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Agenda Item: 2.1.6

2016 APEC Economy Progress in Implementing Their Commitments to Reduce Tariffs on the 54 Products in the APEC List of Environmental Goods to Five Per Cent or Less by the End of 2015

Purpose: Consideration Submitted by: CTI Chair



Concluding Senior Officials' Meeting Lima, Peru 14-15 November 2016

2016 APEC Economy Progress in Implementing their Commitments to Reduce Tariffs on the 54 products in the APEC List of Environmental Goods to five per cent or less by the end of 2015

APEC Economy	Submission Date of Detailed Implementation Plan and Date of Subsequent Revision/s	Date of implementation of tariff reductions	Contact Officer(s) for further information	Legislative Authority used to enact implementation
Australia	30 April 2015	Already implemented	tarifftradepolicy@industry.gov.au	In Australia, rates of customs duty and the structure of the tariff are established under the Customs Tariff Act 1995. Reductions in customs duty and restructuring of the nomenclature may be implemented through amendment to the Customs Tariff Act 1995.
Brunei Darussalam	11 June 2015	Already implemented	Ms Lee Kok Ting Second Secretary Department of Economic Cooperation Ministry of Foreign Affairs and Trade +673 2383374 ext 1889/ +673 8831188 kokting.lee@mfa.gov.bn	Ministry of Finance, Brunei Darussalam
Canada	8 May 2015	Already implemented.	Mr. Jean-Louis Wallace Deputy Director, APEC Unit South, Southeast Asia & Oceania Commercial Relations (APEC) Global Affairs Canada Tel: + (343) 203-2360 Jean- louis.wallace@international.gc.ca	In Canada, rates of import customs duty and the structure of the national tariff nomenclature are established under the Customs Tariff statute. Section 14 of the statute provides for the modification, by regulation, of the schedule of tariff items and rates of customs duty to give effect to an agreement relating to international trade. The regulatory vehicle is

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				an Order in Council that is considered by Cabinet and the Governor General. Approved regulations are published in the Canada Gazette. Most of Canada's applied MFN tariffs on the goods contained in the list announced by APEC Leaders in September 2012 were at 5% or less. Of three tariff items with applied MFN tariffs exceeding 5%, one tariff item was inconsistent with the ex-outs for that subheading, and two tariff items were covered by the initiative and required reductions in their applied MFN tariffs. These tariffs were reduced on 8 March 2013. The Order in Council that implemented that reduction was published in the Canada Gazette on 27 March 2013: http://www.gazette.gc.ca/rp-pr/p2/2013/2013-03-27/html/sor-dors43-eng.html

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China	13 November 2015	1 January 2016	Mr Wang Chunyang Department of International Trade & Economic Affairs Ministry of Commerce The People's Republic of China	The State Council has approved the adjustment of related tariff lines in accordance with China's detailed implementation plan and the reduction has entered into force as of January 1, 2016. Details can be found on the official website of Ministry of Finance of China (www.mof.gov.cn)
			Tel: 86-10-65197765 Fax: 86-10-65197980 wangchunyang@mofcom.gov.cn	
Chile	5 September 2015	In implementation	Ms Krasna Bobenrieth Head of the APEC Department General Directorate for International Economic Affairs Ministry of Foreign Affairs Tel: +56228275550 kbobenrieth@direcon.gob.cl	A bill to implement a flat rate of 5% tariff to the list of 54 goods has been presented to Congress. Currently that bill is in the lower chamber, within the Finance Committee.
Hong Kong, China	31 March 2015	Already implemented	Ms Monica Chen Assistant Director-General of the Trade and Industry Department Hong Kong, China Tel: +852 2398 5305 monicachen@tid.gov.hk	Hong Kong, China applies zero tariff on all imports under the 54 HS subheadings (sixdigit) in APEC's Environmental Goods (EG) initiative. As such, no changes are required in Hong Kong, China's MFN tariffs to meet the APEC EG commitments.

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Indonesia	24 February 2016	We expected to be fully comply to the APEC EGs commitments on 2021.	Directorate APEC & International Organization Negotiation Ministry of Trade ctiindonesia@gmail.com Directorate International Industrial Market Access Ministry of Industry regional2.kii@gmail.com	 In light of APEC Leaders' Commitment in 2012 to reduce applied tariff rates to 5% or less by the end of 2015, Indonesia has now imposed a 0-5% MFN tariffs on 46 subheadings (HS 6) of the APEC Environmental Goods List. As established under Law on Customs No. 10/1995 on Section III and amended by Law on Customs No. 17/2006, the rates of Indonesia's import tariff duty are to be regulated under a derivative legal instruments, such as ministerial regulation published by the related ministries. While, unilateral liberalization is subject to domestic stakeholders' approval. Indonesia is now in process of reducing tariffs for the tariff lines (HS10) that has not been complied. Taking into account the economic circumstances, 3 of them have been reduced to 5%, while the other 13 will have the tariffs reduced gradually year by year. These reduction scheme has been regulated in a Minister of Finance Regulation No. 134/PMK.010/2016. Meanwhile, importers of the remaining 8

