ANNEX II – PART 1

**CUSTOMS DUTIES ON PRODUCTS** **ORIGINATING IN THE EU**

1. Customs duties applicable to products originating in the EU imported into the territory of the EAC Partner States for goods listed in Annex II(a), shall be eliminated upon the entry into force of this Agreement.

2. Customs duties applicable to products originating in the EU imported into the territory of the EAC Partner States for goods listed in Annex II(b) shall be progressively abolished in accordance with the following schedule:

* seven years after the entry into force of this Agreement each duty shall be reduced to 80 per cent of the basic duty,
* eight years after the entry into force of this Agreement each duty shall be reduced to 70 per cent of the basic duty,
* nine years after the entry into force of this Agreement each duty shall be reduced to 60 per cent of the basic duty,
* ten years after the entry into force of this Agreement each duty shall be reduced to 50 per cent of the basic duty,
* eleven years after the entry into force of this Agreement each duty shall be reduced to 40 per cent of the basic duty,
* twelve years after the entry into force of this Agreement each duty shall be reduced to 30 per cent of the basic duty,
* thirteen years after the entry into force of this Agreement each duty shall be reduced to 20 per cent of the basic duty;
* fourteen years after the entry into force of this Agreement each duty shall be reduced to 10 per cent of the basic duty,
* fifteen years after the entry into force of this Agreement the remaining duties shall be abolished.

3. Customs duties applicable to products originating in the EU imported into the territory of the EAC Partner States for goods listed in Annex II(c) shall be progressively abolished in accordance with the following schedule:

* twelve years after the entry into force, of this Agreement each duty shall be reduced to 95 per cent of the basic duty,
* thirteen years after the entry into force of this Agreement each duty shall be reduced to 90 per cent of the basic duty,
* fourteen years after the entry into force of this Agreement each duty shall be reduced to 85 per cent of the basic duty,
* fifteen years after the entry into force of this Agreement each duty shall be reduced to 80 per cent of the basic duty,
* sixteen years after the entry into force of this Agreement each duty shall be reduced to 70 per cent of the basic duty,
* seventeen years after the entry into force of this Agreement each duty shall be reduced to 65 per cent of the basic duty,
* eighteen years after the entry into force of this Agreement each duty shall be reduced to 60 per cent of the basic duty,
* nineteen years after the entry into force of this Agreement each duty shall be reduced to 55 per cent of the basic duty,
* twenty years after the entry into force of this Agreement each duty shall be reduced to 50 per cent of the basic duty,
* twenty-one years after the entry into force of this Agreement each duty shall be reduced to 40 per cent of the basic duty,
* twenty-two years after the entry into force of this Agreement each duty shall be reduced to 30 per cent of the basic duty,
* twenty-three years after the entry into force of this Agreement each duty shall be reduced to 20 per cent of the basic duty,
* twenty-four years after the entry into force of this Agreement each duty shall be reduced to 10 per cent of the basic duty,
* twenty-five years after the entry into force of this Agreement the remaining duties shall be abolished.

4. Customs duties applicable to products originating in the EU imported into the territory of the EAC Partner States for goods listed in Annex II(d) shall be excluded from any of the regimes of tariff phase-down contained in this Annex.