

ANNEX E

REFERRED TO IN PARAGRAPH 1 OF ARTICLE 10

**CUSTOMS DUTIES ON IMPORTS OF SHIPS, BOATS AND
FLOATING STRUCTURES**

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1. Customs duties on imports into Canada of products originating in a Party and listed in the Table below and categorized as B15, shall be gradually eliminated by Canada in thirteen equal annual reductions beginning three years after the date of entry into force of this Agreement. Fifteen years after entry into force of this Agreement the customs duties shall be completely eliminated.
2. Customs duties on imports into Canada of products originating in a Party and listed in the Table below and categorized as B10, shall be gradually eliminated by Canada in eight equal annual reductions beginning three years after the date of entry into force of this Agreement. Ten years after entry into force of this Agreement the customs duties shall be completely eliminated.
3. Customs duties on imports into Canada of products originating in a Party and classified in all other tariff lines within Chapter 89 of the Harmonized System, shall be eliminated upon the date of entry into force of this Agreement.
4. For vessels of Chapter 89 of the Harmonized System that re-enter Canada, following repair or alteration within the free trade area, Canada may apply to the value of repair or alteration the rate of duty applicable to the vessel in question in accordance with this Annex.

<i>Canada Customs Tariff Line</i>	<i>Base Rate</i>	<i>Category</i>
8901.10.00*	25%	B15
8901.20.00*	25%	B10
8901.90.90*	25%	B15
8902.00.10	25%	B10
8904.00.00	25%	B15
8905.10.00	25%	B15
8905.20.10	20%	B10
8905.20.20	25%	B10
8905.90.10	20%	B10
8905.90.90	25%	B15
8906.90.90*	25%	B10

5. For the tariff lines designated (*), vessels of dimensions exceeding a length of 294.13 m and a beam of 32.31 m shall be accorded duty-free access in Canada upon the date of entry into force of this Agreement.