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				subheadings may use the published Minister of Finance Regulation No. 101/PMK.04/2007 that regulates import duty exemption on imported equipment and materials used to prevent environmental pollution. Under the regulation, any imported equipment and material used on the purpose of environmental pollution prevention could be exempted from tariff application upon the recommendation from Minister of Environment and subject to the approval of Minister of Finance.
Japan	16 April 2015	Already Implemented	Mr Kiyoshi Shimonishi APEC Division, Economic Bureau, MOFA, JAPAN Direct: +81-3-5501-8342 kiyoshi.shimonishi@mofa.go.jp	In Japan, rates of customs duty and structure of the tariff are stipulated in the Customs Law (established in 1954, latest revision was in Jul2015), the Custom Tariff Law (established in 1910, latest revision was in Mar 2014.) and the Temporary Tariff Measures Law (established in 1960, latest revision was in Mar 2015). Legislative Authority is Ministry of Finance.

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Korea	6 November 2015	1 January 2016	Mr Jin KIM Director(APEC), Multilateral Trade Cooperation Division Ministry of Trade, Industry and Energy Mobile: +82-10-8637-7425 mtrade@korea.kr	The Korean government amended the "Schedules for International Cooperation Duty Rates", a presidential decree, pursuant to the relevant article of Korea's Customs Act (Act No. 12847, Dec. 23, 2014) as the legislative vehicle for the tariff rate reduction. The amendment was completed on December 30, 2015 (Presidential Decree No.26764, Dec. 30, 2015), and the reduced tariff rates are applied to the APEC environmental goods from 1 January 2016.
Malaysia	12 October 2015	1 January 2016	Ms Aedreena ReezaAlwi aedreena@miti.gov.my; apecmiti@miti.gov.my	In Malaysia, rates of import tariffs and the structure of the tariffs are established under Section 11 of Customs Act 1967. Under the provision, reductions in import duties and restructuring of the nomenclature can be implemented through orders published in the Federal gazette, namely as Customs Duties Order. Malaysia has fulfilled the commitments under the APEC Environmental Goods List 2012 which came into effect on 1January 2016. This amendment is reflected under the Customs Duties (Amendment) (No.3) Order 2015 which can be accessed via: http://www.federalgazette.agc.gov.my/output

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				p/pua 20151229 P.U.%20%28A%29%20305 PDK%28Pindaan%29%28No%203%292015%20 %28approved%20by%20KU%29.pdf
Mexico	11 November 2015	Already Implemented. (January 6, 2016)	Ms Monica Lopez monica.lopez@economia.gob.mx	Mexico applies 5% or zero tariff on several imports from APEC environmental goods list through its current Mexican General Import and Export Customs Tariff Law (Ley de los Impuestos Generales de Importación y Exportación, LIGIE). In order to fully implement commitments on the EGs list, in line with the Mexican legislation, particularly with the LIGIE, Mexico published the "Decree which modifies the LIGIE" providing amendments to the Law that create certain tariff codes for environmental goods; modify certain descriptions to classify specific environmental goods; and modify and reduce the tariff duty to a level of 5%. The Decree was published in the Official Gazette on January 6, 2016. Through this Decree Mexico is fully implementing the environmental goods list.

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				Full text of the amendment is available at: http://www.dof.gob.mx/nota_detalle.php?codigo=5422212&fecha=06/01/2016
New Zealand	01 March 2015	Already Implemented	Mr Paul Hawkes Tel: +64 4 439 7908 paul.hawkes@mfat.govt.nz	In New Zealand, rates of import tariff duty and the structure of the tariff are established under the Tariff Act 1988. Section 9 of the Tariff Act 1988 provides for alterations and modifications of the Tariff and section 10 provides for alterations to nomenclature. Under these provisions, reductions in tariff-duty and restructuring of the nomenclature that do not impose higher tariff-duty may be implemented through regulations, namely by Order in Council. Tariffs can be found online at The Ministry of Foreign Affairs and Trade's FTA Tariff Finder. https://tariff-finder.fta.govt.nz/

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Papua New Guinea	01 May 2015	By the end of 2015.	Ms Julie Wapo Juliewapo22@gmail.com	Papua New Guinea's tariff is governed under the PNG Customs Tariff Act which is administered by the PNG Customs Service. PNG is in its final phase of tariff reduction which commenced in 2006 and will end in 2018. Any further reductions to the tariff is the responsibility of the PNG Treasury Department. Out of the 54 goods on the APEC EGS List 53 are already at zero tariff and one (4418.79 Bamboo flooring) is currently at 15% by 2018 the tariff will reduce to 10%. All changes to the tariff is normally done through the annual budget sessions of the PNG Parliament in November. PNG intends to reduce the tariff rate on bamboo floorings to 5% bycreating and additional tariff line specifically for bamboo floorings hopefully by November 2015 through our annual budget session.

