



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 14.02.1996  
COM(95) 739 final

96/0043 (CNS)

Proposal for a

COUNCIL DECISION

amending at mid-term Council Decision 91/482/EEC of 25 July 1991  
on the Association of the Overseas Countries and Territories  
with the European Community

(presented by the Commission)



## Proposal

for a Council Decision

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on the association of the overseas countries and territories  
with the European Community

### EXPLANATORY MEMORANDUM

On 25 July 1991 the Council adopted Decision 91/482/EEC on the association of the overseas countries and territories (OCT) with the European Economic Community.<sup>1</sup> It concerns 20 OCT, of which:

- 11 are linked to the United Kingdom
- 6 are linked to France
- 2 are linked to the Netherlands
- 1 is an autonomous region of Denmark

Like the fourth Lomé Convention with the ACP States, the Decision was adopted for a period of ten years, starting on 1 March 1990, with provision for a review before 1 March 1995.

1. The review was the subject of a communication from the Commission to the Council on 21 December 1994 which set out:
  - the social and economic situation of the OCT,
  - their status vis-à-vis the Member State concerned and Community law,
  - an overview of the provisions of the Association Decision, and
  - a specific proposal in respect of each amendment.<sup>2</sup>

The proposals were discussed within the Council's ACP working party from January to September this year and, with DG VIII playing a coordinating role, many Commission officials from the relevant departments (Legal Service and DGs I, V, VI, X, XI, XIII, XV, XXI and XXIII) came to explain the proposals concerning their area of competence and give the delegations as much information as possible.

2. But two elements crucial to the conclusion of the review were missing (hence the failure to meet the 1 March 1995 deadline), namely:
  - the amount of financial resources available (from the EDF and the EIB), which was not decided until the Cannes European Council on 27 June;
  - the conclusion of the negotiations on the mid-term review of Lomé IV, which were not wound up until the ACP-EC ministerial conference of

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<sup>1</sup> OJ L 263, 19.09.1991, pp 1 to 153.

<sup>2</sup> COM(94) 538 final of 21.12.1994.

30 June, it being proposed in the Commission's communication to take over many of the Lomé amendments *mutatis mutandis*.

3. In this proposal the Commission confirms the guidelines that it put forward in December 1994 with some adjustments to take account of the discussions held since then and the addition of the two elements referred to above.

The form of the proposal is standard for an act amending legislation.

The recitals set out succinctly, but as far as is possible comprehensively, the amendments proposed.

Without repeating the explanatory memorandum of the communication COM(94) 538, the main changes proposed and the reasons for them are outlined below.

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## **I. Amendments concerning the innovations made in 1991**

### **A. Partnership**

The Commission/Member State/OCT partnership arrangements were set up in 1991 on a proposal of the Commission, which drew on the example of the joint committees set up under the preferential agreements. The Commission thus made good the clear lack of provision for democratic dialogue in the previous six Association Decisions that had run since 1957.

At the request of the OCT local authorities, it is proposed to strengthen partnership arrangements by holding regular consultations with these authorities.

### **B. Trade arrangements**

By its 1991 Decision the Council offered more far-reaching concessions than the Community had ever offered before in the many agreements concluded with associate countries. They included:

- free access (i.e. no customs duties, levies or quotas) for all products originating in the OCT (including CAP products, for which the ACP States enjoy preferential treatment but not free access);
- more flexibility in the rules of origin;
- the introduction of a transshipment system.

Nevertheless, the Council retained the principle of cumulation for ACP and OCT products, which means that ACP products can acquire OCT origin after working, however simple.

1. These concessions, combined with continued cumulation, created disruption in a sector of the agricultural market (rice) in 1992-93 and the Commission was led to adopt safeguard measures, which were then eased and then abolished.<sup>3</sup>
2. In November 1993 the Commission sent a report to the Council with a proposal to amend Article 101 of Decision 91/482/EEC attached.<sup>4</sup> The proposal did not, however, win consensus among the Member States.

It is worth reproducing here the two main conclusions of this report that gave rise to the proposal for amendment (point 55), namely:

- "- that the trade arrangements adopted in mid-1991 should be retained to enable what are still new mechanisms to continue operating and thus further the development aims of the association between the OCT and the Community;
- that there is a fundamental clash between two Community policies arising from the fact that free access is being given to products originating in the OCT which would, in the Community, be governed by market organizations."

The Commission canvassed a number of ways of solving this clash between two Community policies - development of the OCT and the common agricultural policy: abolition of ACP/OCT cumulation, across-the-board imposition of levies, introduction of a reduced levy, and creation of machinery for setting reference prices for imports with the aim of avoiding safeguard measures, this last option being the one preferred by the Commission, the Commission reserving the right to review it again at a later date if necessary.

3. Three important factors have come into play since then.

The OCT trade arrangements are mostly being used for agricultural products that are the most sensitive for the Community. This has come about because of:

- the free access of OCT products combined with cumulation of ACP products (what is more, this cumulation is to be extended to the products of other developing countries following the Lomé IV mid-term review);
- in other cases a lack of clarity in the rules of origin (dairy products from New Zealand) or in those governing export refunds (Community dairy products).

The result is:

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<sup>3</sup> Decision 93/127/EEC, OJ L 50, 2.3.1993, p. 27.  
Decision 93/211/EEC, OJ L 90, 14.4.1993, p. 36.  
Decision 93/356/EEC, OJ L 147, 18.6.1993, p. 28.

<sup>4</sup> COM(93) 555 final, 25.11.1993.

- unequal trading conditions that are - potentially at least - damaging for Community operators;
- uncertainty for operators because of the substantial risk of safeguard measures being adopted and the possibility of differing interpretations of trade legislation;
- little impact on development, as the Court of First Instance noted (see below), and a low level of investment and employment generation because of the low level of value added: furthermore, such activity may also demand extra spending on public infrastructure (e.g. ports).

On 14 September this year the Court of First Instance of the European Communities ruled for the first time on the general trade arrangements for the OCT following the introduction of safeguard measures on rice in 1993.<sup>5</sup> It remarks that "although the OCT admittedly enjoy a more favourable status than do other countries associated with the Community, they are none the less not members of it"<sup>6</sup>, that "the aim of the system of free movement of goods between the OCT and the Community under Part Four of the Treaty is not to establish an internal market of the kind set up by the Treaty between the Member States"<sup>7</sup> and that "decisions...must therefor serve to strengthen the association of the OCT in order to increase trade and to promote jointly economic and social development...without, however, hindering the adoption of a common policy in the sphere of agriculture..."<sup>8</sup>

4. For all these reasons, and following a wealth of discussion on these sensitive issues, it is proposed to:

- maintain the free access accorded since 1991 to products originating in the OCT;
- couple it with machinery for applying minimum import prices to products subject to a common organization of the market (Annex IIa of the Decision);
- do away with automatic cumulation for ACP/OCT agricultural products while retaining the possibility of specific derogations subject to controls (Annex II of the Decision): the least-developed OCT referred to in Article 230 of the Association Decision shall be accorded priority for such derogations;<sup>9</sup>
- adjust the list in Annex 2 to Annex II in order to take account of the changes in the Combined Nomenclature which are applicable from 1 January 1996;
- include in this list the rules for petroleum products and delete Annex 8 to Annex II;
- clarify the rules for certain agricultural products on the list;

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<sup>5</sup> Joined Cases T-480/93 and T-483/93.

<sup>6</sup> 91st paragraph, p. II-20 of the judgment.

<sup>7</sup> 91st paragraph, p. II-20 of the judgment.

<sup>8</sup> 93rd paragraph, p. II-20 of the judgment.

<sup>9</sup> Anguilla, Mayotte, Montserrat, Saint Helena, Turks and Caicos Islands, and Wallis and Futuna Islands.

- align the procedure for amending Annex II on that provided for in the Community Customs Code, which came into force on 1 January 1994.

## **II. Amendments arising from the review of Lomé IV**

As the Commission indicated in December 1994, although the full outcome of the negotiations was not then known, it is proposed to include in the Association Decision a large number of amendments that parallel those of Lomé IV, leaving aside, of course, human rights and structural adjustment. These amendments concern: the development of trade and services, shipping, the Canaries, the Azores and Madeira, terms and conditions of financing, and EDF implementation procedures.

## **III. Clarifications**

Some provisions in the 1991 Decision refer the reader to the Lomé Convention. Experience has shown that this form of presentation is not satisfactory and has led to failure to take advantage of some of the instruments available to the OCT.

It is therefore proposed to insert new articles taken from Lomé IV, amending them in accordance with the outcome of the negotiations, concerning the following: the Centre for the Development of Industry (CDI), the Euro Info Correspondence Centres (EICC), health and decentralized cooperation.

## **IV. Innovations**

There are a number of innovations concerning the rights of individuals and the status of OCT citizens.

### **A. Right of establishment and provision of services**

Decision 91/482/EEC governs only those cases where individuals and companies or enterprises of Member States wish to establish themselves in a country or territory and affirms the principle of non-discrimination between Member States. The OCT may, however, with the Commission's authorization, derogate from the normal rules to aid their inhabitants or local activities (Article 232(a)). Furthermore, the OCT authorities are not bound to accord non-discriminatory treatment "if a Member State is not bound under Community law, or else national law, to accord non-discriminatory treatment for a given activity to inhabitants of an OCT who are nationals of a Member States..." (Article 232(b)).

These rules are the upshot of successive rounds of amendments every five years and leave much room for uncertainty.

It is proposed to stipulate clearly that non-discriminatory treatment applies both ways (Article 232) and to allow the OCT to benefit from the commitments entered into by the Community under the MFN clause of the GATS (Article 233a).

## B. Professional qualifications

In response to requests from a number of OCT, it is proposed to initiate a process leading ultimately to recognition in the Community of diplomas obtained in the OCT (Article 233b).

## C. Eligibility of OCT citizens for certain Community programmes

As was noted in the Commission's communication of December 1994,

- the OCT are not part of the Community territory (subsequently confirmed by the Court's judgment);
- but, as individuals, OCT citizens have the nationality of the Member State concerned (with some exceptions in the case of the British OCT) and so are citizens of the European union.

It is therefore proposed to give OCT citizens access to 22 Community programmes designed for individuals, Socrates (which is Erasmus programme extended to secondary schools) being the most telling example. This would allow a student from Curaçao or Noumea to enjoy a period of study in, say, Belgium or Italy, as long as the school or college belonged to a network of like establishments (Article 233c).

## V. **Allocation of 8th EDF funds (Article 154a)**

In accordance with what was decided at the Cannes European Council on 27 June, the OCT will be allocated, for the Decision's second period of application:

- ECU 165 million under the 8th EDF (up 17.9% on the 7th EDF);
- ECU 35 million in EIB own resources (up 40%).

The EDF funds must be divided up as provided for in the Decision, Article 154 of which corresponds to the Financial Protocol to the Lomé Convention. An Article 154a will be added to serve the same purpose for the second five-year period.

There are two stages to the breakdown of funds:

### 1. Between:

- various types of non-programmable aid (risk capital, Sysmin, Stabex, emergency aid and reception of refugees, interest-rate subsidies, etc.);
- programmable aid (8th EDF indicative programmes, local and regional).

### 2. In turn, the programmable aid must be divided in three among the French, Dutch and British OCT (as in the past, it will be up to the authorities of the three Member States concerned to decide on the package for each individual country or territory).

The thrust of the Commission's proposal is as follows:



- keep the same allocations for the various non-programmable instruments but with a slight reduction in Stabex so as to boost emergency aid;
- a small reduction in programmable regional funds;
- an accordingly greater increase for the local indicative programmes;

A. Breakdown between headings

Annex 1 gives a breakdown of programmable and non-programmable aid under the 6th and 7th EDFs together with that proposed for the 8th EDF.

The proposal for the 8th EDF (which naturally proposes the same amounts as the draft Internal Agreement already under discussion within the Council) shows:

- what would be the result of a simple updating (1st column);
- what is proposed following the above guidelines (2nd column);
- the resulting 22.1% increase in funding for local indicative programmes, more than the total increase of funds for the new EDF compared to the 7th (3rd column).

B. Breakdown among the Member States

1. Annex 2 shows how EDF funds were shared out in 1986 (6th EDF) and in 1991 (7th EDF).

The share-out of these funds has always been a sticking point and there were hard-fought negotiations in the Council between the three Member States concerned to divide the ECU 63 million available in 1986 and ECU 86 million in 1991.

In the past the programmable funds have been divided up as follows:

- an equal split between the French and Dutch OCT in 1964 (2nd EDF) and 1970 (3rd EDF);
- a three-way split between the French, Dutch and British OCT in 1976 (4th EDF) and 1980 (5th EDF) following the accession of the United Kingdom.

By 1986 a number of British OCT had become independent and gone over to the ACP camp; the Council therefore decided to reduce the British share, so breaking with the tradition of equal shares. The French and Dutch OCT remained on an equal footing, however.

The 1991 Decision went further down this road by introducing economic criteria, notably the population factor.

2. It is proposed to place still more emphasis on economic considerations this time: this will be done by updating the allocations in line with 8th EDF funds and then weighting them by on the basis of population variations in the period 1990-95, which gives the following results.

Group	EDF VII		Updating	Population		Proposal for EDF VIII	
	ECU m	%	ECU m	%	ECU m	ECU m	%
OCT F	40.2	46.7	49.0	58.2	61.1	50.3	47.9
OCT NL	30.3	35.2	37.0	31.6	33.2	35.5	33.8
OCT UK	15.5	18.1	19.0	10.2	10.7	19.2	18.3
TOTAL	86.0		105.0	(100)	105.0	105.0	

## VI. Least-developed OCT

Article 230 of the 1991 Decision lists the least-developed OCT and Article 231 refers to the other articles of the Decision where provision is made for them.

A look at trends in per capita GNP of the OCT reveals that the economy of Saint-Pierre-et-Miquelon has been on the slide in recent years, mainly because its principal activity, fishing, has suffered the effects of conflict with Canada over fishing zones and rights. We propose adding this territorial collectivity to the list of OCT with similar per capita GNPs in Article 230.

## VII. Conversion of uncommitted special-loan funds into grants

Some ECU 6 million of the funds earmarked for special loans under the 5th and 6th EDFs (OCT appropriation) remained uncommitted at 30 June 1995. It is proposed that the Council take the opportunity offered by the mid-term review to convert them into grants, following the example of the Cannes compromise on the ACP appropriation. To this end an Article 154b would be added.

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Sixth, Seventh and eighth EDFs - OCT  
Breakdown of appropriations

(ECU m)

Page 1 of 2

PROGRAMMABLE FUNDS	EDF VI 1986-1990 Decision 86/283/EEC of 30 June 1986	EDF VII 1991-1995			EDF VIII 1996-2000		
		Commission proposal COM(91) 144 final of 19.4.1991	Adopted by the Council Decision 91/482/EEC of 25.7.1991	(% VII/VI)	Simple updating (165/140 = x 1.17857)	Adjusted	(% VIII/VII)
OCT F	26.5	35.3	40.2	(151.7)	47.4	50,3	(125,1)
OCT NL	26.5	35.3	30.3	(114.3)	35.7	35,5	(117,2)
OCT UK	10.5	15.4	15.5	(147.6)	18.3	19,2	(123,9)
<i>Total indicative programmes</i>	<i>63.5</i>	<i>86.0</i>	<i>86.0</i>	<i>(135.4)</i>	<i>101.4</i>	<i>105.0</i>	<i>(122.1)</i>
Regional cooperation including regional programmes to develop trade and services	10.0	11.5	11.5	(115.0)	13.5	10.0	(87.0)
<i>Total projects and programmes</i>	<i>73.5</i>	<i>97.5</i>	<i>97.5</i>	<i>(132.7)</i>	<i>114.9</i>	<i>115.0</i>	<i>(117.9)</i>

NON-PROGRAMMABLE FUNDS	EDF VI 1986-1990 Decision 86/283/EEC of 30 June 1986	EDF VII 1991-1995			EDF VIII 1996-2000		
		Commission proposal COM(91) 144 final of 19.4.1991	Adopted by the Council Decision 91/482/EEC of 25.7.1991	(% VII/VI)	Simple updating (165/140 = x 1.17857)	Adjusted	(% VIII/VII)
Risk capital	15.0	25.0	25.0	(166.6)	29.5	30.0	(120.0)
STABEX	5.0	6.0	6.0	(120.0)	7.1	5.5	(91.7)
SYSMIN	p.m.	2.5	2.5	(250.0)	2.9	2.5	(100.0)
Interest-rate subsidies	2.5	6.0	6.0	(240.0)	7.1	8.5	(141.7)
Emergency aid	3.0	2.5	2.5	(83.3)	2.9	3.0	(120.0)
Reception refugees	1.0	0.5	0.5	(50.0)	0.6	0.5	(100.0)
<b>TOTAL APPROPRIATION</b>	<b>100.0</b>	<b>140.0</b>	<b>140.0</b>	<b>(140.0)</b>	<b>165.0</b>	<b>165.0</b>	<b>(117.9)</b>
EIB loans	20.0	25.0	25.0	(125.0)	35.0	35.0	(140.0)
<b>TOTAL OCT</b>	<b>120.0</b>	<b>165.0</b>	<b>165.0</b>	<b>(137.5)</b>	<b>200.0</b>	<b>200.0</b>	<b>(121.2)</b>

Explanatory memorandum - Annex 2

Sixth and Seventh EDFs (OCT) - Breakdown of programmable funds (not regional)

(ECU m)

Group	EDF VI		EDF VII			
	Breakdown	%	Commission proposal COM (91) 144 of 19.4.91		Adopted by the Council Decision 91/482/EEC of 25.7.1991	
			Breakdown	%	Breakdown	%
OCT F	26.5	41.7	35.3	41.0	40.2	46.7
OCT NL	26.5	41.7	35.3	41.0	30.3	35.2
OCT UK	10.5	16.5	15.4	18.0	15.5	18.1
<b>TOTAL</b>	<b>63.5</b>	<b>100.0</b>	<b>86.0</b>	<b>100.0</b>	<b>86.0</b>	<b>100.0</b>

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the European Community, and in particular Article 136 thereof,

Having regard to the Internal Agreement on the financing and administration of Community aid in the framework of the second financial protocol to the fourth Lomé Convention, signed in ... on ...,

Having regard to the proposal from the Commission,<sup>1</sup>

Having regard to the opinion of the European Parliament,<sup>2</sup>

Whereas Article 240(3) of Council Decision 91/482/EEC of 25 July 1991 on the association of the overseas countries and territories, (hereinafter referred to as "the OCT"), with the European Community lays down that, before the end of the first five years, the Council, acting unanimously on a proposal from the Commission, shall establish the Community's financial assistance for the second five-year period opened by this Decision and any amendments to its provisions;<sup>3</sup>

Whereas the Council, in adopting Decision 95/... of ... on the transitional measures applicable from 1 March 1995 in the framework of the Association of the OCT with the EC,<sup>4</sup> took the necessary steps to ensure the continuity of financial assistance;

Whereas the financial assistance for the second period of application of Decision 91/482/EEC has been increased to stand at ECU 165 million under the eighth European Development Fund, hereinafter referred to as "the Fund", and ECU 35 million in loans from the own resources of the European Investment Bank, hereinafter referred to as "the Bank"; whereas this assistance may be maintained at unchanged levels in respect of non-programmable aid and increased accordingly in respect of financing for development projects and programmes implemented under the indicative programmes of the OCT;

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<sup>1</sup> OJ C

<sup>2</sup> OJ C

<sup>3</sup> OJ L 263, 19.9.1991, p. 1.

