

## ANNEX 2A

### SCHEDULES OF TARIFF COMMITMENTS

#### Section A: General Provisions

1. The staging category for an originating good of New Zealand imported into India is set out under the header “Staging Category” in Appendix 2A-1 (Schedule of Tariff Commitments of India) and the staging category for an originating good of India imported into New Zealand is set out under the header “Staging Category” in Appendix 2A-2 (Schedule of Tariff Commitments of New Zealand).
2. For the purposes of this Annex, the term “year” means, with respect to the first year, the period from the date of entry into force of this Agreement until 31 December of the same year and, with respect to each subsequent year, the twelve-month period which starts on 1 January of that year.
3. For the purposes of implementing equal annual instalments of tariff reduction, each annual reduction shall be implemented on 1 January of each year. For the first year, the annual tariff reduction shall be implemented on the date of entry into force of this Agreement.
4. For the purposes of the elimination or reduction of customs duties in accordance with this Annex, in the case of ad valorem duties, any fraction less than 0.1 of a percentage point shall be rounded to the nearest one decimal place (in the case of 0.05 per cent, the fraction is rounded to 0.1 per cent), and, in the case of specific duties, any fraction smaller than 0.01 of one Indian Rupee shall be rounded to the nearest two decimal places (in the case of 0.005, the fraction is rounded to 0.01).

## **Section B: Schedule of Tariff Commitments of India**

1. The base rate of customs duty (Basic Customs Duty (BCD) + Agriculture, Infrastructure and Development Cess (AIDC) + Health Cess + Social Welfare Surcharge (SWS) as applicable) for an item is set out in Appendix 2A-1 (Schedule of Tariff Commitments of India) under the header "Base Rate".
2. The following staging categories shall apply to the elimination or reduction of customs duties by India pursuant to Article 2.3 (Elimination or Reduction of Customs Duties):
  - (a) customs duties on originating goods provided for in the items in staging category 'EIF' shall be eliminated on the date of entry into force of this Agreement;
  - (b) customs duties on originating goods provided for in the items in staging category 'E3' shall be removed in three equal annual instalments beginning on the date of entry into force of this Agreement and such goods shall be free of customs duty from 1 January of year 3;
  - (c) customs duties on originating goods provided for in the items in staging category 'E5' shall be removed in five equal annual instalments beginning on the date of entry into force of this Agreement and such goods shall be free of customs duty from 1 January of year 5;
  - (d) customs duties on originating goods provided for in the items in staging category 'E5 (EIF+5)' shall not be removed in the initial five years beginning on the date of entry into force of the Agreement, and thereafter shall be removed in five equal annual instalments beginning from 1 January of year six, and such goods shall be free of customs duty from 1 January of year 10;
  - (e) customs duties on originating goods provided for in the items in staging category 'E7' shall be removed in seven equal annual instalments beginning on the date of entry into force of this Agreement, and such goods shall be free of customs duty from 1 January of year 7;
  - (f) customs duties on originating goods provided for in the items in staging category 'E10' shall be removed in ten equal annual instalments beginning on the date of entry into force of this Agreement, and such goods shall be free of customs duty from 1 January of year 10;
  - (g) customs duties on originating goods provided for in the items in staging category 'R0 to 2.5% End Duty' shall be reduced to 2.5% from the date of entry into force of this Agreement;

