

APPENDIX A

TARIFF RATE QUOTAS OF CANADA

Section A: General Provisions

1. This Appendix sets out the modifications to the Schedule to Canada's *Customs Tariff* that reflect the tariff rate quotas (TRQs) that Canada shall apply to certain originating goods under this Agreement. In particular, originating goods of Parties included under this Appendix shall be subject to the rates of duty set out in this Appendix in lieu of the rates of duty specified in Chapters 1 through 97 of the Schedule to Canada's *Customs Tariff*. Notwithstanding any other provision of Canada's *Customs Tariff*, originating goods under this Agreement in the quantities described in this Appendix shall be permitted entry into the territory of Canada as provided in this Appendix. Furthermore, any quantity of originating goods imported from a Party under a TRQ provided for in this Appendix shall not be counted toward the in-quota quantity of any TRQ provided for such goods under Canada's WTO tariff schedule or any other trade agreement.

2. The product or products covered by each TRQ set out in Section B are informally identified in the title to the paragraph setting out the TRQ. These titles are included solely to assist readers in understanding this Appendix and shall not alter or supersede the coverage established through identification of covered codes of Canada's *Customs Tariff*.

3. Canada shall administer all TRQs provided for in this Agreement and set out in Section B of this Appendix according to the following provisions:

- (a) Canada shall administer its TRQs through an import licensing system.
- (b) Notwithstanding the definition of "year" provided in paragraph 6(c) of Section A to Annex 2-D (Tariff Commitments), "quota year" in this appendix means the 12-month period over which a TRQ applies and is allocated. "quota year 1" has the meaning assigned to "year 1" in subparagraph 6(a)(iv)(A) of Section A to Annex 2-D (Tariff Commitments).
- (c) Canada shall allocate its TRQs each quota year to eligible applicants. An eligible applicant means a resident of Canada, active in the applicable Canadian dairy, poultry or egg sector, as appropriate, and that is compliant with *the Export and Import Permits Act* and its regulations. In assessing eligibility, Canada shall not discriminate against applicants who have not previously

imported the product subject to a TRQ but who meet the residency, activity and compliance criteria.

- (d) Canada reserves the right to allocate any TRQ or portion of a TRQ through auctioning for no more than the first seven quota years after entry into force of the Agreement for Canada.
 - (e) Canada reserves the right to allocate a portion of each TRQ, not to exceed 10 per cent of the annual aggregate quantity, in priority for the importation of goods that are in scarce supply in the Canadian market. Scarce supply means a good which is deemed not available in Canada in sufficient supply to satisfy Canadian demand.
4. Canada's TRQs shall apply to originating goods.
 5. For the purposes of this Appendix, the term "metric tonnes" shall be abbreviated as "MT".

Section B: TRQs

6. TRQ-CA1: Milk

- (a) The aggregate quantity of originating goods described in subparagraph (d) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	8,333
2	16,667
3	25,000
4	33,333
5	41,667
6	50,000
7	50,500
8	51,005
9	51,515
10	52,030
11	52,551
12	53,076
13	53,607
14	54,143
15	54,684
16	55,231
17	55,783
18	56,341
19	56,905

Starting in year 19, the quantity shall remain at 56,905 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) Canada shall apply the following provisions in the administration of this TRQ:
- (i) Up to 85 per cent of the TRQ quantities set out in subparagraph (a) shall be for the importation of milk in bulk (not for retail sale) to be processed into dairy products used as ingredients for further food processing (secondary manufacturing).
- (ii) The remainder of the TRQ quantities set out in subparagraph (a) shall be for the importation of any milk.

- (d) Subject to subparagraph (c), this paragraph applies to the following tariff items: 0401.10.20 and 0401.20.20.
- (e) This TRQ shall be allocated on a dairy year basis (August 1 – July 31).

7. **TRQ-CA2: Cream**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	500
2	515
3	530
4	546
5	563
6	580
7	597
8	615
9	633
10	652
11	672
12	692
13	713
14	734

Starting in year 14, the quantity shall remain at 734 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 0401.40.20 and 0401.50.20.
- (d) This TRQ shall be allocated on a dairy year basis (August 1 – July 31).