<sup>4</sup> OJ L ... (SEC (95) 1177 final of 19.7.1995).



Whereas, in accordance with Article 240(3) of Decision 91/482/EEC, the competent OCT authorities have informed the Commission of the amendments or additions they desired through written memoranda and at meetings held in the context of Commission/Member State/OCT partnership; whereas the Commission then sent the Council a communication on the mid-term review of the association of the OCT with the EC in which it recommended various amendments to the Decision;<sup>5</sup> whereas these amendments take account, as far as is possible, of the desires of the OCT, the experience gained by the Commission in the five years of implementing Decision 91/482/EEC, the steps taken towards building the European Union since 1991 and the mid-term review of the fourth ACP-EC Convention;

Whereas by Decision 91/482/EEC the Council introduced the possibility of consultations with the local OCT authorities through the Commission/Member State/OCT partnership arrangements and whereas the memoranda drawn up preparatory to the mid-term review of the Decision showed the local authorities' enthusiasm for these arrangements; whereas the partnership arrangements should therefore be strengthened and consultations put on a regular footing;

Whereas the introduction under Decision 91/482/EEC of free access for all products originating in the OCT and the maintenance of cumulation for ACP and OCT originating products has given rise to the risk of conflict between two Community policy objectives, namely the development of the OCT and the common agricultural policy; whereas serious disruption on the Community markets for certain products subject to a common organization of the market led to the adoption of safeguard measures in 1993; whereas the Court of First Instance of the European Community ruled in its judgment of 14 September 1995 that decisions in the framework of the association "must therefore serve to strengthen the association of the OCT in order to increase trade and to promote jointly economic and social development...without, however, hindering the adoption of a common policy in the sphere of agriculture...";

Whereas measures to create a propitious framework for regular trade flows that is also compatible with the common agricultural policy should be taken in order to prevent fresh disruption; whereas these objectives may be achieved by more detailed and fuller provisions on the rules of origin, in particular the exclusion of cumulation for agricultural products coupled with greater flexibility as regards derogations;

Whereas the mid-term review of the fourth Lomé Convention has produced a number of improvements designed to make cooperation more coherent and effective, to promote local initiatives through decentralized cooperation, to place a new emphasis on the development of trade and services and to step up dialogue in the context of the programming of EDF resources; whereas these improvements would also be desirable in cooperation of the OCT and that Decision 91/482/EEC should therefore be amended accordingly, *mutatis mutandis*;

Whereas, lastly, Decision 91/482/EEC should be supplemented by a number of provisions aimed at taking more account of the human dimension to the association of the OCT with the Community; whereas this can be done by making citizens of the OCT eligible for a number of Community programmes open to citizens of the European Union; whereas this

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<sup>5</sup> COM(94 538 final of 21.12.1994.

can also be done by providing for the recognition, in time, of diplomas acquired in the OCT in respect of certain professions,

HAS DECIDED AS FOLLOWS:

### **ARTICLE ONE**

Decision 91/482/EEC shall be amended as follows:

#### **A. THROUGHOUT THIS DECISION**

1. The term "European Economic Community shall be replaced by the term "European Community", and the abbreviation "EEC" by "EC".
2. The term "Council of the European Communities" by the term "Council of the European Union".
3. The term "Delegate shall be replaced by the term "Head of Delegation"

#### **B. PART ONE**

##### **GENERAL PROVISIONS OF EC-OCT COOPERATION**

###### Article 2 (Article 4 of Lomé IV)

4. In Article 2, the following paragraph shall be added:

"In support of the development strategies of the OCT, due account shall be taken of both the objectives and priorities of the Community's cooperation policy, and the OCT's development policies and priorities."

###### Articles 7, 8 and 9 (Articles 20, 21 and 22 of Lomé IV)

5. The chapter heading "Decentralized cooperation and partnership" shall be replaced by the heading "Partnership"
6. Articles 7, 8 and 9 shall be deleted.

#### **C. PART TWO**

##### **THE AREAS OF EC-OCT COOPERATION**

###### **TITLE I ENVIRONMENT**

Article 16 (Article 39 of Lomé IV)

7. In Article 16, the following paragraph 2a shall be added:

"2a. Council Regulation (EEC) No 259/93 of 1 February 1993 on the supervision and control of shipments of waste within, into and out of the European Community shall apply to imports into the Community of hazardous waste from the OCT.<sup>6</sup>

TITLE V

**INDUSTRIAL DEVELOPMENT, MANUFACTURING AND PROCESSING**

Article 48 (Articles 87 to 98 of Lomé IV)

8. Article 48 shall be replaced by the following

"Article 48

At the request of their relevant authorities, the OCT may be eligible for the services of the Centre for the Development of Industry referred to in Articles 87 to 98 of the fourth Lomé Convention, hereinafter referred to as "the CDI", the objectives and activities of which are described in Chapter 1, or those of the Euro Info Correspondence Centres set up under the Community's business promotion policy, the objectives and activities of which are described in Chapter 2.

Any costs resulting from services provided by the CDI or the Euro Info Correspondence Centres for the benefit of the OCT shall be financed from the funds provided for in Article 154 for whichever of the three groups the OCT in question belong to.

9. The following Chapter 1 shall be inserted:

Chapter 1

The Centre for the Development of Industry

"Article 48a (Article 89 of Lomé IV)

10. The following Article 48a shall be inserted:

"Article 48a

1. The CDI shall help to establish and strengthen industrial enterprises in the OCT, especially by encouraging joint initiatives by economic operators of the Community and of the OCT. The CDI shall exercise selectiveness in undertaking its tasks, laying emphasis on opportunities for joint ventures and subcontracting.

2. The CDI shall:

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<sup>6</sup> OJ L 30, 6.2.1993, page 1.

- (a) with a view to ensuring its effectiveness, focus its efforts on OCT that have:
    - (i) identified support for industrial development, or for the private sector in general, within the framework of Article 187(3)(b) and (c) in their indicative programmes; and/or
    - (ii) obtained financial contributions and assistance from other Community institutions for the promotion and development of the private and/or the industrial sector;
  - (b) carry out its activities in the framework of the implementation of industrial-development or private-sector support projects established by the OCT referred to in subparagraph (a) for their indicative programmes;
  - (c) step up its operational presence in the OCT referred to in subparagraph (a), particularly with regard to the identification of projects and project promoters and to providing assistance for the presentation of such projects to the financing institutions;
  - (d) give priority to the identification of operators with viable small to medium-sized industrial projects and, in the case of those meeting the needs of the OCT, to assisting them in their promotion and implementation.
3. The Commission, the Bank, and the CDI shall maintain operational cooperation in the context of their respective responsibilities. To this end, and to ensure the consistency of Community operations in support of the private sector, in general, and the industrial sector, in particular, in the OCT referred to in paragraph 2(a), the Commission shall, in consultation with the Bank and in liaison with the CDI, prepare support programmes for these sectors that incorporate guidelines for the strategy to be pursued."

*"Article 48b (Article 90 of Lomé IV)*

11. The following Article 48b shall be added:

"Article 48b

- 1. In undertaking the tasks referred to in Article 48a the CDI shall operate by giving priority to viable projects. In particular, it shall:
  - (a) identify, appraise, evaluate, promote and assist in the implementation of economically viable industrial projects of the OCT;
  - (b) carry out studies and appraisals aimed at identifying practical opportunities for industrial cooperation with the Community in order to promote the industrial development of the OCT, and facilitating the implementation of appropriate schemes;

- (c) supply information and also specific advisory services and expertise, including feasibility studies, with a view to expediting the establishment and/or restoration of industrial enterprises;
- (d) identify potential partners of the OCT and the Community for joint investment operations and assist in the implementation and follow-up;
- (e) identify and provide information on possible sources of financing, assist in the presentation for financing and, where necessary, assist in the mobilization of funds from these sources for industrial projects in the OCT;
- (f) identify, collect, evaluate and supply information and advice on the acquisition, adaptation and development of appropriate industrial technology relating to specific projects and, where appropriate, assist in the setting up of experimental or demonstration schemes.

2. In order to improve the attainment of its objectives, the CDI, in addition to its main activities, may also pursue the following:

- (a) carry out studies, market research and evaluation work and gather and disseminate all relevant information on the industrial cooperation situation and opportunities and notably on the economic environment, the treatment which potential investors may expect and the potential of viable industrial projects;
- (b) help, in appropriate cases, to promote the marketing of OCT manufactures on their domestic markets and the markets of other OCT, the ACP States and the Community in order to encourage optimum exploitation of installed or projected industrial capacity;
- (c) identify industrial policy-makers, promoters and economic and financial operators in the Community and the OCT, and organize and facilitate contacts and meetings of all kinds between them;
- (d) identify, on the basis of needs indicated by the OCT, opportunities in industrial training, chiefly on the job, to meet the requirements of existing and planned industrial undertakings in the OCT and, where necessary, assists in the implementation of appropriate schemes;
- (e) gather and disseminate all relevant information concerning the industrial potential of the OCT and trends of industrial sectors in the Community and the OCT;
- (f) promote the subcontracting and also the expansion and consolidation of regional industrial projects.

12. The following Chapter 2 shall be inserted:

## "Chapter 2

### Euro Info Correspondence Centres (EICC)

13. The following Article 48c shall be inserted:

"Article 48c

In respect of the OCT the tasks of the EICC shall be to:

- disseminate Community information to OCT firms;
- gather and transmit to the Euro Info Centres (EIC) information from the OCT that may be of use of European small and medium-sized enterprises;
- answer general, legal, administrative and statistical questions from OCT firms about the European Union;
- answer general, legal, administrative and statistical questions from Community firms about the OCT.

To achieve the greatest possible reciprocity in the exchange of information, the Commission shall ensure that Community firms have access to the same type of information and the same advisory/support services in relation to the OCT as those offered by the Community to OCT firms.

Only one Correspondence Centre shall be set up per country or territory and each Centre may develop a subnetwork to suit its own needs and resources in order to ensure as wide a dissemination of information and services as possible."

14. The following Article 48d shall be inserted:

"Article 48d

The tools and services to be made available to or to be acquired by the Correspondence Centres for the proper performance of its work are the following:

- (a) documentation: a list of documents selected for basic library collection (to be acquired): terms and cost of acquisition;
- (b) a specific software programme (to be acquired) for creating and managing dossiers on specific issues and conducting searches on previous dossiers and existing document and data bases;
- (c) databases: a list of accessible databases (for which there is a charge) and terms and cost of connection;
- (d) training: "teach yourself" courses (to be acquired), timetable of training sessions (specific Community matters, working of the EICs), fee-paying training sessions in database use, and annual conference of all EICs and EICCs (travel and accommodation expenses to be borne by the EICC);
- (e) access to information officers of the central administration for replies to requests for information on Community-related matters;
- (f) access to the capitalization database via the VANS: this EIC-network database contains questions and answers on mainly Community matters;

(g) electronic mail: the EICCs shall have access to the electronic mail system, in particular the EIC network's own environment."

15. The following Article 48e shall be inserted:

"Article 48e

1. A request for the establishment of a Correspondence Centre and the choice of host structure, should be addressed to the Commission by the competent authorities of the country or territory through the channels provided for in Article 222.
2. An agreement providing for, *inter alia*, sufficient human, material and financial resources shall be concluded between the EICC and the Commission.
3. At the request of the competent authorities and in accordance with the procedures set out in Part Three, Title III of this Decision, partial financing may be made available to the EICC host structure from the grant aid available under the local or regional indicative programme.
4. The following criteria shall be used to select applicant host structures of the EICCs:
  - experience in assisting and advising businesses and a business-oriented attitude to small and medium-sized enterprises;
  - representativeness in respect of business sector in the applicant country or territory;
  - knowledge of European issues;
  - the will and the ability to ensure reciprocity of services to OCT and Community firms;
  - the potential for financial independence;
  - the willingness to employ as staff for the Centre people with a good command of English or French and experience of computers;
  - provision of computer and communications equipment that complies with the specifications;
  - an undertaking to serve all small and medium-sized enterprises equally without discrimination as to status or sector, where appropriate in liaison with other EICs or EICCs on the network."

TITLE IX

**DEVELOPMENT OF SERVICES**

Chapter 4

Transport, communications and informatics

*Article 79 (Article 129 of Lomé IV)*

16. In Article 79, "1" shall be inserted at the beginning of the sole paragraph and the following paragraphs 2 and 3 added:

"2. With a view to contributing to the promotion and development of the OCT maritime trade, the contracting parties may, in the framework of the implementation of development finance cooperation, give special attention within the existing instruments to the facilitation and encouragement of access for OCT maritime operators to the resources provided for in this Convention, in particular as regards projects and programmes for improving the competitiveness of their maritime services.

3. The Community may give assistance in the form of risk-capital and/or loans by the Bank to finance projects and programmes in the sectors set out in this article."

TITLE X

**TRADE DEVELOPMENT**

*Article 84 (Article 135 of Lomé IV)*

17. Article 84 shall be replaced by the following:

"Article 84

With a view to attaining the objectives set out in Article 100, the Community shall implement measures for the development of trade at all stages up to final distribution of the product.

The object is to ensure that the ACP States derive the maximum benefit from the provisions of this Decision and may participate under the most favourable conditions in the Community, domestic, subregional, regional and international markets by diversifying the range and increasing the value and the volume of the OCT's trade in goods and services.

To this end the competent OCT and Community authorities undertake to ensure that high priority is given to trade development programmes in the context of establishing national and regional programmes as provided for in Article 187 and other relevant provisions of this Convention."

*Article 85 (Article 136 of Lomé IV)*

18. In Article 85, paragraphs 1 and 2 shall be replaced by the following:

"1. In addition to developing trade between the OCT and the Community, particular attention shall be given to operations designed to increase the OCT's self-reliance and improve regional cooperation in trade and services.



2. Within the instruments provided for in this Convention and in accordance with the provisions set out in relation thereto, operations shall be undertaken at the request of the competent OCT authorities, particularly in the following areas:

- support for the definition of appropriate macroeconomic policies necessary for trade development;
- support for the creation or reform of appropriate legal and regulatory frameworks as well as for the reform of administrative procedures;
- the establishment of coherent trade strategies;
- support for the OCT in developing their internal capacities, information systems and awareness of the role and importance of trade in economic development.
- support for strengthening the infrastructure related to trade and in particular support for the OCT's efforts to develop and improve supportive service infrastructure, including transport and storage facilities, in order to ensure their effective participation in the distribution of goods and services and in order to enhance the flow of exports from the OCT;
- development of human resources and professional skills in the field of trade and services, in particular in the processing, marketing, distribution and transport sectors for the Community, regional and international markets;
- support to private-sector development and, in particular, to small and medium-sized enterprises for product identification and development, market outlets and export-oriented joint-ventures;
- support for OCT actions aimed at encouraging and attracting private-investment and joint-venture operations;
- the establishment, adaptation and strengthening of organizations in the OCT dealing with the development of trade and services, particular attention being paid to the special needs of organizations in the least-developed OCT;
- support for the OCT's efforts to develop and improve the quality of their products, adapt them to market requirements and diversify their outlets;
- support for the OCT's efforts to penetrate third-country markets more effectively;
- market development measures including increasing contacts and exchanges of information between economic operators in the OCT, ACP States, the Member States and third countries;
- support for OCT in the application of modern marketing techniques in production-oriented sectors and programmes, in particular in areas such as rural development and agriculture."

## TITLE XI

### CULTURAL AND SOCIAL COOPERATION

19. The Title "Cultural and social cooperation" shall be replaced by "Cultural and social cooperation and combating drug abuse".