- (h) customs duties on originating goods provided for in the items in staging category 'R3 to 50% (EIF+5)' shall not be reduced in the initial five years beginning on the date of entry into force of the Agreement, and thereafter shall be reduced in three equal annual instalments beginning from 1 January of year six, and such goods shall be reduced to 50% of the base rate of customs duty from 1 January of year 8;
- (i) customs duties on originating goods provided for in the items in staging category 'R5 to 50%' shall be reduced in five equal annual instalments beginning on the date of entry into force of this Agreement, and customs duty on such goods shall be reduced to 50% of the base rate of customs duty from 1 January of year 5;
- (j) customs duties on originating goods provided for in the items in staging category 'R5 to 50% (EIF+5)' shall not be reduced in the initial five years beginning on the date of entry into force of the Agreement, and thereafter shall be reduced in five equal annual instalments beginning from 1 January of year six, and such goods shall be reduced to 50% of the base rate of customs duty from 1 January of year 10;
- (k) customs duties on originating goods provided for in the items in staging category 'R10 to 50%' shall be reduced in ten equal annual instalments beginning on the date of entry into force of this Agreement, and customs duties on such goods shall be reduced to 50% of the base rate of customs duty from 1 January of year 10;
- (l) customs duties on originating goods of HS 2204 and 2205 ("Wine"), as listed in Appendix 2A-1 (Schedule of Tariff Commitments of India), shall be reduced as set out in paragraph 7 of this Section;
- (m) the items indicated with "TRQ – Apples", "TRQ – Kiwifruit", "TRQ – Albumins", and "TRQ – Mānuka Honey" shall be subject to the respective tariff rate quota and conditions set out in this Section; and
- (n) originating goods classified under the tariff lines indicated with "EXC" shall be excluded from any commitment on customs duties.

*TRQ and MIP on Apples (TRQ – Apples)*

3. An originating good provided for in the items indicated with "TRQ - Apples" under the Column "Staging Category" in Appendix 2A-1 (Schedule of Tariff Commitments of India) shall be subject to the following quota treatment from the date of entry into force of this Agreement:

- (a) the aggregate quantity of originating goods of New Zealand described in subparagraph 3(b) that shall be permitted to enter India within quota, from 1 April until 31 August each year, at the rate specified below, is:

CIF Value of Apples per kg	Base Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 onwards
CIF < US\$1.25 (Out-of-quota tariff)	50%	No concession					
CIF ≥ US\$1.25 (Quota size and in-quota tariff)	50%	32,500 MT at 25%	35,000 MT at 25%	37,500 MT at 25%	40,000 MT at 25%	42,500 MT at 25%	45,000 MT at 25%

- (b) the HS code to which this TRQ applies is as follows: 0808.10.00;
- (c) originating goods imported under this Agreement outside the quota shall be subject to the applicable MFN rate;
- (d) the “CIF Value of Apples” listed in the table above shall be indexed every 10 years following entry into force of the agreement;
- (e) the indexation shall be based on India’s Wholesale Price Index (WPI) for Apple, taking the year of the Agreement (year 1) as the base year;
- (f) the Parties shall confirm the amendment to the “CIF Value of Apples” 6 months prior to the introduction of such an amendment; and
- (g) this paragraph is subject to the cooperation under Apple Action Plan with immediate effect.

*TRQ and MIP on Kiwifruit (TRQ – Kiwifruit)*

4. An originating good provided for in the items indicated with “TRQ - Kiwifruit” under the Column “Staging Category” in Appendix 2A-1 (Schedule of Tariff Commitments of India) shall be subject to the following quota treatment from the date of entry into force of this Agreement:

- (a) the aggregate quantity of originating goods of New Zealand described in subparagraph 4(b) that shall be permitted to enter India within quota, from 1 April to 15 October each year, at the rate specified below, is:

CIF Value of Kiwifruit per kg	Base Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 onwards
CIF < US\$1.80 (Out-of-quota tariff)	33%	No concession					
CIF ≥ US\$1.80 (Quota size and in-quota tariff)	33%	6,250 MT at 0%	8,000 MT at 0%	9,750 MT at 0%	11,500 MT at 0%	13,250 MT at 0%	15,000 MT at 0%
CIF ≥ US\$1.80 < US\$2.50 (Out-of-quota tariff)	33%	No concession					
CIF ≥ US\$2.50 (Out-of-quota tariff)	33%	50% MoP	50% MoP	50% MoP	50% MoP	50% MoP	50% MoP

- (b) the HS code to which this TRQ applies is as follows: 0810.50.00;
- (c) Originating goods imported under this Agreement outside the quota specified in subparagraph 4(a) shall be subject to:
- (i) for imports at a CIF of greater than or equal to US\$2.50 / kg: '50% MoP' means a reduced rate of 50% on the prevailing MFN rate shall apply from the date of entry into force of this Agreement; or
  - (ii) for imports at a CIF below US\$2.50 / kg, the applicable MFN rate shall apply;
- (d) the "CIF Value of Kiwifruit" listed in this part shall be indexed every 10 years following entry into force of the Agreement;

- (e) the indexation shall be based on India’s Wholesale Price Index (WPI) for Kiwifruit, taking the year of EIF of the Agreement (year 1) as the base year;
- (f) the Parties shall confirm the amendment to the “CIF Value of Kiwifruit” 6 months prior to the introduction of such an amendment; and
- (g) this is subject to the cooperation under Kiwifruit Action Plan with immediate effect.