8. **TRQ-CA3: Skim Milk Powders**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,250
2	2,500
3	3,750
4	5,000
5	6,250
6	7,500
7	7,725
8	7,957
9	8,195
10	8,441
11	8,695
12	8,955
13	9,224
14	9,501
15	9,786
16	10,079
17	10,382
18	10,693
19	11,014

Starting in year 19, the quantity shall remain at 11,014 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff item: 0402.10.20.
- (d) This TRQ shall be allocated on a dairy year basis (August 1 – July 31).

9. **TRQ-CA4: Milk Powders**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,000
2	1,010
3	1,020
4	1,030
5	1,041
6	1,051
7	1,062
8	1,072
9	1,083
10	1,094
11	1,105
12	1,116
13	1,127
14	1,138

Starting in year 14, the quantity shall remain at 1,138 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 0402.21.12 and 0402.29.12.
- (d) This TRQ shall be allocated on a dairy year basis (August 1 – July 31).

10. **TRQ-CA5: Cream Powders**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	100
2	101
3	102
4	103
5	104
6	105
7	106
8	107
9	108
10	109
11	110
12	112
13	113
14	114

Starting in year 14, the quantity shall remain at 114 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 0402.21.22 and 0402.29.22.
- (d) This TRQ shall be allocated on a dairy year basis (August 1 – July 31).

11. **TRQ-CA6: Concentrated Milk**

- (a) The aggregate quantity of originating goods described in subparagraph (d) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	333
2	667
3	1,000
4	1,333
5	1,667
6	2,000
7	2,040
8	2,081
9	2,122
10	2,165
11	2,208
12	2,252
13	2,297
14	2,343
15	2,390
16	2,438
17	2,487
18	2,536
19	2,587

Starting in year 19, the quantity shall remain at 2,587 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) Canada shall apply the following provision in the administration of this TRQ:
- (i) Only goods destined for retail sale shall be imported under this TRQ.
- (d) Subject to subparagraph (c), this paragraph applies to the following tariff items: 0402.91.20 and 0402.99.20.
- (e) This TRQ shall be allocated on a calendar year basis.

12. **TRQ-CA7: Yogurt and Buttermilk**

- (a) The aggregate quantity of originating goods described in subparagraph (d) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,000
2	2,000
3	3,000
4	4,000
5	5,000
6	6,000
7	6,120
8	6,242
9	6,367
10	6,495
11	6,624
12	6,757
13	6,892
14	7,030
15	7,171
16	7,314
17	7,460
18	7,609
19	7,762

Starting in year 19, the quantity shall remain at 7,762 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) Canada shall apply the following provision in the administration of this TRQ:
- (i) Up to 30 per cent of the TRQ quantities set out in subparagraph (a) shall be for the importation of goods in bulk (not for retail sale) used as ingredients for further food processing (secondary manufacturing).
- (d) Subject to subparagraph (c), this paragraph applies to the following tariff items: 0403.10.20 and 0403.90.92.
- (e) This TRQ shall be allocated on a calendar year basis.

13. **TRQ-CA8: Powdered Buttermilk**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	750
2	765
3	780
4	796
5	812
6	828
7	845
8	862
9	879
10	896
11	914
12	933
13	951
14	970

Starting in year 14, the quantity shall remain at 970 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff item: 0403.90.12.
- (d) This TRQ shall be allocated on a calendar year basis.

14. **TRQ-CA9: Whey Powder**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,000
2	2,000
3	3,000
4	4,000
5	5,000
6	6,000
7	6,060
8	6,121
9	6,182
10	6,244
11	Unlimited

Starting in year 11, the quantity shall remain unlimited each year.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall be eliminated in eleven annual stages and such goods shall be duty-free effective January 1 of year 11.
- (c) This paragraph applies to the following tariff item: 0404.10.22.
- (d) This TRQ shall be allocated on a dairy year basis (August 1 – July 31).

15. **TRQ-CA10: Products Consisting of Natural Milk Constituents**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	667
2	1,333
3	2,000
4	2,667
5	3,333
6	4,000
7	4,040
8	4,080
9	4,121
10	4,162
11	4,204
12	4,246
13	4,289
14	4,331
15	4,375
16	4,418
17	4,463
18	4,507
19	4,552

Starting in year 19, the quantity shall remain at 4,552 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff item: 0404.90.20.
- (d) This TRQ shall be allocated on a calendar year basis.