*Article 88 (Articles 139 and 140 of Lomé IV)*

20. In the last line of Article 88 the words "and nutrition" shall be replaced by "and combating drug abuse".

*Article 88a (Article 154 of Lomé IV)*

21. The following Article 88a shall be inserted:

#### "Article 88a

1. The Community recognizes the importance of the health sector in ensuring the sustainable and self-reliant development of the OCT. The aim of cooperation shall be to facilitate the right of access of the greatest number of people to adequate health care, thus promoting equity and social justice, alleviating suffering, reducing the economic burden of disease and mortality, and promoting the effective participation of the community in operations to improve health and well-being.

The attainment of these aims calls for:

- a systematic, long-term approach to the improvement and strengthening of the health sector,
- the definition of comprehensive national health guidelines and programmes,
- improved management and use of existing human, financial and physical resources.

2. To this end, cooperation in this sector shall seek to support functional and sustainable health services which are financially affordable, culturally acceptable, geographically accessible and technically competent. It shall seek to promote an integrated approach to the creation of health services based on the extension of preventive care, the improvement of curative care and complementarity between hospital-based and basic-level services, in accordance with primary health care policy.

3. Cooperation in the health sector may provide support for:

- the improvement and extension of basic health services and also the strengthening of hospitals and maintenance of equipment, acknowledged as essential for the smooth operation of the health system as a whole,
- health-sector planning and management, including the strengthening of statistical services, and the formulation of health-financing strategies at territorial, regional and district levels, this last level being the focal point for coordination of basic services, provision of specialist services and implementation of programmes to stamp out widespread diseases,
- schemes to integrate traditional medicine in modern health care,

- essential drug programmes and strategies, including local production units for basic drugs and consumables, taking account of traditional pharmacy, in particular the use of medicinal plants, which is something that should be studied and developed,
- training of staff in the context of an overall programme, from public health planners, administrators, management staff and specialists, down to the personnel working in the field, this training being tailored to the actual responsibilities borne at each level,
- support for training and information programmes and campaigns aimed at stamping out endemic diseases, improving environmental hygiene, combating the use of narcotic drugs, the spread of transmitted diseases and other health scourges in the framework of integrated health systems,
- the building up of research institutes, university departments and specialist schools in the OCT, notably in the field of public health."

## TITLE XII

### REGIONAL COOPERATION

#### *Article 90 (Article 156 of Lomé IV)*

22. In Article 90, the second subparagraph of paragraph 4 shall be replaced by the following:

"It shall include regional cooperation between OCT, ACP States, overseas departments, the Canary Islands, the Azores and Madeira, in accordance with Article 98. The funding to cover the participation of ACP States, overseas departments, the Canary Islands, the Azores and Madeira shall be additional to the funds allocated to the OCT under this Decision."

#### *Article 91 (Article 157 of Lomé IV)*

23. In Article 91(1), the third indent shall be replaced by the following:

"- one or more of the OCT and one or more ACP States, overseas departments, the Canary Islands, the Azores or Madeira,"

#### *Article 92 (Article 158 of Lomé IV)*

24. In Article 92, paragraph 1(d) shall be replaced by the following:

"(d) acceleration of economic diversification in order to stimulate complementarity in production and intensification of cooperation and development within and between OCT regions, and between these regions and ACP States, overseas departments, the Canary Islands, the Azores and Madeira,"

25. In Article 92, paragraph 1(h) shall be replaced by the following:

"(h) expansion of the OCT's markets by promoting trade among OCT and between OCT, ACP States, neighbouring third countries and overseas departments, the Canary Islands, the Azores and Madeira,"

D. PART THREE

THE INSTRUMENTS OF EC-OCT COOPERATION

TITLE I

TRADE COOPERATION

Chapter 1

General trade arrangements

*Article 101 (Article 168 of Lomé IV)*

26. In Article 101:

- paragraph 1 is replaced by the following:

"Without prejudice to the provisions of Annex IIa, products originating in the OCT shall be imported into the Community free of import duty."

- the first indent of paragraph 3 shall be replaced by the following:

"- agricultural products listed in Annex II to the Treaty nor to products covered by Council Regulation (EC) No 3448/93 of 6 December 1993 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products,<sup>7</sup>"

- paragraphs 4 and 5 shall be deleted.

*Article 108 (Article 176 of Lomé IV)*

27. In Article 108:

- paragraph 2 shall be replaced by the following:

"2. Any amendments to Annexes II and III shall be adopted by the procedure laid down in Article 249 of Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code."<sup>8</sup>

- paragraph 3 shall be deleted.

28. Chapter 2 shall be deleted.

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<sup>7</sup> OJ L 318, 20.12.1993, p. 18.

<sup>8</sup> OJ L 302, 10.10.1992, p. 1.

## TITLE II

### COOPERATION IN THE FIELD OF COMMODITIES

#### Chapter 1

Stabilization of export earnings from agricultural commodities (Stabex)

##### *Article 115 (Article 187 of Lomé IV)*

29. In Article 115, item 24 of paragraph 1 shall be replaced by the following:

"24. Fresh bananas 0803 00 11 and 19"

The following item 50 shall be added:

"50. Karakul skins ex 4301 30 00  
ex 4302 13 00  
ex 4302 30 31"

##### *Article 121 (Article 194 of Lomé IV)*

30. In Article 121, the following paragraph 5 shall be added:

"5. Other than the reduction referred to in paragraph 2, there shall be no further reduction as a result of a shortfall in the resources of the system if, in the case of the least-developed OCT, the transfer basis reduced in accordance with paragraph 2 is less than ECU 1 million."

##### *Article 129 (Article 203 of Lomé IV)*

31. Article 129 shall be replaced by the following:

"Article 129

1. Should examination of:

- (a) marketed production in the application year by comparison with the reference period;  
or
- (b) total exports as a share of marketed production over the same period; or
- (c) the share of total exports going to the Community over the same period; or
- (d) the sum of the figures referred to in (b) and (c)

reveal a large decline, consultations shall be held between the Commission and the competent authorities of the country or territory to determine whether the transfer basis is to be maintained or reduced, and if reduced, to what extent.

2. For the purpose of applying paragraph 1, a decline shall be deemed to be large if it is at least 20%."

### TITLE III

#### DEVELOPMENT FINANCE COOPERATION

##### Chapter 1

##### General provisions

##### Section 4

##### Scope of financing

##### *Article 147 (Article 224 of Lomé IV)*

32. In Article 147, subparagraph (g) shall be replaced by the following:

"(g) the human and material resources, supplementary to those borne by the OCT strictly necessary for efficient and effective administration of and supervision of projects and programmes financed by the European Development Fund, hereinafter referred to as "the Fund;".

##### Section 6

##### Eligibility for financing

##### *Article 153 (Article 230 of Lomé IV)*

33. In Article 153, subparagraph 2(g) shall be replaced by the following:

"(g) decentralized agents from OCT and from the Community, to enable them to undertake economic, cultural, social and educational projects and programmes in the OCT in the framework of decentralized cooperation."

##### Chapter 2

##### Financial cooperation

##### Section 1

##### Financial resources

##### *Article 154a (second financial protocol to Lomé IV)*

34. The following Article 154a shall be inserted:

##### "Article 154a

1. For the purposes set out in Chapter 1 of this Title, and for a period of five years commencing on 1 March 1995, the overall amount of the Community's financial assistance shall be ECU 200 million.

This amount shall comprise:

- (a) ECU 165 million from the Fund, allocated as follows:
  - (i) for the purposes set out in Articles 143, 144 and 147, ECU 126,5 million in the form of grants;
  - (ii) for the purposes set out in Articles 143, 144 and 147, ECU 30 million in the form of risk capital;
  - (iii) for the purposes set out in Articles 114 to 136, ECU 5.5 million in the form of transfers from the Stabex facility for the stabilization of export earnings;
  - (iv) for the purposes set out in Articles 137 to 142, ECU 2,5 million in the form of grants from the Sysmin facility;
- (b) for the purposes set out in Articles 143, 144 and 147, not more than ECU 35 million from the Bank in the form of loans from own resources in accordance with the terms and conditions provided for by its statute. These loans shall be subject to the provisions of Article 157 on interest rate subsidies.

2. The Bank shall administer loans from its own resources, including interest-rate subsidies, and risk capital. All other financial resources provided for in this Decision shall be administered by the Commission.

3. The amount referred to in paragraph 1 (a) (i) shall be allocated as follows:

- (a) ECU 105 million to finance projects and programmes, which shall be broken down as follows:
  - (i) United Kingdom OCT      ECU 19.2 million;
  - (ii) French OCT                      ECU 50.3 million;
  - (iii) Dutch OCT                      ECU 35.5 million;
- (b) ECU 10 million to finance regional projects and programmes in the OCT, including regional programmes to develop trade and services under Article 85 and the partnership arrangements referred to in Articles 234 and 235;
- (c) ECU 8.5 million to finance the interest rate subsidies referred to in Article 157;
- (d) a special allocation of ECU 3.5 million, of which:
  - (i) ECU 3 million for emergency aid as provided for in Article 164, and
  - (ii) ECU 0.5 million to aid refugees, returnees and displaced persons as provided for in Article 165;
  - (iii) should the appropriations provided for under one of the Articles referred to above be exhausted before the expiry of this Decision, transfers may be made from the appropriations provided for in the other Article;
  - (iv) on the expiry of this Decision, appropriations not committed for emergency assistance or aid for refugees, returnees and displaced persons shall be returned to the Fund for the purpose of financing other operations coming within the

scope of development finance cooperation, unless the Council, by a qualified majority, decides otherwise;

- (v) should all the special appropriations be exhausted before the expiry of this Decision, the Council shall adopt by a qualified majority, on a proposal from the Commission, appropriate measures to deal with the situations referred to in Articles 164 and 165.

Section 2  
Terms and conditions of financing

*Article 155 (Article 233 of Lomé IV)*

35. In Article 155, paragraph 4 shall be replaced by the following:

"4. Where financial assistance is granted to the final recipient through an intermediary or directly to the final beneficiary in the private sector:

- (a) the terms on which the assistance may be made available by the intermediary to the final recipient or directly to the final beneficiary in the private sector shall be laid down in the financing agreement or loan contract; and
- (b) any financial benefit accruing to the intermediary from the on-lending transaction, or resulting from direct lending operation to the final beneficiary in the private sector, shall be used for development purposes, on the conditions laid down in the financing agreement or the loan contract, after taking into account administrative costs, exchange and financial risks, and the cost of technical assistance given to the final recipient."

*Article 155a*

36. The following Article 155a shall be inserted:

"Article 155a

Any funds remaining from those earmarked for special loans under the 5th and 6th Funds, whether for a country or territory or region, which have not been committed by the date of this Decision, plus any funds decommitted following closures, shall be used for grants.

The Chief Authorizing Officer of the Fund shall implement this conversion.

*Article 156 (Article 234 of Lomé IV)*

37. In Article 156:

- the introductory words of paragraph 1 shall be replaced by the following:

"1. Risk capital may be deployed in the form of loan, equity participation or other quasi-capital assistance."



- the following subparagraph 1(b)a shall be inserted:
  - "(b)a Quasi-capital assistance may consist of shareholders' advances, convertible bonds, loans with participating rights or any other similar form of assistance."
- subparagraph 1(c) shall be replaced by the following:
  - "(c) The terms of risk capital operations shall depend on the characteristics of each project or programme financed and shall in general be more favourable than those of subsidized loans. In the case of loans to the OCT or to intermediaries the interest rate shall, in any case, be less than 3 %."
- the following subparagraphs 1(d) and 1(e) shall be added:
  - "(d) Risk capital resources may be used in support of pre-investment studies and technical assistance, as provided for in Article 175(g). In such cases, the loans shall be repaid only if the investment is carried out.
  - (e) Equity participation or other quasi-capital assistance shall be remunerated on the basis of the performance of the project or programme considered and profits generated shall be shared between the Community and the parties engaged in the said project or programme."
- subparagraph 2(b) shall be replaced by the following:
  - "(b) in the case of risk capital financing for small and medium-sized enterprises, hereinafter referred to as "SME", the exchange-rate risk shall be shared by the Community, on the one part, and by the other parties involved, on the other. On average, the foreign exchange risk shall be shared equally."

*Article 157 (Article 235 of Lomé IV)*

38. In Article 157, the following subparagraph (b)a shall be inserted:

"(b)a in the case of direct financing of the private sector for strictly commercial projects, the rate of subsidy referred to in subparagraph (b) shall not apply."

*Article 158 (Article 236 of Lomé IV)*

In Article 158, subparagraph (a) shall be replaced by the following:

"(a) contribute, through the resources it manages, to the economic and industrial development of the OCT on a national and regional scale; and to this end, finance as a priority, productive projects and programmes, or other investments aimed at promoting the private sector, in industry, agro-industry, tourism, mining, energy and in transport and telecommunications linked to these sectors. These sectoral priorities shall not exclude the possibility of the Bank's financing, from its own resources, productive projects and programmes in other sectors, including commercial agriculture;"

*Articles 161a to 161b (Articles 251a to 251e of Lomé IV)*

40. In Chapter 2 of Title III, the following Section 3a shall be inserted:

"Section 3a  
Decentralized cooperation

"Article 161a

1. With a view to strengthening and diversifying the basis for the long term development of the OCT, and in order to encourage all agents from the OCT and the Community which are in a position to contribute to the autonomous development of the OCT to put forward and implement initiatives, EC-OCT cooperation shall support, within limits laid down by the country or territory concerned, development operations within the framework of decentralized cooperation, in particular where they combine the efforts and resources of organizations from the OCT and their counterparts from the Community. This form of cooperation shall, in particular, aim at making available for the development of the OCT, the capabilities, innovative operating methods and resources of the agents of decentralized cooperation.

2. The agents referred to in this Article are decentralized public authorities, rural and village groups, cooperatives, trade unions, teaching and research institutions, non-governmental development organizations, other associations, groups and agents which are able and wish to contribute to the development of the OCT on their own initiative, provided that these agents and/or operations are non-profit-making.

Article 161b

1. In the framework of EC-OCT cooperation special efforts shall be made to encourage and support the initiatives of OCT agents and, in particular, to reinforce the capabilities of these OCT agents. In this framework, cooperation shall support the activities of OCT agents, either on their own or in association with similar agents from the Community, which make their capabilities, experience, technological and organizational capacities or financial resources available to their OCT counterparts.

2. The cooperation shall encourage agents from the OCT and from the Community to provide supplementary financial and technical resources for the development effort including encouragement of partnerships between such agents. The cooperation may provide decentralized cooperation operations with financial and/or technical support drawn from the resources of this Decision under the conditions laid down in Articles 161c, 161d and 161e.

3. This form of cooperation shall be organized in accordance with the role and the prerogative of the public authorities of the OCT.

Article 161c

1. Decentralized cooperation operations may be supported through the financial resources of the indicative programme or counterpart funds. The extent of the support shall be that which is necessary for the successful implementation of the proposed operations provided that the viability of the proposed operations has been established in accordance with the provisions for development finance cooperation.

2. Projects or programmes under this form of cooperation may or may not be linked to programmes in the sectors of concentration of the indicative programmes, but may be a way of achieving the specific objectives of the indicative programme or the results of initiatives by decentralized agents.

#### Article 161d

1. Projects and programmes undertaken within the framework of decentralized cooperation shall be subject to the approval of the competent authorities of the country or territory concerned. These operations shall be financed with contributions from:

- (a) the Fund, in which case the contribution shall not normally exceed three-quarters of the total cost of each project, or programme, and may not exceed ECU 300.000. The amount representing the Fund's contribution shall be drawn from the grant allocation of the national or regional indicative programme;
- (b) the agents of decentralized cooperation, provided that the financial, technical, material and other resources brought in by such agents is not, as a general rule, less than 25 percent of the estimated cost of the project/programme; and
- (c) exceptionally, by the competent authorities of the country or territory concerned, either in the form of financial contribution or through the use of public equipment or the supply of services.

2. The procedures applicable to projects and programmes financed within the framework of decentralized cooperation shall be those laid down in the development finance cooperation chapter, in particular, those referred to in Article 196.

#### Article 161e

1. In addition to the possibilities offered to the agents of decentralized cooperation in this section, in Articles 162 and 163 relating to microprojects and in Article 184(2)(c) on technical cooperation schemes and Article 206 on emergency assistance, the competent authorities may request or may agree to the participation of agents of decentralized cooperation in the implementation of other Fund projects and programmes, in particular, those performed by direct labour, in conformity with Article 205 and other relevant provisions of the Decision."

### Chapter 5 Implementation procedures

#### Section 1 Programming

*Article 187 (Article 281 of Lomé IV)*

41. In Article 187:

- the introductory words of paragraph 1 "At the beginning of the period covered by this Decision" shall be replaced by:

"1. At the beginning of the second 5-year period covered by the Decision..".

- paragraph 3 shall be replaced by the following:

"3. As soon as each country and territory has been notified of the total amount available to it, the competent authorities shall draw up and submit to the Community a draft indicative programme on the basis of and consistent with its development objectives and priorities. The draft indicative programme shall contain:

- (a) the priority development objectives of the country or territory concerned at local and regional levels;
- (b) the focal sector or sectors on which support should be concentrated, with emphasis on poverty alleviation and sustainable development, and the resources to be deployed for that purpose;
- (c) the most appropriate measures and operations for attaining the objectives in the focal sector or sectors;
- (d) wherever possible, specific and clearly identified projects and programmes, and especially those which constitute a follow-up to existing projects and programmes;
- (f) any proposals for regional projects and programmes;
- (g) a timetable for the implementation of the indicative programme, including commitments and disbursements;
- (h) the reserve set aside for insurance against possible claims, and to cover cost increases and contingencies."

