

GENERAL NOTES
TARIFF SCHEDULE OF THE REPUBLIC OF COLOMBIA

1. Relation to the *Arancel de Aduanas de la República de Colombia* (AACOL). The provisions of this Schedule are generally expressed in terms of the AACOL, 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 AACOL. To the extent that provisions of this Schedule are identical to the corresponding provisions of the AACOL, the provisions of this Schedule shall have the same meaning as the corresponding provisions of the AACOL.

2. Base Rates of Customs Duty.

(a) For goods other than agricultural goods as defined in Chapter Two (National Treatment and Market Access for Goods), the base rates of duty set out in this Schedule reflect the Colombian Customs Duty MFN rates of duty in effect on January 1, 2004.

(b) For agricultural goods as defined in Chapter Two (National Treatment and Market Access for Goods), the applicable base rates of duty are those set forth in this Schedule.

3. Staging. In addition to the staging categories listed in Annex 2.3, paragraph 1, this Schedule contains staging categories **H, K, L, M, N, U, V, W, X, Y, Z, AA, and BB.**

(a) Duties on originating goods provided for in the items in staging category H shall be removed in three equal annual stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective January 1 of year three.

(b) Duties on originating goods provided for in the items in staging category K shall be removed in seven equal annual stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective January 1 of year seven.

(c) Duties on originating goods provided for in the items in staging category L shall be removed in eight equal annual stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective January 1 of year eight.

(d) Duties on originating goods provided for in the items in staging category M shall be removed in nine equal annual stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective January 1 of year nine.

- (e) Duties on originating goods provided for in the items in staging category N shall be removed in 12 equal annual stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective January 1 of year 12.
- (f) Duties on originating goods provided for in the items in staging category U shall be reduced by 10 percent of the base rate beginning on the date this Agreement enters into force. On January 1 of year two, duties shall be reduced by an additional 10 percent of the base rate. On January 1 of year three, duties shall be reduced by an additional 30 percent of the base rate. On January 1 of year four, duties shall be reduced by an additional 20 percent of the base rate. On January 1 of year five, duties shall be reduced by an additional 30 percent of the base rate, and such goods shall be duty-free, effective January 1 of year five.
- (g) Duties on originating goods provided for in the items in staging category V shall be reduced by 37.5 percent of the base rate beginning on the date this Agreement enters into force. On January 1 of years two to 10, inclusive, duties shall be reduced in nine equal annual stages, and such goods shall be duty-free, effective January 1 of year 10.
- (h) Duties on originating goods provided for in the items in staging category W shall be reduced by 33 percent of the base rate beginning on the date this Agreement enters into force. On January 1 of years two to 10, inclusive, duties shall be reduced in nine equal annual stages, and such goods shall be duty-free, effective January 1 of year 10.
- (i) Duties on originating goods provided for in the items in staging category X remain at base rates during years one through five. Beginning on January 1 of year six, duties shall be reduced in 13 equal annual stages, and such goods shall be duty-free, effective January 1 of year 18.
- (j) Duties on originating goods provided for in the items in staging category Y remain at base rates during years one through 10. Beginning on January 1 of year 11, duties shall be reduced in eight equal annual stages, and such goods shall be duty-free, effective January 1 of year 18.
- (k) Duties on originating goods provided for in the items in staging category Z remain at base rates during years one through six. Beginning on January 1 of year seven, duties shall be reduced in 13 equal annual stages, and such goods shall be duty-free, effective January 1 of year 19.
- (l) Duties on originating goods provided for in the items in staging category AA remain at base rates until January 1, 2009. Beginning on January 1, 2009, or the date this Agreement enters into force, whichever is later, such goods shall be duty-free.

(m) Duties on originating goods provided for in the items in staging category BB shall be removed in 18 equal annual stages beginning on the date this Agreement enters into force, and such goods shall be duty-free, effective January 1 of year 18.

4. Colombia shall apply the following tariff treatment to originating remanufactured goods, as defined in Chapter 4 (Rules of Origin and Origin Procedures), where indicated in its Schedule: Duties on these goods shall remain at base rates during years one through five. Beginning on January 1 of year six, duties on these goods shall be removed in five equal annual stages, and such goods shall be duty-free, effective January 1 of year 10.

5. During the transition period, only a qualifying good is eligible for the in-quota tariff rate for each good specified in Appendix I; originating goods that are not qualifying goods shall be subject to the over-quota tariff rate for the good specified in Appendix I. For purposes of this note, “qualifying good” means a good that satisfies the requirements of Chapter Four (Rules of Origin and Origin Procedures), except that operations performed in or materials obtained from a Party other than the United States shall be considered as if the operations were performed in a non-Party and the material was obtained from a non-Party.