16. **TRQ-CA11: Butter**

- (a) The aggregate quantity of originating goods described in subparagraph (d) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	750
2	1,500
3	2,250
4	3,000
5	3,750
6	4,500
7	4,545
8	4,590
9	4,636
10	4,683
11	4,730
12	4,777
13	4,825
14	4,873
15	4,922
16	4,971
17	5,021
18	5,071
19	5,121

Starting in year 19, the quantity shall remain at 5,121 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) Canada shall apply the following provision in the administration of this TRQ:
- (i) Up to 85 per cent of the TRQ quantities set out in subparagraph (a) shall be for the importation of goods in bulk (not for retail sale) used as ingredients for further food processing (secondary manufacturing).
- (d) Subject to subparagraph (c), this paragraph applies to the following tariff items: 0405.10.20, 0405.20.20 and 0405.90.20.
- (e) This TRQ shall be allocated on a dairy year basis (August 1 – July 31).

17. **TRQ-CA12: Industrial Cheese**

- (a) The aggregate quantity of originating goods described in subparagraph (d) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,329
2	2,658
3	3,988
4	5,317
5	6,646
6	7,975
7	8,055
8	8,135
9	8,217
10	8,299
11	8,382
12	8,466
13	8,550
14	8,636
15	8,722
16	8,809
17	8,897
18	8,986
19	9,076

Starting in year 19, the quantity shall remain at 9,076 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) Canada shall apply the following provision in the administration of this TRQ:
- (i) Only goods in bulk (not for retail sale) used as ingredients for further food processing (secondary manufacturing) shall be imported under this TRQ.
- (d) Subject to subparagraph (c), this paragraph applies to the following tariff items: 0406.10.20, 0406.20.12, 0406.20.92, 0406.30.20, 0406.40.20, 0406.90.12, 0406.90.22, 0406.90.32, 0406.90.42, 0406.90.52, 0406.90.62, 0406.90.72, 0406.90.82, 0406.90.92, 0406.90.94, 0406.90.96 and 0406.90.99.

- (e) This TRQ shall be allocated on a calendar year basis.

18. **TRQ-CA13: Mozzarella and Prepared Cheese**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	483
2	967
3	1,450
4	1,933
5	2,417
6	2,900
7	2,929
8	2,958
9	2,988
10	3,018
11	3,048
12	3,078
13	3,109
14	3,140
15	3,172
16	3,203
17	3,235
18	3,268
19	3,300

Starting in year 19, the quantity shall remain at 3,300 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 0406.20.12, 0406.20.92, 0406.30.20 and 0406.90.62.
- (d) This TRQ shall be allocated on a calendar year basis.

19. **TRQ-CA14: Cheeses of All Types**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	604
2	1,208
3	1,813
4	2,417
5	3,021
6	3,625
7	3,661
8	3,698
9	3,735
10	3,772
11	3,810
12	3,848
13	3,886
14	3,925
15	3,965
16	4,004
17	4,044
18	4,085
19	4,126

Starting in year 19, the quantity shall remain at 4,126 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 0406.10.20, 0406.20.12, 0406.20.92, 0406.30.20, 0406.40.20, 0406.90.12, 0406.90.22, 0406.90.32, 0406.90.42, 0406.90.52, 0406.90.62, 0406.90.72, 0406.90.82, 0406.90.92, 0406.90.94, 0406.90.96 and 0406.90.99.
- (d) This TRQ shall be allocated on a calendar year basis.

20. **TRQ-CA15: Ice Cream and Mixes**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,000
2	1,010
3	1,020
4	1,030
5	1,041
6	1,051
7	1,062
8	1,072
9	1,083
10	1,094
11	1,105
12	1,116
13	1,127
14	1,138

Starting in year 14, the quantity shall remain at 1,138 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 1806.20.22, 1806.90.12, 1901.90.32, 1901.90.52, 2105.00.92 and 2202.90.43.
- (d) This TRQ shall be allocated on a calendar year basis.

21. **TRQ-CA16: Other Dairy**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT)
1	1,000
2	1,010
3	1,020
4	1,030
5	1,041
6	1,051
7	1,062
8	1,072
9	1,083
10	1,094
11	1,105
12	1,116
13	1,127
14	1,138

Starting in year 14, the quantity shall remain at 1,138 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 1517.90.22, 1901.20.12, 1901.20.22, 1901.90.34, 1901.90.54, 2106.90.32, 2106.90.34, 2106.90.94 and 2309.90.32.
- (d) During the tariff phase-out for tariff item 1517.90.22, any originating imports under this tariff item shall count against this TRQ. Once the tariff for 1517.90.22 is completely eliminated, any originating imports under this tariff item shall no longer be counted against this TRQ.
- (e) This TRQ shall be allocated on a calendar year basis.

