

- XIII. If Article C-14.4 is invoked for a tariff item, the Most-Favoured-Nation rate in effect on that date shall replace the rate in the Schedule in order to calculate any future tariff reductions.
- XIV. In the event that Canada undertakes, before January 1, 2000, a unilateral reduction of the applied customs duties, the margin of preference for originating goods from Chile shall be adjusted so that it is not less than 2 percentage points for the products subject to a phase-out ending on January 1, 2003 in the Schedule of Canada.

NOTE:

Whenever a tariff reduction is to take place in equal annual stages, the first stage shall be considered to be a full year even if implemented during the year of implementation and all subsequent reductions, unless otherwise provided for, shall take place on January 1 of each subsequent year.