

Part 2

Section 1

Notes for Schedule of Brunei Darussalam

1. For the purposes of Article 16, the following categories indicated in Column 4 in the Schedule of Brunei Darussalam, in Section 2 of this Part, shall apply:

- (a) customs duties on originating goods classified under the tariff lines indicated with "A" shall be eliminated as from the date of entry into force of this Agreement;
- (b) customs duties on originating goods classified under the tariff lines indicated with "B3" shall be eliminated in four (4) equal annual instalments from the Base Rate to free;
- (c) customs duties on originating goods classified under the tariff lines indicated with "B4" shall be eliminated in five (5) equal annual instalments from the Base Rate to free;
- (d) customs duties on originating goods classified under the tariff lines indicated with "B6" shall be eliminated in seven (7) equal annual instalments from the Base Rate to free;
- (e) customs duties on originating goods classified under the tariff lines indicated with "B8" shall be eliminated in nine (9) equal annual instalments from the Base Rate to free;
- (f) customs duties on originating goods classified under the tariff lines indicated with "B10" shall be eliminated in eleven (11) equal annual instalments from the Base Rate to free;
- (g) customs duties on originating goods classified under the tariff lines indicated with "C" shall apply at the Base Rate as from the date of entry into force of this Agreement;
- (h) customs duties on originating goods classified under the tariff lines indicated with "R" shall be reduced in accordance with the terms and conditions

set out in the note indicated in Column 5 in the Schedule of Brunei Darussalam, in Section 2 of this Part; and

- (i) the originating goods classified under the tariff lines indicated with "X" shall be excluded from any tariff commitment referred to in subparagraphs (a) through (h).

2. The terms and conditions in the following note indicated with (a) or (b) shall apply to originating goods specified with the corresponding letter in Column 5 in the Schedule of Brunei Darussalam, in Section 2 of this Part.

- (a) The rate of customs duty shall be reduced in nine (9) equal annual instalments from the Base Rate to 5.0 per cent; or
- (b) The rate of customs duty shall be reduced in eleven (11) equal annual instalments from the Base Rate to 5.0 per cent.

3. For the purposes of this Part, the term "year" means, with respect to the first year, the period from the date of entry into force of this Agreement until the coming 31 March and, with respect to each subsequent year, the twelve-month period which starts on 1 April of that year.