

ANNEX 3

REDUCTION AND/OR ELIMINATION OF CUSTOMS DUTIES

Section 1: Schedule of Chile

Customs Duties on Imports Originating in Malaysia

Introductory notes

- I. The tariff schedule in this Annex contains the following four columns:
- 1) **Code:** the code used in the nomenclature of the Harmonised System (HS) 2007.
 - 2) **Description:** description of the product falling under the heading.
 - 3) **Tariff:** the basic customs duty from which the tariff reduction and/or elimination programme starts.
 - 4) **Category:** the category under which the product concerned falls for the purposes of tariff reduction and/or elimination.
- II. The categories which are applicable to imports into Chile from Malaysia are the following:

- 1) **Year 0:** Customs duties shall be eliminated entirely and such goods shall be duty-free on the date this Agreement enters into force.

Category		entry into force
Year 0	Margin of preference	100%

- 2) **Year 3:** Customs duties shall be removed in three stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective January 1st of year two.

Category		entry into force	year one	year two
Year 3	Margin of preference	33.3%	66.6%	100%

- 3) **Year 5:** Customs duties shall be removed in five stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective January 1st of year four.

Category		entry into force	year one	year two	year three	year four
Year 5	Margin of preference	20.0%	40.0%	60.0%	80.0%	100%

- 4) **“EXCL”** : These products are not subject to tariff reduction and/or elimination.