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Peru	31 August 2015	Already implemented.	Mrs Angela Guerra aguerra@mincetur.gob.pe	Peru has completed the MFN tariffs' reductions under 5%, actually at 0%, for all the tariff lines included in the APEC List of Environmental Goods.
Philippines	31 August 2015	Already implemented	Atty. Katherine G. Sinson Department of Trade and Industry Tel: +63 2 465 3300 KatherineSinson@dti.gov.ph	Executive Order (EO) 185 was signed by the President on 26 June 2015 with immediate effect, bringing down the rates of the relevant goods (three lines) to five percent. The full text of EO 185 is available at: www.gov.ph/2015/06/26/executive- order-no-185-s-2015/ In general, the nomenclature and MFN rates of duty are provided under the Tariff and Customs Code of the Philippines (TCCP), as amended. Section 401 of the TCCP, as amended, empowers the President, upon recommendation of the National Economic Development Authority (NEDA), to modify import duties (including any necessary change in nomenclature).

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Russia	10 November 2015	We expected to be fully comply to the APEC EGs commitments on early 2017	Ms Chistyakova Ekaterina, Department of Trade Negotiations Tel: +7 495 651 76 33 chistjakovaes@economy.gov.ru	According to amendments to HS Nomenclature effective from 2017 the subheading 4418.72 will be deleted and substituted for the subheading 4418.73. By consensus member-states of Eurasian Economic Union have decided based on the mentioned amendments to reduce import tariff on flooring panels of bamboo to 5 per cent in Common Customs Tariff of Eurasian Economic Union (EAEU) in early2017. Regarding these items import tariff is expected to go down by 5 % from September 2016'*'.
Singapore	30 April 2015	Already Implemented.	Mr Benjamin Tan Benjamin Tan@mti.gov.sg	MFN tariffs for all Goods (except for 6 lines) into Singapore are free. As such, no changes are required in Singapore's MFN tariffs to meet these commitments.

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Chinese Taipei	19 May 2016	Already implemented	Hung-lin, Yuan hlyuan@trade.gov.tw; ctboft@gmail.com	In Chinese Taipei, the process of reducing tariff rates involves policy approval by the Customs Tariff Commission under the Ministry of Finance, whose determination is submitted to the Ministry of Finance and subsequently referred to the Executive Yuan for approval. In case the Executive Yuan approves the draft amendments, they are then referred to the Legislative Yuan for deliberation. The office of the president promulgates the customs import tariff amendments shortly after they are passed by the Legislative Yuan. The original APEC EGs implementation plan of 4 tariff lines took effect on 9 December, 2015. The additional EGs implementation plan of 2 tariff lines was approved by the Legislative Yuan on April 26 and took effect on 19 May, 2016.
Thailand	13 May 2016	The tariffs on 51 products out of 54 products in APEC EGs list have been reduced to 5% or less. For the remaining 3 APEC EGs, which are 9032.89, 9032.90 and	Ms Siritala Saengduang Fiscal Policy Office siritala@fpo.go.th	The tariff system of Thailand is under the Customs Tariff Decree B.E. 2530 (A.D. 1987). With the Cabinet's approval, statutory rates can be adjusted, i.e. rates can be reduced or a special duty can be imposed (but not more than 50 percent of the statutory rate). The general rates can be applied to imports from all countries (WTO and non-WTO

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		9033.00, they have been reduced to 7%.		members). Decreasing or increasing general tariffs requires an amendment to Section 12 of the Customs Tariff Decree B.E. 2530 (A.D. 1987). The notification which reduce EGs product's tariff is The Notification of the Ministry of Finance Re: Reduction and Exemption of Customs Duty According to Section 12 of the Customs Tariff Decree B.E. 2530 (No.14) 13 May 2016.
United States	06 August 2015	Already implemented.	Mr Bill McElnea Director, Environment and Natural Resources Office of the USTR	Tariffs reduced by Presidential proclamation. Link to proclamation:
	December 2015	Presidential proclamation issued on December 23, 2015. Tariff cuts went into effect on December 31, 2015.	william k mcelnea@ustr.eop.gov	https://www.whitehouse.gov/the-press- office/2015/12/23/presidential-proclamation- harmonized-tariff-schedule-united-states
Viet Nam	November 2015	Already implemented.	Mr NGUYEN Minh Tri triNM@moit.gov.vn	Ministry of Finance issued the Circular No. 05/2016/TT-BTC dated January 13, 2016 amending preferential import tax rates for a number of environmental goods in APEC in the commodity headings 84.19 and 84.21 in the preferential import tariff, and tariff reduction went into effect starting February 27, 2016.