APPENDIX A

TARIFF RATE QUOTAS OF THE UNITED KINGDOM

Section A: General Provisions

1. This Appendix sets out the country-specific tariff rate quotas (TRQs) that the United Kingdom shall apply to certain originating goods of Parties under this Agreement. In particular, originating goods of Parties included under this Appendix shall be subject to the rates of duty set out in this Appendix in lieu of the rates of duty specified in Chapters 1 through 97 of the *Tariff of the United Kingdom*. Notwithstanding any other provision of the *Tariff of the United Kingdom*, originating goods of Parties in the quantities described in this Appendix shall be permitted entry into the territory of the United Kingdom as provided in this Appendix. Furthermore, any quantity of originating goods imported from a Party under a TRQ provided for in this Appendix shall not be counted toward the in-quota quantity of any TRQ provided for such goods under the United Kingdom's WTO Tariff Schedule or any other trade agreement.

2. For the purposes of this Appendix, **year 1** means the period from January 1, 2023 through December 31, 2023 and, with respect to each subsequent year, the 12-month period which starts on January 1 of that year.

3. If this Agreement enters into force for the United Kingdom during a TRQ year, the quota quantity for that year shall be calculated in accordance with Article 2.30.2 (Allocation) of the TPP as incorporated into the CPTPP.

4. With respect to CSQ-UK1 to CSQ-UK6, the United Kingdom may change the administration of a TRQ in this Appendix from a first-come, first-served system to an import licensing system, or return from an import licensing system to a first-come, first-served system in accordance with the following conditions:

(a) if 75 per cent or more of the annual aggregate quantity is imported into the United Kingdom under a TRQ for two consecutive years, the United Kingdom may change the administration of the TRQ for the following years to an import licensing system;

(b) if, subsequent to the change from a first-come, first-served system to an import licensing system as referred to in paragraph 4(a), less than 75 per cent of the annual aggregate quantity is imported into the United Kingdom under a TRQ in a given year, the United Kingdom and the Parties subject to the CSQ may consider returning to a first-come, first-served system following consultations between the United Kingdom and the Parties subject to the CSQ on the necessity and opportunity of such change;

(c) the United Kingdom shall publish a notice of its intention to change the system of administration of the TRQ and shall inform the Parties by providing the relevant website links that provide notification;

(d) the change shall only take effect from January 1 of the year following publication of that notice; and

(e) the publication of the notice shall occur at least 90 days prior to the change taking effect.

5. With respect to CSQ-UK1 to CSQ-UK6, if the United Kingdom changes to an import licensing system as per paragraph 4(a), the United Kingdom may:

(a) require that, to be eligible for quota allocation, an applicant is established in the United Kingdom and registered under the *Value Added Tax Act 1994*;

(b) require that an applicant provide evidence of having imported, at any point during the relevant reference period[1], at least 25 tonnes of goods of a description falling within the same sector as specified on the licence application, but shall not otherwise discriminate against eligible applicants who have not previously imported the product;

(c) require that an applicant pay a security, to be received within the same time limit as a quota application, with the security to be limited to the approximate amount required to dissuade speculative acquisition of TRQ licenses; or

(d) proportionally reduce each licence application if a quota is oversubscribed, using a uniform allocation coefficient that shall be made public.

6. The product or products covered by each TRQ set out in Section B of this Appendix are informally identified in the title to the paragraph setting out the TRQ. These titles are included solely to assist readers in understanding this Appendix and shall not alter or supersede the coverage established through identification of covered tariff items of the *Tariff of the United Kingdom*.

7. For the purposes of this Appendix, the term "metric tonnes" shall be abbreviated as "MT".

[1] "Relevant reference period" means the 12-month period ending two months before an application can be submitted for any given quota year and the 12-month period immediately prior to that.