*Article 188 (Article 282 of Lomé IV)*

42. Article 188 shall be replaced by the following:

"Article 282

1. The draft indicative programme shall be the subject of an exchange of views between the relevant authorities of the country or territory concerned and the Community, due regard being given to the local needs of the country or territory; the indicative programme shall then be adopted by agreement between the Community and the relevant authorities

of the country or territory concerned on the basis of the draft indicative programme proposed by those authorities.

2. The indicative programme shall specify all the elements referred to in Article 187(3) and, where the country or territory has a sufficiently large indicative amount, shall allocate 70% of the indicative amount.

3. The indicative programme shall be sufficiently flexible to ensure that operations are kept constantly in line with the objectives and to take account of any changes occurring in the economic situation, priorities and objectives of the country or territory concerned. It may be revised at the request of the country or territory.

In the case of OCT referred to in paragraph 2, it shall be reviewed when the country or territory concerned has achieved a high level of commitments in the implementation of the programme and, in any case, not later than three years after the entry into force of the second five years of application of this Decision.

4. At the end of the review referred to in the second subparagraph of paragraph 3, the resources required for completing the implementation of the indicative programme may be allocated giving due consideration to :

- (a) the indicative allocation;
- (b) progress made in the implementation of the elements of the programme referred to in Article 187(3) and the agreed timetable of commitments and disbursements, in the light of the annual reports of the head of delegation and of the Local Authorizing Officer referred to in Article 190(3);
- (c) the state of preparation of the activities the competent authorities of the country or territory concerned intend to undertake within the framework of the second phase of the indicative programme; and
- (d) the specific situation of the country or territory concerned.

5. Following the review referred to in paragraphs 3 and 4 above and, in any case, not later than the end of the period laid down in Article 154, any unallocated resources remaining from the programmable resources shall be used for financing operations falling within the scope of development finance cooperation, notably those relating to programmable assistance.

*Article 189 (Article 283 of Lomé IV)*

43. Article 189 shall be replaced by the following:

"Article 189

The Community and the competent authorities of the OCT shall take all necessary measures to ensure that indicative programmes are adopted in the shortest possible time and, save in exceptional circumstances, within one year of the entry into force of the amended version of this Decision."

Section 2  
Identification, preparation and appraisal of projects

*Article 193 (Article 287 of Lomé IV)*

44. In Article 193, the following subparagraph (2)(i) shall be added:
- "(i) the compatibility with the OCT's trade policies and trade development programmes and the impact on their competitiveness in the domestic, regional, international and Community markets."

Section 3: Financing proposals and decisions

*Article 196 (Article 290 of Lomé IV)*

45. Article 196 shall be replaced by the following:

"Article 196

1. With a view to expediting procedures and in derogation from the provisions set out in Articles 194 and 195, financing decisions may deal with multiannual programmes where financing concerns:

- (a) training;
- (b) decentralized operations;
- (c) microprojects;
- (d) trade promotion and trade development;
- (e) sets of operations of a limited scale in a specific sector;
- (f) project/programme management support;
- (g) technical cooperation;
- (h) use of the services of the CDI or the establishment of an EICC;
- (i) the implementation of Commission/Member State/OCT partnership arrangements.

2. In cases referred to in paragraph 1, the competent authorities of the OCT concerned may submit to the head of delegation a multiannual programme setting out the broad outlines, the types of actions envisaged and the financial commitment proposed:

- (a) The financing decision on each multiannual programme shall be taken by the Chief Authorizing Officer. The letter from the Chief Authorizing Officer to the Local Authorizing Officer notifying such a decision shall constitute the financing agreement within the meaning of Article 197;
- (b) Within the framework of multi-annual programmes thus adopted, the OCT Authorizing Officer or, when the case arises, the agent of decentralized cooperation which has been delegated functions for this purpose or, in appropriate cases, other eligible beneficiaries shall implement each

individual action in accordance with the relevant provisions of this Decision and the terms of the financing agreement referred to in subparagraph (a). Where the implementation is to be carried out by decentralized agents or other eligible beneficiaries, the Local Authorizing Officer and the Head of Delegation shall maintain financial responsibility and monitor the operations regularly with a view to enabling them, inter alia, to carry out their obligations under paragraph 3.

3. At the end of each year, the Local Authorizing Officer in consultation with the Head of Delegation, shall forward a report to the Commission on the implementation of the programmes.

#### TITLE IV

#### GENERAL PROVISIONS FOR THE LEAST-DEVELOPED OCT

##### *Article 230 (Article 330 of Lomé IV)*

46. In Article 230, the following shall be added to paragraph 1:

"- Saint-Pierre-et-Miquelon."

##### *Article 231 (Article 331 of Lomé IV)*

In Article 231, the following item 7a shall be inserted:

"7a Stabex  
Article 121(5)".

#### E. PART FOUR

#### PROVISIONS RELATING TO ESTABLISHMENT AND SERVICES

##### *Article 232*

47. Article 232 shall be replaced by the following text:

"Article 232

As regards the arrangements applicable to establishment and provision of services, in line with Article 132 (5) of the Treaty and subject to paragraphs 1 and 2 of this Article:

- the Member States shall treat nationals and companies or enterprises of the OCT on a non-discriminatory basis,
- the relevant authorities of the OCT shall treat nationals and companies or enterprises of Member States on a non-discriminatory basis.

1. The relevant authorities of a country or territory may, however, adopt regulations to aid their inhabitants and local activities in derogation from the rules normally applicable to nationals, companies or enterprises of all Member States as long as such derogations

are confined to sensitive sectors of the OCT's economy and are intended to promote or support local employment.

- (a) Such derogations may be granted by the Commission at the request of the relevant authorities of the country or territory concerned and after consultation in the framework of the partnership provisions of Articles 234 to 236.
- (b) Such a request must be accompanied by reasons indicating in particular the sectors concerned, the duration and other procedures envisaged. It shall be notified to the Commission, which shall inform the Member States and take a decision within three months. If the Commission has not acted within that period, the derogation shall be deemed to have been approved.
- (c) Such derogations shall be published in the Official Journal of the European Communities.

2. If a Member State is not bound under Community law, or else national law, to accord non-discriminatory treatment for a given activity to inhabitants of a country or territory who are nationals of a Member State or enjoy a legal status specific to a country or territory, or for companies or enterprises established in a country or territory and covered by the definition in Article 233, the authorities of that country or territory shall not be bound to accord such treatment."

48. The following Article 233a shall be inserted.

"Article 233a

1. The Community and its Member States shall extend to the OCT its undertakings under the General Agreement on Trade in Services (GATS) on the basis of the Most-Favoured-Nation clause.

2. As regards the arrangements governing trade in services, the OCT shall afford nationals, companies or enterprises of the Member States treatment that is no less favourable than that which they extend to nationals, companies or enterprises of third countries."

49. The following Article 133b shall be inserted:

"Article 233b

1. With a view to the ultimate recognition of professional qualifications acquired in the OCT, the Commission and the Member States concerned shall start work with a view to producing a list of professional qualifications acquired in the OCT by OCT nationals that would be recognized in the Member States as long as these qualifications comply with the minimum training levels required by the Community.

The qualifications in question concern only the professions of doctor, dentist, midwife, general nurse, pharmacist and veterinary surgeon.



2. The list of professional qualifications referred to in paragraph 1 shall be established by the Council, acting unanimously on the basis of a Commission proposal in respect of a future Decision on the association of the OCT with the European Community."

## F. PART FOUR A

### COMMUNITY PROGRAMMES FOR INDIVIDUALS

50. The following Article 233c shall be inserted:

#### "Article 233c

The following programmes shall apply to OCT nationals:

1. Education and training programmes:
  - (a) Leonardo, set up by Council Decision No 819/94/EC of 6 December 1994;<sup>9</sup>
  - (b) Socrates, set up by Decision No 819/95/EC of the European Parliament and of the Council of 14 March 1995;<sup>10</sup>
  - (c) Youth for Europe III, set up by Decision No 818/95/EC of the European Parliament and of the Council of 14 March 1995;<sup>11</sup>
2. Employment and social affairs programmes:
  - (a) LEIs (Local Employment Initiatives for women), set up by the Council resolutions of 13 December 1984<sup>12</sup> and of 21 May 1991;<sup>13</sup>
  - (b) LEDA (Local Employment Development Action Programme), set up by the Council resolution of 7 June 1984;<sup>14</sup>
  - (c) Ergo II (European Community Action Programme for the long-term unemployed), set up by the Council resolution of 29 May 1990 on a programme of action for employment;<sup>15</sup>
  - (d) Helios II (handicapped people in the European Community living independently in an open society), set up by Council Decision of 25 February 1993.<sup>16</sup>
3. Business programmes:

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<sup>9</sup> OJ L 340, 29.12.1994.

<sup>10</sup> OJ L 87, 20.4.1995.

<sup>11</sup> OJ L 87, 20.4.1995.

<sup>12</sup> OJ L 331, 19.12.1984.

<sup>13</sup> OJ C 142, 31.5.1991.

<sup>14</sup> OJ C 161, 21.6.1984.

<sup>15</sup> OJ C 157, 27.6.1984.

<sup>16</sup> OJ L 56, 9.3.1993.

- (a) Interprise, set up by Council Decision of 28 July 1989<sup>17</sup> and Council Decision 93/379/EC of 14 June 1993;<sup>18</sup>
  - (b) Europartenariat, set up by Council Decision of 18 December 1989;<sup>19</sup>
  - (c) BC-Net (Business Cooperation Network), BCC (Business Cooperation Centre), Artisanat, Euromanagement and Seed Capital, set up by Council Decision 93/379/EC of 14 June 1993.<sup>20</sup>
4. Research, development and innovation programmes:
- (a) Impact II (Information Market Policy Action), set up by Council Decision of 12 December 1991;<sup>21</sup>
  - (b) Telematic applications, set up by Council Decision 94/801/EC of 23 November 1994 adopting a specific programme for research and technological development, including demonstration, in the field of telematics applications of common interest (1994-98), in particular TIDE (Technology Initiative for Disabled and Elderly People), set up by Council Decision of 21 September 1993;<sup>22</sup>
  - (c) Innovation, set up by Council Decision 94/917/EC of 15 December 1994.<sup>23</sup>
5. Cultural and audiovisual programmes:
- (a) MEDIA, set up by Council Decision of 21 December 1990;<sup>24</sup>
  - (b) KALEIDOSCOPE
  - (c) film festivals. set up following the call for proposals of 15 September 1994.<sup>25</sup>
6. The HRTP Japan programme (Human Resources Training Programme in Japan) and topical missions, set up by Council Decision of 18 May 1992.<sup>26</sup>

## G. PART FIVE

### COMMISSION/MEMBER STATE/OCT PARTNERSHIP

#### *Article 234*

51. Article 234 shall be replaced by the following:

— "Article 234

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<sup>17</sup>OJ L 239, 16.8.1989.

<sup>18</sup> OJ L 161, 2.7.1993, p. 68.

<sup>19</sup> OJ...

<sup>20</sup> OJ L 161, 2.7.1993, p. 68.

<sup>21</sup> OJ L 377, 31.12.1991.

<sup>22</sup> OJ L 334, 22.12.1994.

<sup>23</sup> OJ L 361, 31.12.1994.

<sup>24</sup> OJ L 380, 31.12.1991.

<sup>25</sup> OJ C 258, 15.9.1994.

<sup>26</sup> OJ L 144, 26.5.1992.

Community action shall be based on close consultation between the Commission, the Member State responsible for a country or territory and the relevant local authorities of such countries or territories. Such consultations shall hereinafter be referred to as "partnership".

*Article 235*

52. Article 235 shall be replaced by the following:

"Article 235

1. Partnership shall cover the programming, preparation, financing, monitoring and evaluation of operations carried out by the Community under this Decision, and any problem arising in relations between the OCT and the Community.

2. To this end, working parties of the OCT association, of an advisory nature and made up of the three partners referred to in Article 234, shall be set up either on the basis of geographical area or by group of OCT under the responsibility of a single Member State, notably at the request of the OCT concerned. These working parties shall be set up:

- on an *ad hoc* basis to deal with specific problems, or
- on a permanent basis, if possible annual, for the remainder of the period covered by this Decision.

3. The Commission shall chair the working parties. A representative of the Bank shall be present at meetings when matters concerning it are on the agenda.

The expenses incurred by the OCT in attending partnership meetings may be covered by a financial contribution under the territorial or regional programmes of the European Development Fund at the request of the relevant authorities of the OCT concerned, in accordance with the procedures laid down in Title III of this Decision concerning development financing cooperation."

## H. ANNEX II

### concerning the definition of the concept of originating products and methods of administrative cooperation

#### *Article 3*

53. In Article 3:

- subparagraph 2(d) shall be replaced by the following:

"(d) 'customs value' shall be understood as meaning the value established in accordance with the 1994 Agreement on the implementation of Article VIII of the General Agreement on Tariffs and Trade (World Trade Organization agreement on customs value)."

- paragraph 3 shall be replaced by the following:

"3. For the purpose of implementing paragraphs 1 and 2 the following shall be considered as insufficient working or processing to confer the status of originating products, whether or not there is a change of heading:

- (a) operations to ensure the preservation of products in good condition during transport and storage (ventilation, spreading out, drying, chilling, placing in salt, sulphur dioxide or other aqueous solutions, smoking, removal of damaged parts, and like operations);
- (b) simple operations consisting of removal of dust, husking, partial or total bleaching, polishing, glazing, (for cereals and rice), sifting or screening, forming sugar lumps, colouring, sorting, classifying, matching (including the making-up of sets of articles, washing, painting, cutting-up);
- (c)
  - (i) changes of packaging and breaking up and assembly of consignments;
  - (ii) simple placing in bottles, flasks, bags, cases, boxes, fixing on cards or boards etc., and all other simple packaging operations;
- (d) affixing marks, labels and other like distinguishing signs on products or their packaging;
- (e)
  - (i) simple mixing of products, even of different kinds, where one or more components of the mixture do not meet the conditions laid down in this Annex to enable them to be considered as originating in an ACP State, in the Community or in a country or territory;
- (f) simple assembly of parts of articles to constitute a complete article;
- (g) a combination of two or more operations specified in subparagraphs (a) to (f);
- (h) slaughter of animals."

54. In Article 5, "10%" shall be replaced by "15%".

55. Article 6 shall be replaced by the following text:

"Article 6

Cumulation and attribution of origin

1. For the purpose of implementing this Title, the OCT shall be considered as being one territory.

2. When products wholly obtained in the Community or in the ACP States undergo working or processing in the OCT, they shall be considered as having been wholly obtained in the OCT.

3. Working and processing carried out in the Community or in the ACP States shall be considered as having been carried out in the OCT when the materials undergo further working or processing in the OCT.

4. Paragraphs 2 and 3 shall not apply to the products falling within Chapters 1 to 24 of the Harmonized System if the products:

- originate in the Community or enjoy financial benefits when exported;
- originate in an ACP State.

5. Without prejudice to paragraph 4, paragraphs 2 and 3 apply to any working or processing carried out in the OCT, including the operations listed in Article 3(3). However, originating products made up of materials wholly obtained or sufficiently processed in two or more OCT or in one or more ACP States and in one or more OCT shall be considered as products originating in the country or territory or ACP State where the last working or processing took place, provided that this working or processing exceeded the insufficient operations listed in Article 3(3) or a combination thereof".

56. Article 7 shall be deleted.

*Article 13*

**Issue of certificate EUR.1 retrospectively**

57. In Article 13, the following terms shall be added to paragraph 3:

"ANNETTU JÄLKIKÄTEEN"

"UTFÄRDAT I EFTERHAND".

*Article 14*

**Issue of a duplicate certificate EUR.1**

58. In Article 14, the following term shall be added:

"KAKSOISKAPPALE".

## *Article 21*

### **Form EUR.2**

59. In Article 21, the sixth line of paragraph 1, "ECU 2 820" shall be replaced by "ECU 3 140".
60. In Article 21, the first line of paragraph 2, "30 April 1991" shall be replaced by "30 April 1997";
61. In Article 21, the fourth line of paragraph 2, "1 October 1988" shall be replaced by "1 October 1994".

## *Article 22*

### **Exemptions from proof of origin**

62. In Article 22, the second subparagraph of paragraph 2, "ECU 200" and "ECU 565" shall be replaced by "ECU 230" and "ECU 630" respectively.

## *Article 30*

### **Derogations**

63. In Article 30, the third subparagraph of paragraph 1 shall be replaced by the following:

"The Community shall accept all requests which are duly justified in conformity with this Article, in particular when substantial processing or working is carried out in the requesting OCT, and which cannot cause serious injury to an industry or agricultural sector of the Community."

64. In Article 30, the last subparagraph shall be replaced by the following:

"The form may be amended in accordance with the procedure set out in Article 249(2) and (3) of Regulation (EEC) No 2913/92."

65. In Article 30, paragraph 6 shall be replaced by the following:

"6. In the examination of requests, special account shall be taken, case by case, of the possibility of conferring originating status on products which include in their composition materials originating in:

- ACP States and excluded from the cumulation provisions of Article 6, or
- neighbouring developing countries or least-developed countries, provided that satisfactory administrative cooperation can be established."

