

## **Annex 2.1<sup>1</sup>**

### **Tariff Elimination**

1. Except as otherwise provided in a Party's Schedule attached to this Annex, the following staging categories apply to the elimination of customs duties by each Party pursuant to Article 2, paragraph 1:

(a) duties on goods provided for in the items in staging category A in a Party's Schedule shall be removed in two equal annual stages beginning on January 1 of year one, and such goods shall be duty-free, effective January 1 of year two;

(b) duties on goods provided for in the items in staging category B in a Party's Schedule shall be removed in four equal annual stages beginning on January 1 of year one, and such goods shall be duty-free, effective January 1 of year four;

(c) duties on goods provided for in the items in staging category C in a Party's Schedule shall be removed in five equal annual stages beginning on January 1 of year one, and such goods shall be duty-free, effective January 1 of year five;

(d) duties on goods provided for in the items in staging category D in a Party's Schedule shall be removed in ten equal annual stages beginning on January 1 of year one, and such goods shall be duty-free, effective January 1 of year ten;

(e) duties on goods provided for in the items in staging category E in a Party's schedule shall be removed in accordance with existing WTO duty-elimination commitments (WTO Schedule XX for the United States, and WTO Schedule CXLVII for the Hashemite Kingdom of Jordan).

2. The base rate of customs duty and staging category for determining the interim rate of customs duty at each stage of reduction for an item are indicated for the item in each Party's Schedule attached to this Annex.

3. For the purpose of the elimination of customs duties in accordance with Article 2, interim staged rates shall be rounded down, at least to the nearest tenth of a percentage point or, if the rate of duty is expressed in monetary units, at least to the nearest 0.001 of the official monetary unit of the Party.

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<sup>1</sup> Trade Compliance Center (<http://www.tcc.mac.doc.gov>)