

ANNEX 2-A
TARIFF COMMITMENTS

Section A: Staging Categories Applicable to The Parties

1. The classification of goods between the Parties is as set out in each Party's respective tariff nomenclature in conformity with the Harmonized System (HS).
2. Except as otherwise provided in each Party's Schedule to this Annex, the following staging categories apply to the elimination of customs duties by each Party pursuant to Article 2.4 (Elimination of Customs Duties on Imports):
 - (a) customs duties on originating goods provided for in the items in staging category EIF in each Party's Schedule shall be eliminated entirely and these goods shall be duty-free on the date of entry into force of this Agreement;
 - (b) customs duties on originating goods provided for in the items in staging category NT1 in each Party's Schedule shall be eliminated in five equal annual stages beginning on the date this Agreement enters into force, and these goods shall be duty-free effective January 1 of year five;
 - (c) customs duties on originating goods provided for in the items in staging category NT2 in a Party's Schedule shall be eliminated in ten equal annual stages beginning on the date this Agreement enters into force, and these goods shall be duty-free effective January 1 of year ten;
 - (d) customs duties on originating goods provided for in the items in staging category NT3 in a Party's Schedule shall be eliminated in fifteen equal annual stages beginning on the date this Agreement enters into force, and these goods shall be duty-free effective January 1 of year fifteen; and
 - (e) customs duties on originating goods provided for in the items in staging category EX are exempt from tariff commitments under Article 2.4 (Elimination of Customs Duties on Imports).
3. The base rate of customs duty for determining the interim staged rate of customs duty for a tariff item shall be those set out in each Party's Schedule to this Annex, which are the most-favoured-nation rates of customs duty applied on April 1, 2022 for Indonesia, and January 1, 2022 for Canada.
4. For the purpose of the elimination of customs duties in accordance with Article 2.4 (Elimination of Customs Duties of Imports), interim staged rates shall be rounded down at least to the nearest tenth of a percentage point or, if the rate of duty is expressed in monetary units, at least to the nearest hundredth of one Canadian cent in the case of Canada and the nearest Indonesian Rupiah in the case of Indonesia.

5. For the purposes of this Annex and each Party's Schedule:
- (a) the tariff reduction for year one shall take effect on the date this Agreement enters into force as provided for in Article 26.3 (Final Provisions – Entry into Force), with each subsequent annual stage of tariff reduction taking effect on January 1 of each subsequent year;
 - (b) year one means the period of time beginning on the date this Agreement enters into force as provided for in Article 26.3 (Final Provisions – Entry into Force) and ending on December 31 of the same calendar year as the date of entry into force;
 - (c) year two means the 12-month period beginning on January 1 of the calendar year immediately following the calendar year of the date of entry into force of this Agreement as provided for in Article 26. 3 (Final Provisions – Entry into Force); and
 - (d) each subsequent year means each subsequent 12-month period beginning on January 1 of each subsequent calendar year.
6. For the purpose of this Agreement:
- (a) Canada's Schedule is available in the English, French, and Indonesian languages;⁶ and
 - (b) Indonesia's Schedule is available in the Indonesian, English, and French languages.⁷

Section B: Provisions Applicable only to Indonesia

This Section applies only to the Indonesia's Schedule, which is attached to this Annex.

7. Customs duties on originating goods provided for in the items in staging category SL shall be reduced in ten equal annual stages beginning on the date this Agreement enters into force, and such goods shall be reduced by a total of 75% of the base rate, effective January 1 of year ten.

8. Interim staged rates and final customs duties rates shall be rounded down at least to the nearest tenth of a percentage point or, if the rate of duty is expressed in monetary units, at least to the nearest Indonesian Rupiah.

⁶ Notwithstanding Article 26.7 (Final Provisions – Authentic Texts), Canada's Schedule to this Annex in the Indonesian language is only for reference purpose.

⁷ Notwithstanding Article 26.7 (Final Provisions – Authentic Texts), Indonesia's Schedule to this Annex in the French language is only for reference purpose.

Section C: Issuance of Import Permits

9. In accordance with the WTO Agreement, for originating goods imported into Indonesia and classified under Indonesian tariff items 0201.10.00, 0201.20.00, 0201.30.00, 0202.10.00, 0202.20.00, 0202.30.00, 0206.10.00, 0206.21.00, 0206.22.00, 0206.29.00, 0210.20.00, 0701.10.00, 0701.90.10, 0701.90.90, 1601.00.10, 1601.00.90, 1602.50.10, 1602.50.90, Indonesia shall issue import permits, or equivalent instruments used for import authorization, automatically and without seasonality.

Section D: Consultations on Tariff Acceleration

10. Pursuant to paragraph 3 of Article 2.4 (Elimination of Customs Duties on Imports), the Parties shall enter into consultations no later than three years after the date of entry into force of this Agreement and shall endeavor to conclude those consultations within five years of the date of entry into force of this Agreement.