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Subject to Legal Review for Accuracy, Clarity, and Consistency
April 9, 2004

GENERAL NOTES
TARIFF SCHEDULE OF THE REPUBLIC OF DOMINICAN REPUBLIC

1. Relation to the Harmonized Tariff Schedule of the Dominican Republic. The provisions of this schedule are generally expressed in terms of the Tariff Schedule of the Dominican Republic, 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 Tariff Schedule of the Dominican Republic. To the extent that provisions of this schedule are identical to the corresponding provisions of the Tariff Schedule of the Dominican Republic, the provisions of this schedule shall have the same meaning as the corresponding provisions of the Tariff Schedule of the Dominican Republic.
2. Base Rates of Customs Duty. The base rates of duty set out in this schedule reflect the MFN tariff rates of the Tariff Schedule of the Dominican Republic in effect January 1, 2003.
3. Staging. In addition to the staging categories listed in Annex 3.3, paragraph 1, this schedule contains staging categories **M, N, O, V, W, X, Y**.
 - (a) Duties on originating goods provided for in the items in staging category M shall be removed in ten stages. Beginning on the date this Agreement enters into force, duties shall be reduced by two percent each year through January 1 of year two. On January 1 of year three duties shall be reduced by an additional eight percent each year through year six. On January 1 of year seven duties shall be reduced by an additional 16 percent each year, and such goods shall be duty-free effective January 1 of year ten.
 - (b) Duties on originating goods provided for in the items in staging category N shall be removed in 12 equal annual stages beginning on January 1 of year one, and such goods shall be duty-free, effective January 1 of year 12.
 - (c) Duties on originating goods provided for in the items in staging category O shall remain at base rates of duty for years one through six. Beginning January 1 of year seven, duties shall be reduced from the base rate of duty by ten percent each year through January 1 of year ten. Beginning on January 1 of year 11, duties shall be reduced by an additional 12 percent each year, and such goods shall be duty-free effective January 1 of year 15.
 - (d) Duties on originating goods provided for in the items in staging category V shall remain at base rates of duty for years one through ten. Beginning January 1 of year 11, duties shall be reduced from the base rate by 8 percent each year through January 1 of year 15. Beginning on January 1 of year 16, duties shall be reduced

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- by an additional 12 percent each year, and such goods shall be duty-free effective January 1 of year 20.
- (e) Duties on originating goods provided for in the items in staging category W shall be removed in four equal annual stages beginning January 1 of year one, and such goods shall be duty-free effective January 1 of year four.
 - (f) Duties on originating goods provided for in the items in staging category X shall remain at base rates of duty for year one. Beginning January 1 of year two, duties shall be removed in four equal annual stages, 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 Y shall be removed in ten stages. Beginning January 1 of year one, duties shall be reduced from base rates of duty by 15 percent each year through January 1 of year five. Beginning January 1 of year six, duties shall be reduced by an additional 5 percent each year, and such goods shall be duty-free effective January 1 of year ten.
4. Tariff-rate Quotas. During the transition period, only a qualifying good is eligible for the in-quota tariff rate for each such 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 paragraph, “qualifying good” means a good that satisfies the requirements of Chapter Four (Rules of Origin and Origin Procedures), except that operations performed in or material obtained from a Central American Party shall be considered as if the operations were performed in a non-Party and the material was obtained from a non-Party.