ANNEX VI

REFERRED TO IN ARTICLE 9

ELIMINATION OF CUSTOMS DUTIES

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ELIMINATION OF CUSTOMS DUTIES

- 1. On the date of entry into force of this Agreement, Chile shall eliminate all customs duties on imports of products originating in an EFTA State, except for products specified in the Appendix to this Annex, which shall be dealt with in the following way:
 - a) For products enumerated in the Appendix under the category "4 years", Chile shall reduce the customs duties on imports of products originating in an EFTA State in accordance with the following schedule:
 - on the date of entry into force of this Agreement to 80 % of the basic duty,
 - one year after the entry into force to 60 % of the basic duty,
 - two years after the entry into force to 40 % of the basic duty,
 - three years after the entry into force to 20 % of the basic duty,
 - four years after the entry into force the remaining duties shall be abolished.
 - b) For products enumerated in the Appendix under the category "6 years", Chile shall reduce the customs duties on imports of products originating in an EFTA State in accordance with the following schedule:
 - on the date of entry into force of this Agreement to 85 % of the basic duty,
 - one year after the entry into force to 70 % of the basic duty,
 - two years after the entry into force to 55 % of the basic duty,
 - three years after the entry into force to 40 % of the basic duty,
 - four years after the entry into force to 25 % of the basic duty,
 - five years after the entry into force to 10 % of the basic duty,
 - six years after the entry into force the remaining duties shall be abolished.
 - c) For products enumerated in the Appendix under the category "dismantling", the Parties to this Agreement undertake to negotiate the dismantling of customs duties on imports of products originating in an EFTA State not later than two years after the entry into force of this Agreement.
- 2. Chile declares its readiness to reduce its customs duties more rapidly than is provided for in this Annex if its general economic situation and the situation of the economic sector concerned so permit. A decision by the Joint Committee to accelerate the elimination of a customs duty shall supersede the terms established in this Annex for the product concerned.

3. If after the entry into force of the Association Agreement between Chile and the European Community, those parties agree on a quicker dismantling of customs duties than foreseen in that Agreement, Chile undertakes to promptly notify the EFTA States of decisions on any change in the treatment accorded to the European Community for the products listed in the Appendix to this Annex. Chile undertakes to afford the EFTA States adequate opportunity to negotiate for any improved treatment that the Parties may agree on.