

AMENDMENT OF ANNEX 3.04 "TARIFF REDUCTION SCHEDULE OF THE  
REPUBLIC OF CHINA", PARAGRAPH 6 "ADMINISTRATION OF QUOTA"  
OF THE FREE TRADE AGREEMENT BETWEEN  
THE REPUBLIC OF CHINA AND THE REPUBLIC OF PANAMA

The Administrative Commission of the Free Trade Agreement between the Republic of China and the Republic of Panama, in the spirit of the objectives of the Agreement, to encourage expansion and diversification of trade between the Parties, and to create effective procedures for the implementation and application of this Agreement, in accordance with the mandate granted in paragraph 2 (a), (b), and (c) and paragraph 3 (d) of Article 18.01 of the aforementioned Agreement,

**HAS DECIDED TO**

Amend paragraph 6 "Administration of Quota" of Annex 3.04 "Tariff Reduction Schedule of the Republic of China", which shall read as follows:

Upon the entry into force of the Agreement until December 31 of the same calendar year, the proportion of the quota quantity will be set according to the number of remaining implementation months of that year divided by twelve (12).

Within thirty (30) calendar days of the entry into force of this Agreement, the Republic of Panama shall decide and notify the ROC which Party is to administer the quota allocation for TRQ products negotiated under this Agreement.

Panama shall notify the ROC within the first thirty (30) calendar days of each following quota year of this Agreement which Party is to administer the quota allocation for the TRQ products negotiated under this Agreement.

In the event that Panama does not notify the ROC within the abovementioned period, the same quota administration system shall continue its operations for that quota year.

In the event that Panama administers the allocation of quota, the ROC shall only apply the in-quota tariff rates it has committed under the WTO for those products. It is understood that the ROC shall not apply any other duties, taxes or charges to the TRQ products, with the exception of Harbor Construction Service Dues, Value-added Taxes and Trade Promotion Fees, which the ROC applies to all imports.

In the event that Panama requests the ROC to administer the quota, the ROC shall not apply in-quota tariffs or any other duties, taxes or charges, except for Harbor

Construction Service Dues, Value-added Taxes, Trade Promotion Fees, and rent for import rights for the TRQ products. In this case, the ROC shall allocate a quota on pineapple twice a year and on all other products quarterly. In the event that a quota is not fully allocated, the unallocated portion of the quota will be added to the next allocation term of the same quota year.

Imports exceeding the TRQ amount specified under the Agreement shall be subject to their respective MFN out-quota rates.

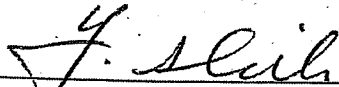
Import licenses issued for the TRQ products can be used at any time during the year, with the exception of pineapple for which the importation periods will be from January 1 to March 31 and from August 1 to December 31 of the same year.

However, the allocation of sugar quota is administered by the Republic of Panama, and the Republic of China shall implement a duty-free (0%) quota for sugar originating from the Republic of Panama. For the sugar included in the duty-free (0%) quota, the Republic of China will require the Certificate of Origin and Tariff Quota Certificate (TQC) issued by the Republic of Panama. It is understood that the ROC shall not apply any other duties, taxes or charges to the sugar quota, with the exception of Harbor Construction Service Dues, Value-added Taxes and Trade Promotion Fees, which the ROC applies to all imports.

DONE in duplicate in the Chinese, Spanish and English languages, all versions being equally authentic, in the event of any discrepancy in the interpretation of this Decision, the English version shall prevail.

**For the Government of the  
Republic of China**

**For the Government of the  
Republic of Panama**



Yen Shiang Shih

Roberto C. Henríquez

Minister of Economic Affairs

Minister of Commerce and Industry

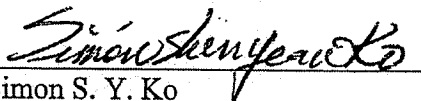
Date: 6 (Day)/ 5 (Month)/ 2011

Date: 17 (Day)/ 5 (Month)/ 2011

Place: Taipei City

Place: Panama City

**Witnessed by**



Simon S. Y. Ko

Ambassador of ROC in Panama

Date: 17 (Day)/ 5 (Month)/ 2011

Place: Panama City