*TRQ on Albumins (TRQ – Albumins)*

5. An originating good provided for in the items indicated with “TRQ - Albumins” under the Column “Staging Category” in Appendix 2A-1 (Schedule of Tariff Commitments of India) shall be subject to the following quota treatment from the date of entry into force of this Agreement:

- (a) the aggregate quantity of originating goods of New Zealand described in subparagraph 5(b) that shall be permitted to enter India within quota each year, at the rate specified below, is:

Quota Description	Base Rate	Year 1	Year 2	Year 3	Year 4	Year 5 onwards
Albumins (Quota size and in-quota tariff)	22%	1,000 MT at 11%	1,500 MT at 11%	2,000 MT at 11%	2,500 MT at 11%	3,000 MT at 11%
Albumins (Out-of-quota tariff)	22%	No concession				

- (b) the HS codes to which this TRQ applies are as follows: 3502.11.00, 3502.19.00, 3502.20.00 and 3502.90.00.
- (c) originating goods imported under this Agreement outside the quota specified in subparagraph 5(a) shall be subject to the applicable MFN rate.

*TRQ and MIP on Mānuka Honey (TRQ – Mānuka Honey)*

6. An originating good provided for in the items indicated with “TRQ – Mānuka Honey” under the Column “Staging Category” in Appendix 2A-1 (Schedule of Tariff Commitments of India) shall be subject to the following quota treatment from the date of entry into force of this Agreement:

- (a) the aggregate quantity of originating goods of New Zealand described in subparagraph 6(b) that shall be permitted to enter India within quota each year, at the rate specified below, is:

CIF Value of NZ Mānuka Honey per kg	Base Rate	Year 1	Year 2	Year 3	Year 4	Year 5 onwards
CIF < US\$20 (Out-of-quota tariff)	66%	No concession				
CIF ≥ US\$20 < US\$30 200 MT TRQ (In-quota tariff)	66%	56.1%	46.2%	36.3%	26.4%	16.5%
CIF ≥ US\$20 < US\$30 (Out-of-quota tariff)	66%	No concession				
CIF ≥ US\$30 (Out-of-quota tariff)	66%	56.1%	46.2%	36.3%	26.4%	16.5%

- (b) the HS code to which the tariff concessions set out above apply is as follows: ex 0409.00.00 (mānuka honey as certified by the New Zealand Ministry for Primary Industries);
- (c) for greater certainty, only mānuka honey certified by the New Zealand Ministry for Primary Industries, with an import price of US\$20 per kg or higher, shall be subject to the reduced customs duty set out in paragraph 1 from the date of entry into force of this Agreement, as follows:
- (i) mānuka honey with a Minimum Import Price (MIP) of greater than or equal to US\$20 per kg but below US\$30 per kg shall be subject to the reduced customs duty set out above, up to an aggregate quota quantity of 200 metric tonnes (MT) annually; and

- (ii) mānuka honey with a Minimum Import Price (MIP) of greater than or equal to US\$30 per kg shall be subject to the reduced out-of-quota customs duty as set out above;
- (d) all other honey shall be subject to the applicable MFN rate;
- (e) the “CIF Value of Honey” listed above shall be indexed every 10 years following entry into force of the Agreement;
- (f) the indexation shall be based on India’s Wholesale Price Index (WPI) for Honey, taking the year of EIF of the Agreement (year 1) as the base year;
- (g) the Parties shall confirm the amendment to the “CIF Value of the Honey” 6 months prior to the introduction of such an amendment; and
- (h) this paragraph is subject to the cooperation under the New Zealand-India Agriculture Productivity Partnership with immediate effect.