66. In Article 30, subparagraph 8(a) shall be replaced by the following:

"8. (a) The Council and the Commission shall take all the necessary measures to ensure that a decision is taken promptly and in any case not later than 60 working days

after receipt of the request by the chairman of the Customs Code Committee - Origin Section. In this context, Decision 90/523/EEC shall apply *mutatis mutandis* to the OCT;"

67. In Article 30, paragraph 10 shall be replaced by the following:

"10. Should a derogation cause serious disturbance in sectors of activity of some regions of the Community, it shall be re-examined in accordance with the procedure set out in Article 249 of Council Regulation (EEC) No 2913 of 12 October 1992, without prejudice to the emergency measures that the Commission is authorized to take.

Following this examination, the decision may be amended or revoked."

68. Article 33 shall be deleted.

#### TITLE IV

##### CEUTA AND MELILLA

69. In Title IV of Annex II, "Canary Islands, Ceuta and Melilla", and in Article 31, of which this Title consists, all references to the "Canary Islands" shall be deleted.

#### ANNEXES TO ANNEX II

70. - In Annex 1 to Annex II, the note 8 attached hereto shall be added.  
- The list in Annex 2 to Annex II shall be replaced by the list attached hereto.

71. In Annex 3 to Annex II, "Eritrea" shall be added.

72. In Annex 4 to Annex II, paragraph 4 shall be deleted.

73. Annex 8 to Annex II shall be deleted.

74. Annex 9 to Annex II shall be renamed "Annex 8".

#### I ANNEX IIa

75. The following Annex IIa shall be inserted.

##### **"Annex IIa establishing implementing provisions for the system of minimum import prices**

#### Article 1

In order to prevent trade between the OCT and the Community in products covered by institutional price arrangements under the Common Agricultural Policy disrupting markets, the Commission, after consulting the authorities involved, as called for by the partnership arrangements referred to in Article 235, may fix a minimum import price for such products.

The minimum price shall not exceed the level strictly necessary to comply with the objectives of Article 39 of the Treaty, and shall allow products originating in the OCT more favourable conditions than those applying to imports of the same product originating in a third country enjoying preferential treatment in trade with the Community.

## Principles and definitions

### Article 2

1. For the purposes of this Annex, the elements making up the import price shall be:

- (a) the fob price in the country or territory of origin;
- (b) the actual cost of transport and insurance until arrival on the customs territory of the Community.

2. For the purposes of paragraph 1 'fob price' shall mean the price paid or payable for the quantity of products contained in a consignment, including the cost of placing the consignment on board a means of transport at the place of loading in the country or territory of origin and other costs incurred in that country or territory. The fob price does not include the cost of any services to be borne by the seller from the time that the products are placed on board the means of transport.

3. Where it is found that prices on resale, directly or via commercial intermediaries, are, after deduction of the import duties actually paid, more than 15% below the minimum price of an imported consignment, the weighted average of those adjusted prices shall be deemed the import price.

### Article 3

The equivalent value in local currency of the ecu for the purpose of applying this Annex shall be established once a month. The rates to be used for this conversion are those published in the Official Journal of the European Communities on the penultimate working day of the month. These rates shall be applicable throughout the whole of the following month.

However, if the rate applicable at the beginning of any given month differs by more than 5 % from that published on the penultimate working day preceding the 15th day of the same month, this latter rate is applicable from and including the 15th until the end of the month in question.

## Checks and taxation on imports

### Article 4

The competent national authorities shall, whenever a declaration for release for free circulation is accepted, compare the declared import price with the minimum import price applicable to the goods on the day the declaration is accepted.



Where the price shown on the invoice is for deferred payment during a period exceeding three months, the price shown on the invoice shall be reduced by 1 % for each month of deferral granted in excess of those three months.

#### Article 5

Where the import price is less than the minimum import price applicable to the goods, the competent national authorities shall levy a countervailing charge equal to the difference between those prices.

#### Special control procedure

#### Article 6

1. Where the customs authorities have well-founded doubts that the price appearing in the declaration of release for free circulation reflects the actual import price, the importer shall lodge the security referred to in Article 248(1) of Regulation (EEC) No 2454/93 laying down provisions for the implementation of Council Regulation No 2913/92 establishing the Community Customs Code,<sup>27</sup> plus interest for the period of six months referred to in the second subparagraph. The rate of interest applicable shall be that in force under national law for the recovery of sums due.

Importers shall have six months within which to prove that the product has been disposed of under conditions which guarantee observance of the minimum import price. Failure to comply with the time limit shall entail the loss of the security, without prejudice to paragraph 2.

2. The time limit laid down in paragraph 1 may be extended by the competent authorities by up to three months on a duly justified application by the declarant and provided that the security is adjusted accordingly.

#### Article 7

1. The minimum import price shall be deemed to be observed if the importer furnishes proof in respect of at least 95 % of the consignment imported that, at all marketing stages including sale to end users, the product has been sold at a price at least equal to the minimum import price after deduction of customs import charges actually paid. If the product undergoes treatment after its release for free circulation and before its sale to the end user, the cost of such treatment shall be reflected in the selling price to the end user.

2. If the proof from the end user cannot be presented despite all steps taken by the importer, the competent authorities may accept other proof to the effect that the product was sold under conditions indicating that the minimum price has been observed.

3. The application of the special control procedure shall be without prejudice to the a posteriori checks referred to in Articles 8, 9 and 10.

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<sup>27</sup> OJ L 253, of 11.10.1993, p. 1.

4. The end user, for the purposes of this Annex, shall be either a manufacturer who uses the product in question with a view to processing, other than packaging, into another product falling within CN codes other than those shown in the declaration of release for free circulation, or a retailer selling exclusively to consumers.

#### Post-clearance checks

##### Article 8

The importer shall keep available for examination by the competent authorities, in view of a posteriori checks, proof of payment to the seller and all commercial documents such as invoices, contracts and correspondence concerning the purchase and the sale of the products in question for at least three years following the year in which the declaration for release for free circulation was accepted.

##### Article 9

The competent authorities shall carry out random checks.

##### Article 10

Where, in the course of a check, the competent authorities find that the minimum import price has not been observed, they shall collect the duties owed in accordance with Article 220 of Regulation (EEC) No 2913/92. In establishing the amount of the duties to be recovered or remaining to be recovered, they shall take account of interest incurred from the date of release for free circulation of the goods until that of recovery. The rate of interest applied shall be that in force under national law for the recovery of the sums due.

#### Administrative cooperation

##### Article 11

The relevant authorities of the Community and of the OCT shall assist each other, through their respective customs administrations, in carrying out controls to ensure the proper application of this Annex and of any autonomous regulations which may have been adopted by the OCT authorities in connection with the provisions of this Annex.

#### Price-setting procedure

##### Article 12

1. The minimum import price shall be set for each marketing year two months before the beginning of the marketing year, and may if necessary be modified in the light of the market situation, after consultation with the authorities involved in the framework of the partnership arrangements referred to in Article 235, according to the procedures provided for in:

- (a) Article 23 of Council Regulation (EEC) no. 766/92, of 30 June 1992<sup>28</sup> concerning the common organisation of the markets in cereals, or
- b) corresponding articles in the other regulations concerning common market organisations.

J. ANNEX V

**on rum**

76. Annex V shall be deleted.

*ARTICLE 2*

This Decision shall enter into force on the day following that of its publication in the Official Journal of the European Communities, with the exception of the financial commitments implementing Article 154a.

These commitments shall apply from the date of the internal ratification of the Internal Agreement.

*ARTICLE 3*

This Decision shall be published in the Official journal of the European Communities.

Done at Brussels,

For the Council

The President

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<sup>28</sup> OJ L 181 of 1.7.1992, p. 1.

Annex 1 Notes

Note 8

8.1 Appendix 1

For the purposes of heading Nos ex 2707, 2713 to 2715, ex 2901, ex 2902 and ex 3403, the "specific processes" are the following:

- (a) vacuum distillation;
- (b) redistillation by a very thorough fractionation process<sup>1</sup>
- (c) cracking;
- (d) reforming;
- (e) extraction by means of selective solvents;
- (f) the process comprising all the following operations: processing with concentrated sulphuric acid, oleum or sulphuric anhydride; neutralization with alkaline agents; decolorization and purification with naturally active earth, activated earth, activated charcoal or bauxite;
- (g) polymerization;
- (h) alkylation;
- (i) isomerization.

8.2 Appendix 2

For the purposes of heading Nos 2710, 2711 and 2712, the "specific processes" are the following:

- (a) vacuum distillation;
- (b) redistillation by a very thorough fractionation process<sup>1</sup>
- (c) cracking;
- (d) reforming;
- (e) extraction by means of selective solvents;
- (f) the process comprising all the following operations: processing with concentrated sulphuric acid, oleum or sulphuric anhydride; neutralization with alkaline agents; decolorization and purification with naturally active earth, activated earth, activated charcoal or bauxite;
- (g) polymerization;
- (h) alkylation;
- (ij) isomerization;
- (k) in respect of heavy oils falling within heading No ex 2710 only, desulphurization with hydrogen resulting in a reduction of at least 85 per cent of the sulphur content of the products processed (ASTM D 1266-59 T method);
- (l) in respect of products falling within heading No 2710 only, deparaffining by a process other than filtering;
- (m) in respect of heavy oils falling within heading No ex 2710 only, treatment with hydrogen at a pressure of more than 20 bar and a temperature of more than 250°C with the use of a catalyst, other than to effect desulphurization, when the hydrogen constitutes an active element in a

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((1) See Additional Explanatory Note 4(b) to Chapter 27 of the combined nomenclature  
☐ See Additional Explanatory Note 4(b) to Chapter 27 of the combined nomenclature

chemical reaction. The further treatment with hydrogen of lubricating oils of heading No ex 2710 (e.g. hydrofinishing or decolorization) in order, more especially, to improve colour or stability shall not, however, be deemed to be a specific process;

- (n) in respect of fuel oils falling within heading No ex 2710 only, atmospheric distillation, on condition that less than 30 per cent of these products distils, by volume, including losses, at 300°C by the ASTM D 86 method;
- (o) in respect of heavy oils other than gas oils and fuel oils falling within heading No ex 2710 only, treatment by means of a high-frequency electrical brush-discharge.

8.3 For the purposes of heading Nos ex 2707, 2713 to 2715, ex 2901, ex 2902 and ex 3403, simple operations such as cleaning, decanting, desalting, water separation, filtering, colouring, marking, obtaining a sulphur content as a result of mixing products with different sulphur contents, any combination of these operations or like operations do not confer origin.

Annex 2

to

ANNEX II

List of working or processing required to be carried out on non-originating materials in order that the product manufactured can obtain originating status

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
Chapter 01	Live animals	All the animals of Chapter 1 used must be wholly obtained
Chapter 02	Meat and edible meat offal	Manufacture in which all the materials of Chapters 1 and 2 used must be wholly obtained
Chapter 03	Fish and crustaceans, molluscs and other aquatic invertebrates	Manufacture in which all the materials of Chapter 3 used must be wholly obtained
ex Chapter 04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included; except for:	Manufacture in which all the materials of Chapter 4 used must be wholly obtained
0403	Buttermilk, curdled milk and cream, yoghurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa	Manufacture in which: - all the materials of Chapter 4 used must be wholly obtained; - any fruit juice (except those of pineapple, lime or grapefruit) of heading No. 2009 used must already be originating; - the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product
ex Chapter 05	Products of animal origin, not elsewhere specified or included; except for:	Manufacture in which all the materials of Chapter 5 used must be wholly obtained
ex 0502	Prepared pigs', hogs' or boars' bristles and hair	Cleaning, disinfecting, sorting and straightening of bristles and hair
Chapter 06	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	Manufacture in which: - all the materials of Chapter 6 used must be wholly obtained; - the value of all the materials used does not exceed 50% of the ex-works price of the product

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
Chapter 07	Edible vegetables and certain roots and tubers	Manufacture in which all the materials of Chapter 7 used must be wholly obtained
Chapter 08	Edible fruit and nuts; peel of citrus fruits or melons	Manufacture in which: - all the fruit and nuts used must be wholly obtained; - the value of any materials of Chapter 17 used does not exceed 30 % of the value of the ex-works price of the product
ex Chapter 09	Coffee, tea, maté and spices; except for:	Manufacture in which all the materials of Chapter 9 used must be wholly obtained
0901	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion	Manufacture from materials of any heading
0902	Tea, whether or not flavoured	Manufacture from materials of any heading
ex 0910	Mixtures of spices	Manufacture from materials of any heading
Chapter 10	Cereals	Manufacture in which all the materials of Chapter 10 used must be wholly obtained
ex Chapter 11	Products of the milling industry; malt; starches; inulin; wheat gluten; except for:	Manufacture in which all the cereals, edible vegetables, roots and tubers of heading No 0714 or fruit used must be wholly obtained
ex 1106	Flour, meal and powder of the dried, shelled leguminous vegetables of heading No 0713	Drying and milling of leguminous vegetables of heading No 0708



HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

Chapter 12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	Manufacture in which all the materials of Chapter 12 used must be wholly obtained
1301	Lac; natural gums, resins, gum-resins and oleoresins (for example, balsams)	Manufacture in which the value of any materials of heading No 1301 used may not exceed 50% of the ex-works price of the product
1302	Vegetable saps and extracts; pectic substances, pectinates and pectates; agar-agar and other mucilages and thickeners, whether or not modified, derived from vegetable products:	
	- Mucilages and thickeners, modified, derived from vegetable products	Manufacture from non-modified mucilages and thickeners
	- Other	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
Chapter 14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	Manufacture in which all the materials of Chapter 14 used must be wholly obtained
ex Chapter 15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animals or vegetable waxes; except for:	Manufacture in which all the materials used are classified within a heading other than that of the product
1501	Pig fat (including lard) and poultry fat, other than that of heading no. 0209 or 1503:	

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

1502	<ul style="list-style-type: none"> <li>- Fats from bones or waste</li> <li>- Other</li> </ul> <p>Fats of bovine animals, sheep or goats, other than those of heading No. 1503</p>	<p>Manufacture from materials of any heading except those of heading Nos 0203, 0206 or 0207 or bones of heading No 0506</p> <p>Manufacture from meat or edible offal of swine of heading No 0203 or 0206 or of meat and edible offal of poultry of heading No 0207</p>
1504	<ul style="list-style-type: none"> <li>- Fats from bones or waste</li> <li>- Other</li> </ul> <p>Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified:</p>	<p>Manufacture from materials of any heading except those of heading Nos 0201, 0202, 0204 or 0206 or bones of heading No 0506</p> <p>Manufacture in which all the materials of Chapter 2 used must be wholly obtained</p>
1504	<ul style="list-style-type: none"> <li>- Solid fractions</li> <li>- Other</li> </ul>	<p>Manufacture from materials of any heading including other materials of heading No 1504</p> <p>Manufacture in which all the materials of Chapters 2 and 3 used must be wholly obtained</p>
ex 1505	Refined lanolin	<p>Manufacture from crude wool grease of heading No 1505</p>
1506	<p>Other animals fats and oils and their fractions, whether or not refined, but not chemically modified:</p>	

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
	- Solid fractions	Manufacture from materials of any heading including other materials of heading No 1506
	- Other	Manufacture in which all the materials of Chapter 2 used must be wholly obtained
1507 to 1515	Vegetable oils and their fractions:	
	- Soya, ground nut, palm, copra, palm kernel, babassu, tung and oiticica oil, myrtle wax and Japan wax, fractions of jojoba oil and oils for technical or industrial uses other than the manufacture of foodstuffs for human consumption	Manufacture in which all the materials used are classified within a heading other than that of the product
	- Solid fractions, except for that of jojoba oil	Manufacture from other materials of heading Nos. 1507 to 1515
	- Other	Manufacture in which all the vegetable materials used must be wholly obtained
1516	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinized, whether or not refined, but not further prepared	Manufacture in which: - all the materials of Chapter 2 used must be wholly obtained; - all the vegetable materials used must be wholly obtained. However, materials of headings 1507, 1508, 1511 and 1513 may be used
1517	Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, other than edible fats or oils or their fractions of heading No 1516	Manufacture in which: - all the materials of Chapters 2 and 4 used must be wholly obtained; - all the vegetable materials used must be wholly obtained. However, materials of headings 1507, 1508, 1511 and 1513 may be used

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
Chapter 16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	Manufacture from animals of Chapter 1. All the materials of Chapter 3 used must be wholly obtained
ex Chapter 17	Sugars and sugar confectionery; except for:	Manufacture in which all the materials used are classified within a heading other than that of the product
ex 1701	Cane or beet sugar and chemically pure sucrose, in solid form, flavoured or coloured	Manufacture in which the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product
1702	<p>Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter, artificial honey, whether or not mixed with natural honey; caramel:</p> <ul style="list-style-type: none"> <li>- Chemically pure maltose and fructose</li> <li>- Other sugars in solid form, flavoured or coloured</li> <li>- Other</li> </ul>	<p>Manufacture from materials of any heading including other materials of heading No 1702</p> <p>Manufacture in which the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</p> <p>Manufacture in which all the materials used must already be originating</p>
ex 1703	Molasses resulting from the extraction or refining of sugar, flavoured or coloured	Manufacture in which the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
1704	Sugar confectionery (including white chocolate), not containing cocoa	<p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
Chapter 18	Cocoa and cocoa preparations	<p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
1901	<p>Malt extract, food preparations of flour, meal, starch or malt extract, not containing cocoa or containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of heading Nos. 0401 to 0404, not containing cocoa or containing less than 5% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included:</p>	<ul style="list-style-type: none"> <li>- Malt extract      <b>Manufacture from cereals of Chapter 10</b></li> <li>- Other                <b>Manufacture in which:</b> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul> </li> </ul>