22. **TRQ-CA17: Broiler Hatching Eggs and Chicks**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (dozen eggs equivalent)
1	166,667
2	333,333
3	500,000
4	666,667
5	833,333
6	1,000,000
7	1,010,000
8	1,020,100
9	1,030,301
10	1,040,604
11	1,051,010
12	1,061,520
13	1,072,135
14	1,082,857
15	1,093,685
16	1,104,622
17	1,115,668
18	1,126,825
19	1,138,093

Starting in year 19, the quantity shall remain at 1,138,093 dozen eggs equivalent per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 0105.11.22 and 0407.11.12.
- (d) This TRQ shall be allocated on a calendar year basis.

23. **TRQ-CA18: Chicken**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT eviscerated product basis)
1	3,917
2	7,833
3	11,750
4	15,667
5	19,583
6	23,500
7	23,735
8	23,972
9	24,212
10	24,454
11	24,699
12	24,946
13	25,195
14	25,447
15	25,702
16	25,959
17	26,218
18	26,480
19	26,745

Starting in year 19, the quantity shall remain at 26,745 MT per year.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 0105.94.92, 0207.11.92, 0207.12.92, 0207.13.92, 0207.13.93, 0207.14.22, 0207.14.92, 0207.14.93, 0209.90.20, 0210.99.12, 0210.99.13, 1601.00.22, 1602.20.22, 1602.32.13, 1602.32.14, 1602.32.94 and 1602.32.95.
- (d) This TRQ shall be allocated on a calendar year basis.

24. **TRQ-CA19: Turkey**

- (a) The aggregate quantity of originating goods described in subparagraph (c) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (MT eviscerated product basis)
1	583
2	1,167
3	1,750
4	2,333
5	2,917
6	3,500
7	3,535
8	3,570
9	3,606
10	3,642
11	3,679
12	3,715
13	3,752
14	3,790
15	3,828
16	3,866
17	3,905
18	3,944
19	3,983

Starting in year 19, the quantity shall remain at 3,983 MT per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) This paragraph applies to the following tariff items: 0105.99.12, 0207.24.12, 0207.24.92, 0207.25.12, 0207.25.92, 0207.26.20, 0207.26.30, 0207.27.12, 0207.27.92, 0207.27.93, 0209.90.40, 0210.99.15, 0210.99.16, 1601.00.32, 1602.20.32, 1602.31.13, 1602.31.14, 1602.31.94 and 1602.31.95.
- (d) Canada reserves the right to determine the quota year for this TRQ prior to the date of entry into force of this Agreement.

25. **TRQ-CA20: Eggs**

- (a) The aggregate quantity of originating goods described in subparagraph (d) that shall be permitted to enter duty-free in each quota year under this TRQ is:

Quota Year	Aggregate Quantity (dozen eggs equivalent)
1	2,783,333
2	5,566,667
3	8,350,000
4	11,133,333
5	13,916,667
6	16,700,000
7	16,867,000
8	17,035,670
9	17,206,027
10	17,378,087
11	17,551,868
12	17,727,387
13	17,904,660
14	18,083,707
15	18,264,544
16	18,447,189
17	18,631,661
18	18,817,978
19	19,006,158

Starting in year 19, the quantity shall remain at 19,006,158 dozen eggs equivalent per year.

- (b) Goods entered in aggregate quantities in excess of the quantities set out in subparagraph (a) shall continue to receive MFN tariff treatment.
- (c) Canada shall apply the following provision in the administration of this TRQ:
- (i) The TRQ quantities set out in subparagraph (a) shall be used in priority for the importation of eggs for breaking purposes for further food processing (secondary manufacturing).
- (d) Subject to subparagraph (c), this paragraph applies to the following tariff items: 0407.11.92, 0407.21.20, 0407.90.12, 0408.11.20, 0408.19.20, 0408.91.20, 0408.99.20, 2106.90.52, 3502.11.20 and 3502.19.20.

- (e) This TRQ shall be allocated on a calendar year basis.