*Wine*

7. An originating good provided for in the items indicated with “Wine” under the Column “Staging Category” in Appendix 2A-1 (Schedule of Tariff Commitments of India) shall be subject to the following from the date of entry into force of this Agreement:

- (a) the applicable customs duties on wine imports from New Zealand are defined in the below table:

CIF Value of container holding 750 ml	CIF < US\$5	CIF ≥ US\$5 < US\$15	CIF ≥ US\$15
<b>Base Rate</b>	150%	150%	150%
<b>EIF</b>	150%	100%	75%
<b>Year 1</b>	150%	95%	70%
<b>Year 2</b>	150%	90%	65%
<b>Year 3</b>	150%	85%	60%
<b>Year 4</b>	150%	80%	55%

<b>CIF Value of container holding 750 ml</b>	<b>CIF &lt; US\$5</b>	<b>CIF ≥ US\$5 &lt; US\$15</b>	<b>CIF ≥ US\$15</b>
<b>Year 5</b>	150%	75%	50%
<b>Year 6</b>	150%	70%	45%
<b>Year 7</b>	150%	65%	40%
<b>Year 8</b>	150%	60%	35%
<b>Year 9</b>	150%	55%	30%
<b>Year 10</b>	150%	50%	25%

- (b) the HS codes to which this concession applies are 2204 and 2205, as listed in Appendix 2A-1 (Schedule of Tariff Commitments of India);
- (c) the “CIF Value of Wine” listed above shall be indexed every 10 years following entry into force of the Agreement;
- (d) the indexation shall be based on India’s Wholesale Price Index (WPI) for Wine, taking the year of entry into force of the Agreement as the base year; and
- (e) the Parties shall confirm the amendment to the “CIF Value of the Wine” 6 months prior to the introduction of such an amendment.

### **Section C: Administration and Implementation of Tariff-Rate Quotas**

1. Each Party shall administer tariff-rate quotas (“TRQs”) established under this Agreement in a transparent, objective, non-discriminatory and minimally burdensome manner in accordance with its laws and regulations.
2. The administration of TRQs under this Agreement shall be as conducive to trade as possible.
3. Where this Agreement enters into force during a year, the TRQ quantities for the remainder of that year shall be pro-rated and calculated as a proportion of the annual TRQ quantity.
4. Imports under TRQs established under this Agreement shall be on the basis of an TRQ Authorisation, issued on demand, conditional only on presentation by the importer of a valid export certificate. The TRQ Authorisation shall be issued without delay as soon as possible after presentation of the export certificate and shall be valid until the end of the quota year.
5. Quota management arrangements:
  - (a) New Zealand shall allocate TRQs to exporters or producers by issuing export certificates with clear details of the item, permitted quantity and the details of importer within the overall quota agreed under TRQ; and
  - (b) the competent authority for export certificates in New Zealand shall provide the competent authority of India, through electronic means to enable a streamlined process, information on allocations to exporters and designated importers in an agreed format, quarterly or as otherwise agreed.
6. Imports under TRQs established under this Agreement shall not be subject to any additional requirements, conditions or restrictions other than those set out above, unless the Parties agree otherwise.
7. If a Party considers the need to discuss a matter related to the operation of a TRQ, it may make a written request for discussions. The other Party shall respond within 30 days of the date of such a request. India may also raise concerns if it is of the view that its importers, SMEs in particular, have not been able to receive quota in a manner consistent with paragraph 1.
8. The Parties shall enter into discussions within 60 days of a request under paragraph 7, unless the Parties agree otherwise, with a view to reaching a mutually satisfactory solution. Requests for discussions shall be made through the Parties’ respective contact points designated pursuant to Article 2.18 (Contact Points).

## **Section D: Schedule of Tariff Commitments of New Zealand**

The following staging category shall apply to the elimination of customs duties by New Zealand pursuant to Article 2.3 (Elimination or Reduction of Customs Duties): customs duties on originating goods provided for in the items in staging category 'EIF' shall be eliminated on the date of entry into force of this Agreement.