(a) For parts of vehicles of headings 84.07 and 84.08, each Party shall apply the following rule:

From the first year until the end of the second year	From the beginning of the third year
MaxNOM 60 % (EXW); or RVC 45 % (FOB)	MaxNOM 50 % (EXW); or RVC 55 % (FOB)

(b) For parts of vehicles of heading 87.06, each Party shall apply the following rule:

From the first year until the end of the fourth year	From the beginning of the fifth year
MaxNOM 55 % (EXW); or RVC 50 % (FOB)	MaxNOM 50% (EXW); or RVC 55% (FOB)

(c) For parts of vehicles of heading 87.07, each Party shall apply the following rule:

From the first year until the end of the fourth year	From the beginning of the fifth year
MaxNOM 55 % (EXW); or RVC 50 % (FOB)	MaxNOM 45 % (EXW); or RVC 60 % (FOB)

(d) For parts of vehicles of heading 87.08, each Party shall apply the following rule:

From the first year until the end of the second year	From the beginning of the third year
CTH; MaxNOM 60 % (EXW); or RVC 45 % (FOB)	CTH; MaxNOM 50 % (EXW); or RVC 55 % (FOB)

4. Notwithstanding paragraphs 1 to 3, if this Agreement enters into force on any date after 1 January 2021, the Parties shall apply this Section from that date as if this Agreement had entered into force on 1 January 2021.

SECTION 3

Application of the product specific rules of origin for certain motor vehicles through production processes related to certain parts

1. For the purpose of satisfying the product specific rule of origin of Column 2 in Annex 3-B applicable to motor vehicles of subheadings 8703.21 to 8703.90, a material listed in Column (i) in the table below used in the production of those motor vehicles shall be considered as originating in a Party if:

(a) it meets the product specific rule of origin of Column 2 in Annex 3-B applicable to that material; or

(b) the production process related to that material, as laid down in Column (ii) in the table below, is carried out in a Party.

Table

Column (i) Harmonized System Classification (2017) including specific description[1]	Column (ii) Related production process
7007.11	Tempering of non-originating materials, provided that non-originating materials of heading 70.07 are not used.
7007.21	Tempering or laminating of non-originating materials, provided that non-originating materials of heading 70.07 are not used.

[1] Where a specific description of a material is included in Column (i), the related production process in Column (ii) applies only to that material.