

ANNEX 2-D

TARIFF SCHEDULE OF MALAYSIA

GENERAL NOTES

1. The provisions of this Schedule are generally expressed in terms of the Malaysian *Customs Duties Order* (MCDO), 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 MCDO. To the extent that provisions of this Schedule are identical to the corresponding provisions of MCDO, the provisions of this Schedule shall have the same meaning as the corresponding provisions of MCDO.
2. The base rates of duty set out in this Schedule reflect Malaysia's Most-Favoured-Nation (MFN) rates of duty in effect on January 1, 2010.
3. In this Schedule, rates of duty expressed in monetary units shall be rounded down to the nearest hundredth of a Malaysian Ringgit.
4. The following staging categories shall apply to the elimination of customs duties by Malaysia pursuant to Article 2.4.2 (Elimination of Customs Duties):
 - (a) customs duties on originating goods provided for in the items in staging category EIF shall be eliminated entirely, and these goods shall be duty-free on the date of entry into force of this Agreement for Malaysia;
 - (b) customs duties on originating goods provided for in the items in staging category B3 shall be eliminated in three annual stages, and these goods shall be duty-free effective January 1 of year 3;
 - (c) customs duties on originating goods provided for in the items in staging category B6 shall be eliminated in six annual stages, and these goods shall be duty-free effective January 1 of year 6;
 - (d) customs duties on originating goods provided for in the items in staging category B8 shall be eliminated in eight annual stages, and these goods shall be duty-free effective January 1 of year 8;
 - (e) customs duties on originating goods provided for in the items in staging category B11 shall be eliminated in 11 annual stages, and these goods shall be duty-free effective January 1 of year 11;

- (f) customs duties on originating goods provided for in the items in staging category B13 shall be eliminated in 13 annual stages, and these goods shall be duty-free effective January 1 of year 13;
- (g) customs duties on originating goods provided for in the items in staging category B16 shall be eliminated in 16 annual stages, and these goods shall be duty-free effective January 1 of year 16; and
- (h) customs duties on originating goods provided for in the items in staging category TRQ shall be governed by the terms of the TRQ applicable to that tariff item, as outlined in Appendix A (Tariff Rate Quotas of Malaysia) to Malaysia's Schedule to Annex 2-D .

5. The annual stages referred to in paragraph 4 for the elimination or reduction of customs duties shall be equal, annual stages, except:

- (a) as provided in paragraphs 3(b)(i), 4(a)(ii) and 4(b)(ii) in Section A of this Annex; or
- (b) as otherwise provided in paragraph 4.