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
1902	<p>Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared:</p>	<p>Manufacture in which all the cereals and derivatives (except durum wheat and its derivatives) used must be wholly obtained</p>
	<p>- Containing 20% or less by weight of meat, meat offal, fish, crustaceans or molluscs</p>	<p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all cereals and derivatives (except durum wheat and its derivatives) used must be wholly obtained;</li> <li>- all the materials of Chapters 2 and 3 used must be wholly obtained</li> </ul>
	<p>- Containing more than 20% by weight of meat, meat offal, fish, crustaceans or molluscs</p>	
1903	<p>Tapioca and substitutes therefor prepared from starch, in the form of flakes, grains, pearls, siftings or in similar forms</p>	<p>Manufacture from materials of any heading except potato starch of heading No. 1108</p>
1904	<p>Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals, other than maize (corn) in grain form, or in the form of flakes or other worked grains (except flour and meal), pre-cooked, or otherwise prepared, not elsewhere specified or included</p>	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- from materials not classified within heading No 1806;</li> <li>- in which all the cereals and flour (except durum wheat and its derivatives) used must be wholly obtained;</li> <li>- in which the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
1905	<p>Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products</p>	<p>Manufacture from materials of any heading except those of Chapter 11</p>

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex Chapter 20	Preparations of vegetables, fruit, nuts or other parts of plants; except for:	Manufacture in which all the fruit, nuts or vegetables used must be wholly obtained
ex 2001	Yams, sweet potatoes and similar edible parts of plants containing 5% or more by weight of starch, prepared or preserved by vinegar or acetic acid	Manufacture in which all the materials used are classified within a heading other than that of the product
ex 2004 and ex 2005	Potatoes in the form of flour, meal or flakes, prepared or preserved otherwise than by vinegar or acetic acid	Manufacture in which all the materials used are classified within a heading other than that of the product
2006	Vegetables, fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallized)	Manufacture in which the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product
2007	Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, being cooked preparations, whether or not containing added sugar or other sweetening matter	Manufacture in which: - all the materials used are classified within a heading other than that of the product; - the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product
ex 2008	- Nuts, not containing added sugar or spirits	Manufacture in which the value of the originating nuts and oil seeds of heading Nos 0801, 0802 and 1202 to 1207 used exceeds 60% of the ex-works price of the product
	- Peanut butter, mixtures based on cereals; palm hearts; maize (corn)	Manufacture in which all the materials used are classified within a heading other than that of the product

HS heading No.  (1)	Description of product  (2)	Working or processing carried out on non-originating materials that confers originating status  (3)
	<ul style="list-style-type: none"> <li>- Other except for fruit and nuts cooked otherwise than by steaming or boiling in water, not containing added sugar, frozen</li> </ul>	Manufacture in which: <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
2009	Fruit juices and vegetable juices (including grape must), unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter	Manufacture in which: <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
ex Chapter 21	Miscellaneous edible preparations; except for:	Manufacture in which all the materials used are classified within a heading other than that of the product
2101	Extracts, essences and concentrates, of coffee, tea, maté, roasted chicory and other coffee substitutes	Manufacture in which: <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- all the chicory used must be wholly obtained</li> </ul>
2103	Sauces and preparations therefor, mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard: <ul style="list-style-type: none"> <li>- Sauces and preparations therefor, mixed condiments and mixed seasonings</li> <li>- Mustard flour and meal and prepared mustard</li> </ul>	Manufacture in which all the materials used are classified within a heading other than that of the product. However, mustard flour or meal or prepared mustard may be used  Manufacture from materials of any heading



HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
ex 2104	Soups and broths and preparations therefor	Manufacture from materials of any heading except prepared or preserved vegetables of heading Nos 2002 to 2005
2106	Food preparations not elsewhere specified or included	Manufacture in which: - all the materials used are classified within a heading other than that of the product; - the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product
ex Chapter 22	Beverages, spirits and vinegar, except for:	Manufacture in which: - all the materials used are classified within a heading other than that of the product; - all the grapes or any material derived from grapes used must be wholly obtained
2202	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading No 2009	Manufacture in which: - all the materials used are classified within a heading other than that of the product; - the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product; - any fruit juice used (except for pineapple, lime and grapefruit juices) must already be originating
2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages	Manufacture: - from materials not classified within heading Nos 2207 or 2208, - in which all the grapes or any material derived from grapes used must be wholly obtained or if all the other materials used are already originating, arrack may be used up to a limit of 5% by volume

HS heading No.	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
ex Chapter 23	Residues and waste from the food industries; prepared animal fodder; except for:	Manufacture in which all the materials used are classified within a heading other than that of the product
ex 2301	Whale meal; flours, meals and pellets of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption	Manufacture in which all the materials of Chapters 2 and 3 used must be wholly obtained
ex 2303	Residues from the manufacture of starch from maize (excluding concentrated steeping liquors), of a protein content, calculated on the dry product, exceeding 40% by weight	Manufacture in which all the maize used must be wholly obtained
ex 2306	Oil cake and other solid residues resulting from the extraction of olive oil, containing more than 3% of olive oil	Manufacture in which all the olives used must be wholly obtained
2309	Preparations of a kind used in animal feeding	Manufacture in which: - all the cereals, sugar or molasses, meat or milk used must already be originating; - all the materials of Chapter 3 used must be wholly obtained
ex Chapter 24	Tobacco and manufactured tobacco substitutes; except for:	Manufacture in which all the materials of Chapter 24 used must be wholly obtained
2402	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes	Manufacture in which at least 70% by weight of the unmanufactured tobacco or tobacco refuse of heading No 2401 used must already be originating
ex 2403	Smoking tobacco	Manufacture in which at least 70% by weight of the unmanufactured tobacco or tobacco refuse of heading No 2401 used must already be originating

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 2504	Natural crystalline graphite, with enriched carbon content, purified and ground	Enriching of the carbon content, purifying and grinding of crude crystalline graphite
ex 2515	Marble, merely cut by sawing or otherwise into blocks or slabs of a rectangular (including square) shape, of a thickness not exceeding 25 cm	Cutting, by sawing or otherwise, of marble (even if already sawn) of a thickness exceeding 25 cm
ex 2516	Granite, porphyry, basalt, sandstone and other monumental and building stone, merely cut by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape, of a thickness not exceeding 25 cm	Cutting, by sawing or otherwise, of stones (even if already sawn) of a thickness exceeding 25 cm
ex 2518	Calcined dolomite	Calcination of dolomite not calcined
ex 2519	Crushed natural magnesium carbonate (magnesite), in hermetically sealed containers, and magnesium oxide, whether or not pure, other than fused magnesia or dead burned (sintered) magnesia	Manufacture in which all the materials used are classified within a heading other than that of the product. However, natural magnesium carbonate (magnesite) may be used
ex 2520	Plasters specially prepared for dentistry	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
ex 2524	Natural asbestos fibres	Manufacture from asbestos concentrate
ex 2525	Mica powder	Grinding of mica or mica waste
ex 2530	Earth colours, calcined or powdered	Calcination or grinding of earth colours
ex 2707	Oils in which the weight of the aromatic constituents exceeds that of the non-aromatic constituents, being oils similar to mineral oils obtained by distillation of high temperature coal tar, of which more than 65% by volume distils at a temperature of up to 250°C (including mixtures of petroleum spirit and benzole), for use as power or heating fuels	Operations of refining and/or one or more specific process(es) in accordance with Appendix 1. <sup>1</sup>  or  Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product
ex 2709	Crude oils obtained from bituminous minerals	Destructive distillation of bituminous materials
2710	Petroleum oils and oils obtained from bituminous materials, other than crude; preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous materials, these oils being the basic constituents of the preparations	Operations of refining and/or one or more specific process(es) in accordance with Appendix 2. <sup>2</sup>  or  Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product

<sup>1</sup> For the special conditions relating to "specific processes" see Introductory Notes 8.1 and 8.3

<sup>2</sup> For the special conditions relating to "specific processes" see Introductory Note 8.2

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

2711	Petroleum gases and other gaseous hydrocarbons	<p>Operations of refining and/or one or more specific process(es) in accordance with Appendix 2.<sup>1</sup></p> <p>or</p> <p>Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product</p>
2712	Petroleum jelly; paraffin wax, microcrystalline petroleum wax, slack wax, ozokerite, lignite wax, peat wax, other mineral waxes and similar products obtained by synthesis or by other processes, whether or not coloured	<p>Operations of refining and/or one or more specific process(es) in accordance with Appendix 2.<sup>1</sup></p> <p>or</p> <p>Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product</p>

<sup>1</sup> For the special conditions relating to "specific processes" see Introductory Note 8.2

<sup>2</sup> For the special conditions relating to "specific processes" see Introductory Notes 8.1 and 8.3

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
2713	Petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous materials	<p>Operations of refining and/or one or more specific process(es) in accordance with Appendix 1.<sup>2</sup></p> <p>or</p> <p>Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product</p>
2714	Bitumen and asphalt, natural; bituminous or oil shale and tar sands; asphaltites and asphaltic rocks	<p>Operations of refining and/or one or more specific process(es) in accordance with Appendix 1.<sup>1</sup></p> <p>or</p> <p>Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product</p>

1. For the special conditions relating to "specific processes" see Introductory Notes 8.1 and 8.3

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

2715	Bituminous mixtures based on natural asphalt, on natural bitumen, on petroleum bitumen, on mineral tar or on mineral tar pitch	Operations of refining and/or one or more specific process(es) in accordance with Appendix 1. <sup>1</sup> or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product
ex Chapter 28	Inorganic chemicals; organic or inorganic compounds or precious metals, of rare-earth metals, of radioactive elements or of isotopes; except for headings Nos ex 2811 and ex 2833 for which the rules are set out below	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product
ex 2811	Sulphur trioxide	Manufacture from sulphur dioxide
ex 2833	Aluminium sulphate	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
ex Chapter 29 —	Organic chemicals; except for heading Nos ex2901, ex2902, ex2905, 2915, ex 2932, 2933 and 2934, for which the rules are set out below:	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 2901	Acyclic hydrocarbons for use as power or heating fuels	Operations of refining and/or one or more specific process(es) in accordance with Appendix 1. <sup>1</sup>  or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product
ex 2902	Cyclanes and cyclenes (other than azulenes), benzene, toluene, xylenes, for use as power or heating fuels	Operations of refining and/or one or more specific process(es) in accordance with Appendix 1. <sup>1</sup>  or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used, provided their value does not exceed 50% of the ex-works price of the product
ex 2905	Metal alcoholates of alcohols of this heading and of ethanol or glycerol	Manufacture from materials of any heading, including other materials of heading No. 2905. However, metal alcoholates of this heading may be used, provided their value does not exceed 20% of the ex-works price of the product
2915	Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives	Manufacture from materials of any heading. However, the value of all the materials of headings Nos. 2915 and 2916 used may not exceed 20% of the ex-works price of the product

<sup>1</sup> For the special conditions relating to "specific processes" see Introductory Notes 8.1 and 8.3

<sup>1</sup> For the special conditions relating to "specific processes" see Introductory Notes 8.1 and 8.3



HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 2932	<ul style="list-style-type: none"> <li>- Internal ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives</li>   <li>- Cyclic acetals and internal hemiacetals and their halogenated, sulphonated, nitrated or nitrosated derivatives</li> </ul>	<p>Manufacture from materials of any heading. However, the value of all the materials of heading N°2909 used may not exceed 20% of the ex-works price of the product.</p> <p>Manufacture from materials of any heading</p>
2933	Heterocyclic compounds with nitrogen heteroatom(s) only:	Manufacture from materials of any heading. However, the value of all the materials of headings Nos. 2932 and 2933 used may not exceed 20% of the ex-works price of the product
2934	Nucleic acids and their salts; other heterocyclic compounds	Manufacture from materials of any heading. However, the value of all the materials of headings Nos. 2932, 2933 and 2934 used may not exceed 20% of the ex-works price of the product
ex Chapter 30	Pharmaceutical products, except for heading Nos 3002, 3003 and 3004, for which the rules are set out below:	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product
3002	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera and other blood fractions and modified immunological products, whether or not obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products:	

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

	<p>- Products consisting of two or more constituents which have been mixed together for therapeutic or prophylactic uses or unmixed products for these uses, put up in measured doses or in forms or packings for retail sale</p> <p>- Other:</p> <p>    - human blood</p> <p>    - animal blood prepared for therapeutic or prophylactic uses</p> <p>    - blood fractions other than antisera, haemoglobin and serum globulin</p> <p>    - haemoglobin, blood globulin and serum globulin</p>	<p>Manufacture from materials of any heading, including other materials of heading No. 3002. The materials of this description may also be used, provided their value does not exceed 20% of the ex-works price of the product</p> <p>Manufacture from materials of any heading, including other materials of heading No. 3002. The materials of this description may also be used, provided their value does not exceed 20% of the ex-works price of the product</p> <p>Manufacture from materials of any heading, including other materials of heading No. 3002. The materials of this description may also be used, provided their value does not exceed 20% of the ex-works price of the product</p> <p>Manufacture from materials of any heading, including other materials of heading No. 3002. The materials of this description may also be used, provided their value does not exceed 20% of the ex-works price of the product</p> <p>Manufacture from materials of any heading, including other materials of heading No. 3002. The materials of this description may also be used, provided their value does not exceed 20% of the ex-works price of the product</p>
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HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

	— other	Manufacture from materials of any heading, including other materials of heading No. 3002. The materials of this description may also be used, provided their value does not exceed 20% of the ex-works price of the product
3003 and 3004	Medicaments (excluding goods of heading Nos. 3002, 3005 and 3006)	<p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product. However, materials of heading No 3003 or 3004 may be used provided their value, taken together, does not exceed 20% of the ex-works price of the product, and</li> <li>- the value of all the materials used does not exceed 50% of the ex-works price of the product</li> </ul>
ex Chapter 31	Fertilizers; except for heading Nos ex 3103 and ex3105, for which the rules are set out below	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product
ex 3103 —	Crushed and powdered calcined natural aluminium calcium phosphates	Crushing and powdering of calcined natural aluminium calcium phosphates

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 3105	<p>Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter, in tablets or similar forms or in packages of a gross weight not exceeding 10 kg, except for:</p> <ul style="list-style-type: none"> <li>- sodium nitrate</li> <li>- calcium cyanamide</li> <li>- potassium sulphate</li> <li>- magnesium potassium sulphate</li> </ul>	<p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product,</li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>- the value of all the materials used does not exceed 50% of the ex-works price of the product</li> </ul>
ex Chapter 32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter, paints and varnishes; putty and other mastics; inks, except for heading Nos ex 3201 and 3205, for which the rules are set out below	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product
ex 3201	Tannins and their salts, esters, ethers, and other derivatives	Manufacture from tanning extracts of vegetable origin
3205	Colour lakes; preparations as specified in Note 3 to this Chapter based on colour lakes <sup>(1)</sup>	Manufacture from materials of any heading, except headings Nos. 3202 and 3204 provided the value of any materials classified in heading No 3205 does not exceed 20% of the ex-works price of the product

(1) Note 3 to Chapter 32 says that these preparations are those of a kind used for colouring any material or used as ingredients in the manufacturing of colouring preparations, provided they are not classified in another heading in Chapter 32.

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex Chapter 33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations; except for heading No ex 3301, for which the rule is set out below	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product
ex 3301	Essential oils (terpeneless or not), including concretes and absolutes; resinoids; concentrates of essential oils in fats, in fixed oils, in waxes or the like, obtained by enfleurage or maceration; terpenic by-products of the deterpenation of essential oils; aqueous distillates and aqueous solutions of essential oils	Manufacture from materials of any heading, including materials of a different "group" <sup>(1)</sup> in this heading. However, materials of the same group may be used, provided their value does not exceed 20% of the ex-works price of the product
ex Chapter 34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes; polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and dental preparations with a basis of plaster, except for heading Nos ex3403 and 3404, for which the rules are set out below	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product

(1) A "group" is regarded as any part of the heading separated from the rest by a semi-colon.

