARTS

Continued

871690	Parts Trailers, Semi-Trailer & Other Vehicle Not Mechanically Propelled
901410	Direction finding compasses
902519	Thermometers not combined with other instruments
902610	Instruments for Measuring Flow or Level of Liquids
902620	Instruments for Measuring Pressure of Liquids Gases
902710	Gas or smoke analysis apparatus: Electrical
902790	Microtomes; parts and accessories
902910	Revolution Counters, Production Counters, Etc
902920	Speedometers and Tachometers; Stroboscopes
902990	Parts for Revolution Counters, Odometer, Etc
903149	Measuring or Checking Instruments Appliances
903180	Measuring & Checking Instrument, Appliances & Mach Nesoi
903289	Auto Regulating Ins & Appr Ex Thermostat, Mnstat, Etc
903290	Parts & Accessories of Automatic Regulating Instruments
903089	Other
910400	Instrument Panel Clocks & Clock Similar, for Vehicle
940120	Seats of a Kind Used for Motor Vehicles
940190	Parts of Seats (Ex Medical, Barber, Dental Etc)
961380	Other lighters
961390	Parts