

Draft
Subject to Legal Review for Accuracy, Clarity, and Consistency
June 18, 2004

GENERAL NOTES
TARIFF SCHEDULE OF THE KINGDOM OF BAHRAIN

1. Relation to the Harmonized Tariff Schedule of the Kingdom of Bahrain. The provisions of this Schedule are generally expressed in terms of the Tariff Schedule of the Kingdom of Bahrain and the interpretation of the provisions of this Schedule, including the product coverage of subheadings of this Schedule, shall be governed by the General Notes, Section Notes, and Chapter Notes of the Tariff Schedule of the Kingdom of Bahrain. To the extent that provisions of this Schedule are identical to the corresponding provisions of the Tariff Schedule of the Kingdom of Bahrain, the provisions of this Schedule shall have the same meaning as the corresponding provisions of the Tariff Schedule of the Kingdom of Bahrain.
2. Base Rates of Customs Duty. The base rates of duty set out in this Schedule reflect the Tariff Schedule of the Kingdom of Bahrain MFN rates of duty in effect January 1, 2003.
3. Staging. In addition to the staging categories listed in Annex 2.3, paragraph 1, this schedule contains staging categories **H** and **I**.
 - (a) Duties on originating goods provided for in the items in staging category **H** shall remain at base rates for years one through nine. On January 1 of year ten, duties shall be eliminated, and these goods shall be duty-free, effective January 1 of year ten. Bahrain specifically reserves the right to establish regulatory measures or apply fees or excise charges pertaining to the distribution, sale, or consumption of these goods, provided that such measures, fees, or charges are not inconsistent with the terms of this Agreement or the WTO Agreement.
 - (b) Duties on originating goods provided for in the items in staging category **I** shall remain at base rates for years one through nine. On January 1 of year ten, duties shall be eliminated, and these goods shall be duty-free effective January 1 of year ten.¹

¹ For greater certainty, Bahrain may continue to prohibit the importation of goods provided for in the items in staging category I, provided that it does so consistently with the terms of this Agreement and the WTO Agreement.