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
ex 3403	Lubricating preparations containing petroleum oils or oils obtained from bituminous minerals, provided they represent less than 70% by weight	Operations of refining and/or one or more specific process(es) in accordance with Appendix 1. <sup>1</sup>  or  Other operations in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product
ex 3404	Artificial waxes and prepared waxes:  - With a basis of paraffin, petroleum waxes, waxes obtained from bituminous minerals, slack wax or scale wax  - Other	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 50% of the ex-works price of the product  Manufacture from materials of any heading, except: - hydrogenated oils having the character of waxes of heading No. 1516  - fatty acids not chemically defined or industrial fatty alcohols having the character of waxes of heading No. 3823  - materials of heading No. 3404  However, these materials may be used provided their value does not exceed 20% of the ex-works price of the product

<sup>1</sup> For the special conditions relating to "specific processes" see Introductory Notes 8.1 and 8.3

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex Chapter 35	Albuminoidal substances, modified starches, glues, enzymes, except for heading Nos 3505 and ex 3507 for which the rules are set out below	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product
3505	Dextrins and other modified starches (for example, pregelatinized or esterified starches); glues based on starches, or on dextrins or other modified starches:  - Starch ethers and esters  - Other	Manufacture from materials of any heading, including other materials of heading No. 3505  Manufacture from materials of any heading, except those of heading No. 1108
ex 3507	Prepared enzymes not elsewhere specified or included	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
Chapter 36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product
ex Chapter 37	Photographic or cinematographic goods; except for heading Nos 3701, 3702 and 3704 for which the rules are out below	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
3701	Photographic plates and film in the flat, sensitized, unexposed, of any material other than paper, paperboard or textiles; instant print film in the flat, sensitized, unexposed, whether or not in packs	Manufacture in which all the materials used are classified in a heading other than heading No 3702
3702	Photographic film in rolls, sensitized, unexposed, of any material other than paper, paperboard or textiles; instant print film in rolls, sensitized, unexposed	Manufacture in which all the materials used are classified within a heading other than heading Nos. 3701 or 3702
3704	Photographic plates, film paper, paperboard and textiles, exposed but not developed	Manufacture in which all the materials used are classified within a heading other than heading Nos. 3701 to 3704
ex Chapter 38	Miscellaneous chemical products: except for heading Nos 3801, ex3803, ex3805, ex3806, ex3807, ex 3811, ex 3823 and 3824 for which the rules are set out below:	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product
ex 3801	- Colloidal graphite in suspension in oil and semicolloidal graphite; carbonaceous pastes for electrodes  - Graphite in paste form, being a mixture of more than 30% by weight of graphite with mineral oils	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product  Manufacture from materials of any heading. However, the value of the materials of heading No. 3403 used must not exceed 20% of the ex-works price of the product
ex 3803	Refined tall oil	Refining of crude tall oil
ex 3805	Spirits of sulphate turpentine, purified	Purification by distillation or refining of raw spirits of sulphate turpentine
ex 3806	Ester gums	Manufacture from resin acids



HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 3807	Wood pitch (wood tar pitch)	Distillation of wood tar
ex 3811	Prepared additives for lubricating oil, containing petroleum oils or oils obtained from bituminous minerals	Manufacture in which the value of all the materials of heading No 3811 used does not exceed 50% of the ex-works price of the product
ex 3823	Industrial fatty alcohols having the character of artificial waxes	Manufacture from materials of any heading including fatty acids of heading No38.23
3824	- The following of heading No 3824:  -Prepared binders for foundry moulds or cores based on natural resinous products  -Naphthenic acids, their water insoluble salts and their esters  -Sorbitol other than that of heading No 2905  -Petroleum sulphonates, excluding petroleum sulphonates of alkali metals, of ammonium or of ethanolamines; thiophenated sulphonic acids of oils obtained from bituminous minerals, and their salts  -Ion exchangers  -Getters for vacuum tubes	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

	<ul style="list-style-type: none"> <li>—Alkaline iron oxide for the purification of gas</li> <li>—Ammoniacal gas liquors and spent oxide produced in coal gas purification</li> <li>—Sulphonaphthenic acids, their water insoluble salts and their esters</li> <li>—Fusel oil and Dippel's oil</li> <li>—Mixtures of salts having different anions</li> <li>—Copying pastes with a basis of gelatin, whether or not on a paper or textile backing</li> <li>- Other</li> </ul>	<p>Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product</p>
3901 to 3915	<p>Plastics in primary forms, waste, parings and scrap, of plastic:</p> <ul style="list-style-type: none"> <li>- Addition homopolymerization products</li> <li>- Other</li> </ul>	<p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- the value of all the materials used does not exceed 50% of the ex-works price of the product, and</li> <li>- the value of any materials of Chapter 39 used does not exceed 20% of the ex-works price of the product<sup>1</sup></li> </ul> <p>Manufacture in which the value of the materials of Chapter 39 used does not exceed 20% of the ex-works price of the product<sup>1</sup></p>
3916 to 3921	Semi-manufactures of plastics:	

<sup>1</sup> In the case of the products composed of materials classified within both heading Nos. 3901 to 3906, on the one hand, and within heading Nos. 3907 to 3911, on the other hand, this restriction only applies to that group of materials which predominates by weight in the product.

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

	<ul style="list-style-type: none"> <li>- Flat products, further worked than only surface-worked or cut into forms other than rectangles; other products, further worked than only surface-worked</li> <li>- Other: <ul style="list-style-type: none"> <li>- Addition homopolymerization products</li> <li>- Other</li> </ul> </li> </ul>	<p>Manufacture in which the value of any materials of Chapter 39 used does not exceed 50% of the ex-works price of the product</p> <p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- the value of all the materials used does not exceed 50% of the ex-works price of the product, and</li> <li>- the value of any materials of Chapter 39 used does not exceed 20% of the ex-works price of the product<sup>(1)</sup></li> </ul> <p>Manufacture in which the value of any materials of Chapter 39 used does not exceed 20% of the ex-works price of the product<sup>1</sup></p>
3922 to 3926	Articles of plastics	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 4001	Laminated slabs or crepe rubber for shoes	Lamination of sheets of natural rubber
4005	Compounded rubber, unvulcanized, in primary forms or in plates, sheets or strip	Manufacture in which the value of all the materials used, except natural rubber, does not exceed 50% of the ex-works price of the product
4012	Retreaded or used pneumatic tyres of rubber, solid or cushion tyres, interchangeable tyre treads and tyre flaps, of rubber	Manufacture from materials of any heading, except those of heading Nos. 4011 or 4012

(1) In the case of the products composed of materials classified within both heading Nos. 3901 to 3906, on the one hand, and within heading Nos. 3907 to 3911, on the other hand, this restriction only applies to that group of materials which predominates by weight in the product.

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 4017	Articles of hard rubber	Manufacture from hard rubber
ex 4102	Raw skins of sheep or lambs, without wool on	Removal of wool from sheep or lamb skins, with wool on
4104 to 4107	Leather, without hair or wool, other than leather of heading Nos. 4108 or 4109	Retanning of pre-tanned leather or Manufacture in which all the materials used are classified within a heading other than that of the product
4109	Patent leather and patent laminated leather; metallized leather	Manufacture from leather of heading Nos. 4104 to 4107 provided its value does not exceed 50% of the ex-works price of the product
ex 4302	Tanned or dressed furskins, assembled:  - Plates, crosses and similar forms  - Other	Bleaching or dyeing, in addition to cutting and assembly of non-assembled tanned or dressed furskins  Manufacture from non-assembled, tanned or dressed furskins
4303	Articles of apparel, clothing accessories and other articles of fur skin	Manufacture from non-assembled, tanned or dressed furskins, of heading No. 4302
ex 4403	Wood roughly squared	Manufacture from wood in the rough, whether or not stripped of its bark or merely roughed down
ex 4407	Wood sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6 mm, planed, sanded or finger-jointed	Planing, sanding or finger-jointing

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 4408	Veneer sheets and sheets for plywood, of a thickness not exceeding 6 mm, spliced, and other wood sawn lengthwise, sliced or peeled of a thickness not exceeding 6 mm, planed, sanded or finger-jointed	Splicing, planing, sanding or finger-jointing
ex 4409	- Wood (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rebated, chamfered, V-jointed, beaded, moulded, rounded or the like) along any of its edges or faces, sanded or finger-jointed  - Beadings and mouldings	Sanding or finger-jointing  Beading or moulding
ex 4410 to ex 4413	Beadings and mouldings, including moulded skirting and other moulded boards	Beading or moulding
ex 4415	Packing cases, boxes, crates, drums and similar packings, of wood	Manufacture from boards not cut to size
ex 4416	Casks, barrels, vats, tubs and other coopers' products and parts thereof, of wood	Manufacture from riven staves, not further worked than sawn on the two principal surfaces
ex 4418	- Builders' joinery and carpentry of wood  - Beadings and mouldings	Manufacture in which all the materials used are classified within a heading other than that of the product. However, cellular wood panels, shingles and shakes may be used  Beading or moulding
ex 4421	Match splints; wooden pegs or pins for footwear	Manufacture from wood of any heading except drawn wood of heading No. 4409

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

4503	Articles of natural cork	Manufacture from cork of heading No 4501
ex 4811	Paper and paperboard, ruled, lined or squared only	Manufacture from paper-making materials of Chapter 47
4816	Carbon paper, self-copy paper and other copying or transfer papers (other than those of heading No. 4809), duplicator stencils and offset plates, of paper, whether or not put up in boxes	Manufacture from paper-making materials of Chapter 47
4817	Envelopes, letter cards, plain postcards and correspondence cards, of paper or paperboard; boxes, pouches, wallets and writing compendiums, of paper or paperboard, containing an assortment of paper stationery	Manufacturing in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 4818	Toilet paper	Manufacture from paper-making materials of Chapter 47
ex 4819	Cartons, boxes, cases, bags and other packing containers, of paper, paperboard, cellulose wadding or webs of cellulose fibres	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 4820	Letter pads	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 4823	Other paper, paperboard, cellulose wadding and webs of cellulose fibres, cut to size or shape	Manufacture from paper-making materials of Chapter 47

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
4909	Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements, whether or not illustrated, with or without envelopes or trimmings	Manufacture from materials not classified within heading Nos. 4909 or 4911
4910	Calendars of any kind, printed, including calendar blocks:  - Calendars of the "perpetual" type or with replaceable blocks mounted on bases other than paper or paperboard  - Other	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product  Manufacture from materials not classified in heading Nos. 4909 or 4911
ex 5003	Silk waste (including cocoons unsuitable for reeling, yarn waste and garnetted stock), carded or combed	Carding or combing of silk waste
5501 to 5507	Man-made staple fibres	Manufacture from chemical materials or textile pulp
ex Chapter 50 to Chapter 55	Yarn, monofilament and thread	Manufacture from <sup>1</sup> : - natural fibres not carded or combed or otherwise processed for spinning, - chemical materials or textile pulp, or - paper-making materials
ex Chapter 50 to Chapter 55	Woven fabrics:  - Incorporating rubber thread	Manufacture from single yarn <sup>1</sup>

<sup>1</sup> For special conditions relating to products made of a mixture of textile materials, see Introductory Note 6

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

	- Other	<p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- coir yarn,</li> <li>- natural fibres,</li> <li>- man-made staple fibres not carded or combed or otherwise processed for spinning,</li> <li>- chemical materials or textile pulp, or</li> <li>- paper</li> </ul> <p>or</p> <p>Printing accompanied by at least a finishing operation (such as scouring, bleaching, mercerizing, heat setting, raising, calendaring, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex-works price of the product</p>
ex Chapter 56	Wadding, felt and non-wovens; special yarns; twine, cordage, ropes and cables and articles thereof, except for heading Nos 5602, 5604, 5605 and 5606, for which the rules are set out below	<p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- coir yarn,</li> <li>- natural fibres,</li> <li>- chemical materials or textile pulp, or</li> <li>- paper making materials</li> </ul>
5602	<p>Felt, whether or not impregnated, coated, covered or laminated:</p> <ul style="list-style-type: none"> <li>- Needleloom felt</li> </ul>	<p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- natural fibres,</li> <li>- chemical materials or textile pulp</li> </ul>



HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

5604	<p>Rubber thread and cord, textile covered; textile yarn, and strip and the like of heading No. 5404 of 5405, impregnated, coated, covered or sheathed with rubber or plastics:</p> <ul style="list-style-type: none"> <li>- Other</li> <li>- Rubber thread and cord, textile covered</li> <li>- Other</li> </ul>	<p>However:</p> <ul style="list-style-type: none"> <li>- polypropylene filament of heading No. 5402,</li> <li>- polypropylene fibres of heading No. 5503 or 5506 or</li> <li>- polypropylene filament tow of heading No. 5501,</li> </ul> <p>of which the denomination in all cases of a single filament or fibre is less than 9 decitex may be used provided their value does not exceed 40% of the ex-works price of the product</p> <p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- natural fibres,</li> <li>- man-made staple fibres made from casein, or</li> <li>- chemical materials or textile pulp</li> </ul> <p>Manufacture from rubber thread or cord, not textile covered</p> <p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- natural fibres not carded or combed or otherwise processed for spinning,</li> <li>- chemical materials or textile pulp, or</li> <li>- paper-making materials</li> </ul>
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<sup>1</sup> For special conditions relating to products made of a mixture of textile materials, see Introductory Note

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

5605	Metallized yarn, whether or not gimped, being textile yarn, or strip or the like of heading No 5404 or 5405, combined with metal in the form of thread, strip or powder or covered with metal	Manufacture from <sup>1</sup> : <ul style="list-style-type: none"> <li>- natural fibres,</li> <li>- man-made staple fibres not carded or combed or otherwise processed for spinning,</li> <li>- chemical materials or textile pulp, or</li> <li>- paper-making materials</li> </ul>
5606	Gimped yarn, and strip and the like of heading No. 5404 or 5405, gimped (other than those of heading No. 5605 and gimped horsehair yarn); chenille yarn (including flock chenille yarn); loop wale-yarn	Manufacture from <sup>1</sup> : <ul style="list-style-type: none"> <li>- natural fibres,</li> <li>- man-made staple fibres not carded or combed or otherwise processed for spinning,</li> <li>- chemical materials or textile pulp, or</li> <li>- paper-making materials</li> </ul>
Chapter 57	Carpets and other textile floor coverings:  - Of needleloom felt	Manufacture from <sup>1</sup> : <ul style="list-style-type: none"> <li>- natural fibres, or</li> <li>- chemical materials or textile pulp</li> </ul> <p>However:</p> <ul style="list-style-type: none"> <li>- polypropylene filament of heading No. 5402,</li> <li>- polypropylene fibres of heading No. 5503 or 5506 or</li> <li>- polypropylene filament tow of heading No. 5501,</li> </ul> <p>of which the denomination in all cases of a single filament or fibre is less than 9 decitex may be used provided their value does not exceed 40% of the ex-works price of the product</p>

<sup>1</sup> For special conditions relating to products made of a mixture of textile materials, see Introductory Note 6

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex Chapter 58	<ul style="list-style-type: none"> <li>- Of other felt</li>   <li>- Other</li>   <li>Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery; except for heading Nos 5805 and 5810; the rule for heading No 5810 is set out below:</li>   <li>- Combined with rubber thread</li>   <li>- Other</li> </ul>	<p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- natural fibres not carded or combed or otherwise processed for spinning, or</li> <li>- chemical materials or textile pulp</li> </ul> <p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- coir yarn,</li> <li>- synthetic or artificial filament yarn,</li> <li>- natural fibres, or</li> <li>- man-made staple fibres not carded or combed or otherwise processed for spinning</li> </ul> <p>Manufacture from single yarn<sup>1</sup>:</p> <p>Manufacture from<sup>1</sup> :</p> <ul style="list-style-type: none"> <li>- natural fibres,</li> <li>- man-made staple fibres not carded or combed or otherwise processed for spinning, or</li> <li>- chemical materials or textile pulp,</li> </ul>
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<sup>1</sup> For special conditions relating to products made of a mixture of textile materials, see Introductory Note

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

		or Printing accompanied by at least a finishing operation (such as scouring, bleaching, mercerizing, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex-works price of the product
5810	Embroidery in the piece, in strips or in motifs	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
5901	Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books or the like; tracing cloth; prepared painting canvas; buckram and similar stiffened textile fabrics of a kind used for hat foundations	Manufacture from yarn
5902	Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyesters or viscose rayon:  - containing not more than 90 % by weight of textile materials  - Other	Manufacture from yarn  Manufacture from chemical materials or textile pulp
5903	Textile fabrics impregnated, coated, covered or laminated with plastics, other than those of heading No. 5902	Manufacture from yarn

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
5904	Linoleum, whether or not cut to shape; floor coverings consisting of a coating or covering applied on a textile backing, whether or not cut to shape	Manufacture from yarn <sup>1</sup>
5905	Textile wall coverings:  - Impregnated, coated, covered or laminated with rubber, plastics or other materials  - Other	Manufacture from yarn  Manufacture from <sup>1</sup> : - coir yarn, - natural fibres, - man-made staple fibres not carded or combed or otherwise processed for spinning, or - chemical materials or textile pulp,  or  Printing accompanied by at least a finishing operation (such as scouring, bleaching, mercerizing, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex-works price of the product
5906	Rubberized textile fabrics, other than those of heading No. 5902:	

<sup>1</sup> For special conditions relating to products made of a mixture of textile materials, see Introductory Note 6

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

5907	<ul style="list-style-type: none"> <li>- Knitted or crocheted fabrics</li> <li>- Other fabrics made of synthetic filament yarn, containing more than 90% by weight of textile materials</li> <li>- Other</li> </ul> <p>Textile fabrics otherwise impregnated, coated or covered; painted canvas being theatrical scenery, studio backcloths or the like</p>	<p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- natural fibres,</li> <li>- man-made staple fibres not carded or combed or otherwise processed for spinning, or</li> <li>- chemical materials or textile pulp</li> </ul> <p>Manufacture from chemical materials</p> <p>Manufacture from yarn</p> <p>Manufacture from yarn</p>
ex 5908	Incandescent gas mantles, impregnated	Manufacture from tubular knitted gas mantle fabric
5909 to 5911	<p>Textile articles of a kind suitable for industrial use:</p> <ul style="list-style-type: none"> <li>- Polishing discs or rings other than of felt of heading No. 5911</li> <li>- Other</li> </ul>	<p>Manufacture from yarn or waste fabrics or rags of heading No. 6310</p> <p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- coir yarn,</li> <li>- natural fibres,</li> <li>- man-made staple fibres not carded or combed or otherwise processed for spinning, or</li> <li>- chemical materials or textile pulp</li> </ul>

<sup>1</sup> For special conditions relating to products made of a mixture of textile materials, see Introductory Note 6

<sup>1</sup> For special conditions relating to products made of a mixture of textile materials, see Introductory Note 6

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

Chapter 60	Knitted or crocheted fabrics	Manufacture from <sup>1</sup> : - natural fibres, - man-made staple fibres not carded or combed or otherwise processed for spinning, or - chemical materials or textile pulp
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted:  - Obtained by sewing together or otherwise assembling, two or more pieces of knitted or crocheted fabric which have been either cut to form or obtained directly to form  - Other	Manufacture from yarn <sup>2</sup>  Manufacture from <sup>1</sup> : - natural fibres, - man-made staple fibres not carded or combed or otherwise processed for spinning, or - chemical materials or textile pulp
ex Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted; except for heading Nos ex6202, ex6204, ex 6206, ex6209, ex6210, 6213, 6214, ex6216 and ex 6217 for which the rules are set out below:	Manufacture from yarn <sup>2</sup>
ex 6202, ex 6204, ex 6206, ex 6209 and ex 6217	Women's, girls' and babies' clothing and 'other made-up clothing accessories', embroidered	Manufacture from yarn <sup>1</sup> or Manufacture from unembroidered fabric provided the value of the unembroidered fabric used does not exceed 40% of the ex-works price of the product <sup>1</sup>

<sup>1</sup> For special conditions relating to products made of a mixture of textile materials, see Introductory Note 6

<sup>2</sup> See Introductory Note 7 for the treatment of textile trimmings and accessories

(2) See Introductory Note 7 for the treatment of textile trimmings and accessories

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 6210 ex 6216 and ex 6217	Fire-resistant equipment of fabric covered with foil of aluminized polyester	Manufacture from yarn (1) or Manufacture from uncoated fabric provided the value of the uncoated fabric used does not exceed 40% of the ex-works price of the product(1)
6213 and 6214	Handkerchiefs, shawls, scarves, mufflers, mantillas, veils and the like: - Embroidered	Manufacture from unbleached single yarn(1)(2) or Manufacture from unembroidered fabric provided the value of the unembroidered fabric used does not exceed 40% of the ex-works price of the product(1)
	- Other	Manufacture from unbleached single yarn(1)(2)
6301 to 6304	Blankets, travelling rugs, bed linen etc.; curtains etc.; other furnishing articles: - Of felt, of non-wovens - Other:	Manufacture from (2) - natural fibres, or - chemical materials or textile pulp

(1) For special conditions relating to products made of a mixture of textile materials, see Introductory Note 6.

(2) See Introductory Note 7 for the treatment of textile trimmings and accessories



HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

	<p>— Embroidered</p>	<p>Manufacture from unbleached single yarn<sup>(2)</sup> or Manufacture from unembroidered fabric (other than knitted or crocheted) provided the value of the unembroidered fabric used does not exceed 40% of the ex-works price of the product</p>
	<p>— Other</p>	<p>Manufacture from unbleached single yarn<sup>1</sup></p>
6305	Sacks and bags, of a kind used for the packing of goods	<p>Manufacture from<sup>1</sup> :</p> <ul style="list-style-type: none"> <li>- natural fibres,</li> <li>- man-made staple fibres not carded or combed or otherwise processed for spinning, or</li> <li>- chemical materials or textile pulp</li> </ul>
6306	<p>Tarpaulins, sails for boats, sailboards or landcraft, awnings, sunblinds, tents and camping goods:</p> <ul style="list-style-type: none"> <li>- Of non-wovens</li> <li>- Other</li> </ul>	<p>Manufacture from<sup>1</sup>:</p> <ul style="list-style-type: none"> <li>- natural fibres, or</li> <li>- chemical materials or textile pulp</li> </ul> <p>Manufacture from unbleached single yarn<sup>1</sup></p>
6307	Other made-up articles, including dress patterns	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
6308	Sets consisting of woven fabric and yarn, whether or not with accessories, for making up into rugs, tapestries, embroidered table cloths or serviettes or similar textile articles, put up in packings for retail sale	Each item in the set must satisfy the rule which would apply to it if it were not included in the set. However, non-originating articles may be incorporated provided their total value does not exceed 15% of the ex-works price of the set

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

6401 to 6405	Footwear	Manufacture from materials of any heading except for assemblies of uppers affixed to inner soles or to other sole components of heading No. 6406
6503	Felt hats and other felt headgear, made from the hat bodies, hoods or plateaux of heading No. 6501, whether or not lined or trimmed	Manufacture from yarn or textile fibres <sup>1</sup>
6505	Hats and other headgear, knitted or crocheted, or made up from lace, felt or other textile fabric, in the piece (but not in strips), whether or not lined or trimmed; hair-nets of any material, whether or not lined or trimmed	Manufacture from yarn or textile fibres <sup>1</sup>
6601	Umbrellas and sun umbrellas (including walking-stick umbrellas, garden umbrellas and similar umbrellas)	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 6803	Articles of slate or of agglomerated slate	Manufacture from worked slate
ex 6812	Articles of asbestos or of mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate	Manufactured from fabricated asbestos fibres or from mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate
ex 6814	Articles of mica, including agglomerated or reconstituted mica, on a support of paper, paperboard or other materials	Manufacture from worked mica (including agglomerated or reconstituted mica)
ex 7003 ex 7004 ex 7005	Glass with a non-reflecting layer	Manufacture from materials of heading No. 7001

<sup>1</sup> See Introductory Note 7 for the treatment of textile trimmings and accessories.

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
7006	Glass of heading No. 7003, 7004 or 7005, bent, edge-worked, engraved, drilled, enamelled or otherwise worked, but not framed or fitted with other materials	Manufacture from materials of heading No. 7001
7007	Safety glass, consisting of toughened (tempered) or laminated glass	Manufacture from materials of heading No. 7001
7008	Multiple-walled insulating units of glass	Manufacture from materials of heading No. 7001
7009	Glass mirrors, whether or not framed, including rear-view mirrors	Manufacture from materials of heading No. 7001
7010	Carboys, bottles, flasks, jars, pots, phials, ampoules and other containers, of glass, of a kind used for the conveyance or packing of goods; preserving jars of glass; stoppers, lids and other closures, of glass	<p>Manufacture in which all the materials used are classified within a heading other than that of the product</p> <p>or</p> <p>Cutting of glassware, provided the value of the uncut glassware does not exceed 50% of the ex-works price of the product</p>
7013	Glassware of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes (other than that of heading No. 7010 or 7018)	<p>Manufacture in which all the materials used are classified within a heading other than that of the product</p> <p>or</p> <p>Cutting of glassware, provided the value of the uncut glassware does not exceed 50% of the ex-works price of the product</p> <p>or</p> <p>Hand-decoration (with the exception of silk-screen printing) of hand-blown glassware, provided the value of the hand-blown glassware does not exceed 50% of the ex-works price of the product</p>

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 7019	Articles (other than yarn) of glass fibres	Manufacture from: - uncoloured slivers, rovings, yarn or chopped strands, or - glass wool
ex 7101	Natural or cultured pearls, graded and temporarily strung for convenience of transport	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 7102, ex 7103 and ex 7104	Worked precious or semi-precious stones (natural, synthetic or reconstructed)	Manufacture from unworked precious or semi-precious stones
7106, 7108 and 7110	Precious metals:  - Unwrought	Manufacture from materials not classified within heading No. 7106, 7108 or 7110 or Electrolytic, thermal or chemical separation of precious metals of heading No. 7106, 7108 or 7110 or Alloying of precious metals of heading No. 7106, 7108 or 7110 with each other or with base metals
	- Semi-manufactured or in powder form	Manufacture from unwrought precious metals
ex 7107, ex 7109 and ex 7111	Metals clad with precious metals, semi-manufactured	Manufacture from metals clad with precious metals, unwrought
7116	Articles of natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed)	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
7117	Imitation jewellery	Manufacture in which all the materials used are classified within a heading other than that of the product or

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

		<b>Manufacture from base metal parts, not plated or covered with precious metals, provided the value of all the materials used does not exceed 50% of the ex-works price of the product</b>
7207	Semi-finished products of iron or non-alloy steel	Manufacture from materials of heading No. 7201, 7202, 7203, 7204 or 7205
7208 to 7216	Flat rolled products, bars and rods, angles, shapes and sections of iron or non-alloy steel	Manufacture from ingots or other primary forms of heading No. 7206
7217	Wire of iron or non-alloy steel	Manufacture from semi-finished materials of heading No. 7207
ex 7218, 7219 to 7222	Semi-finished products, flat rolled products, bars and rods, angles, shapes and sections of stainless steel	Manufacture from ingots or other primary forms of heading No. 7218
7223	Wire of stainless steel	Manufacture from semi-finished materials of heading No. 7218
ex 7224, 7225 to 7227	Semi-finished products, flat rolled products, bars and rods, in irregularly wound coils, of other alloy steel	Manufacture from ingots or other primary forms of heading No. 7224
ex 7227	Semi-finished products whose cross-sections is in the shape of "flattened circles" or "modified rectangles"	Manufacture from ingots or other primary forms of heading No. 7206, 7218 or 7224
7228	Other bars and rods of other alloy steel; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel	Manufacture from ingots or other primary forms of heading No. 7206, 7218 or 7224
7229	Wire of other alloy steel	Manufacture from semi-finished materials of heading No. 7224
ex 7301	Sheet piling	Manufacture from materials of heading No. 7203

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

7302	Railway or tramway track construction materials of iron or steel, the following: rails, checkrails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fishplates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialized for jointing or fixing rails	Manufacture from materials of heading No. 7206
7304, 7305 and 7306	Tubes, pipes and hollow profiles, of iron (other than cast iron) or steel	Manufacture from materials of heading No. 7206, 7207, 7218 or 7224
7308	Structures (excluding prefabricated buildings of heading No. 9406) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	Manufacture in which all the materials used are classified within a heading other than that of the product. However, welded angles, shapes and sections of heading No. 7301 may not be used
ex 7315	Skid chains	Manufacture in which the value of all the materials of heading No. 7315 used does not exceed 50% of the ex-works price of the product
ex 7322	Radiators for central heating, not electrically heated	Manufacture in which the value of all the materials of heading No. 7322 used does not exceed 5 % of the ex-works price of the product
ex Chapter 74	Copper and articles thereof; except for heading Nos 7401 to 7405; the rule for heading No ex 7403 is set out below	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 7403	- Copper alloys, unwrought	Manufacture from refined copper, unwrought, or waste and scrap
ex Chapter 75	Nickel and articles thereof, except for heading Nos 7501 to 7503 :	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product
ex Chapter 76	Aluminium and articles thereof, except for heading Nos 7601 and 7602; the rule for heading No ex 7601 is set out below:	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 7601	- Aluminium alloys	Manufacture from aluminium, not alloyed, or waste and scrap
	- 'Super-pure' aluminium (ISO No Al 99.99)	Manufacture from aluminium, not alloyed (ISO No Al 99,8)
ex Chapter 78	Lead and articles thereof, except for heading Nos 7801 and 7802; the rule for heading No 7801 is set out below:	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product
7801	Unwrought lead:  - Refined lead  - Other	Manufacture from "bullion" or "work" lead Manufacture in which all the materials used are classified in a heading other than that of the product. However, waste and scrap of heading No. 7802 may not be used

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex Chapter 79	Zinc and articles thereof, except for heading Nos 7901 and 7902; the rule for heading No 7901 is set out below	Manufacture in which: <ul style="list-style-type: none"> <li>- all the materials used are classified in a heading other than that of the product, and</li> <li>- the value of all the materials used does not exceed 50% of the ex-works price of the product</li> </ul>
7901	Unwrought zinc	Manufacture in which all the materials used are classified in a heading other than that of the product. However, waste and scrap of heading No. 7902 may not be used
ex Chapter 80	Tin and articles thereof; except for heading Nos 8001, 8002 and 8007 the rule for heading No 8001 is set out below:	Manufacture in which: <ul style="list-style-type: none"> <li>- all the materials used are classified in a heading other than that of the product, and</li> <li>- the value of all the materials used does not exceed 50% of the ex-works price of the product</li> </ul>
8001	Unwrought tin	Manufacture in which all the materials used are classified in a heading other than that of the product. However, waste and scrap of heading no. 8002 may not be used
ex Chapter 81	Other base metals, wrought; articles thereof	Manufacture in which the value of all the materials classified in the same heading as the product used does not exceed 50% of the ex-works price of the product
8206	Tools of two or more of the heading Nos. 8202 to 8205, put up in sets for retail sale	Manufacture in which all the materials used are classified in a heading other than heading Nos. 8202 to 8205. However, tools of heading Nos. 8202 to 8205 may be incorporated into the set provided their value does not exceed 15% of the ex-works price of the set



HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

8207	Interchangeable tools for hand tools, whether or not power-operated, or for machine-tools (for example, for pressing, stamping, punching, tapping, threading, drilling, boring, broaching, milling, turning, or screwdriving), including dies for drawing or extruding metal, and rock drilling or earth boring tools	Manufacture in which: - all the materials used are classified in a heading other than that of the product, and - the value of all the materials used does not exceed 40% of the ex-works price of the product
8208	Knives and cutting blades, for machines or for mechanical appliances	Manufacture in which: - all the materials used are classified in a heading other than that of the product, and - the value of all the materials used does not exceed 40% of the ex-works price of the product
ex 8211	Knives with cutting blades, serrated or not (including pruning knives), other than knives of heading No. 8208	Manufacture in which all the materials used are classified in a heading other than that of the product. However, knife blades and handles of base metal may be used
8214	Other articles of cutlery (for example, hair clippers, butchers' or kitchen cleavers, choppers and mincing knives, paper knives); manicure or pedicure sets and instruments (including nail files)	Manufacture in which all the materials used are classified in a heading other than that of the product. However, handles of base metal may be used
8215	Spoons, forks, ladles, skimmers, cake-servers, fish-knives, butter-knives, sugar tongs and similar kitchen or tableware	Manufacture in which all the materials used are classified in a heading other than that of the product. However, handles of base metal may be used

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 8306	Statuettes and other ornaments, of base metal	Manufacture in which all the materials used are classified within a heading other than that of the product. However, the other materials of heading No. 8306 may be used provided their value does not exceed 30% of the ex-works price of the product
ex Chapter 84	Nuclear reactors, boilers, machinery and mechanical appliances, parts thereof, except for those falling within the following headings or parts of headings for which the rules are set out below: 8402, 8403, ex8404, 8406 to 8409, 8411, 8412, ex8413, ex8414, 8415, 8418, ex8419, 8420, 8423, 8425 to 8430, ex8431, 8439, 8441, 8444 to 8447, ex8448, 8452, 8456 to 8466, ex 8467, 8469 to 8472, 8480, 8482, ex 8483, 8484 and 8485	Manufacture in which: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 15 % of the ex-works price of the product
8402	Steam or other vapour generating boilers (other than central heating hot water boilers capable also of producing low pressure steam); super-heated water boilers	Manufacture in which: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified in the same heading as the product are only used up to a value of 15 % of the ex-works price of the product
8403 and ex 8404	Central heating boilers other than those of heading No. 8402 and auxiliary plant for central heating boilers	Manufacture in which all the materials used are classified in a heading other than heading No. 8403 or 8404. However, materials which are classified in heading No 8403 or 8404 may be used provided their value, taken together, does not exceed 15 % of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

8406	Steam turbines and other vapour turbines	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8407	Spark-ignition reciprocating or rotary internal combustion piston engines	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8408	Compression-ignition internal combustion piston engines (diesel or semi-diesel engines)	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8409	Parts suitable for use solely or principally with the engines of heading No. 8407 or 8408	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8411	Turbo-jets, turbo-propellers and other gas turbines	Manufacture in which: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified in the same heading as the product are only used up to a value of 15 % of the ex-works price of the product
8412	Other engines and motors	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex 8413	Rotary positive displacement pumps	Manufacture : - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified in the same heading as the product are only used up to a value of 15 % of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 8414	Industrial fans, blowers and the like	<p>Manufacture :</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified in the same heading as the product are only used up to a value of 15 % of the ex-works price of the product</li> </ul>
8415	Air conditioning machines, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated	<p>Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product</p>
8418	Refrigerators, freezers and other refrigerating or freezing equipment, electric or other, heat pumps other than air conditioning machines of heading No. 8415	<p>Manufacture :</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 15 % of the ex-works price of the product, and</li> <li>- where the value of all the non-originating materials used does not exceed the value of the originating materials used</li> </ul>
ex 8419	Machines for the wood, paper pulp and paperboard industries	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 25% of the ex-works price of the product</li> </ul>

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

8420	Calendering or other rolling machines, other than for metals or glass, and cylinders therefor	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 25% of the ex-works price of the product</li> </ul>
8423	Weighing machinery (excluding balances of a sensitivity of 5 cg or better), including weight operated counting or checking machines; weighing machine weights of all kinds	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified in the same heading as the product are only used up to a value of 15% of the ex-works price of the product</li> </ul>
8425 to 8428	Lifting, handling, loading or unloading machinery	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified in heading No. 8431 are only used up to a value of 15% of the ex-works price of the product</li> </ul>
8429	<p>Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers:</p> <ul style="list-style-type: none"> <li>- Road rollers</li> </ul>	<p>Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product</p>

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

	- Other	<p><b>Manufacture:</b></p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the value of the materials classified within heading No. 8431 are only used up to a value of 15% of the ex-works price of the product</li> </ul>
8430	Other moving, grading, levelling, scraping, excavating, tamping, compacting, extracting or boring machinery, for earth, minerals or ores; pile-drivers and pile-extractors; snow-ploughs and snow-blowers	<p><b>Manufacture:</b></p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the value of the materials classified within heading No. 8431 are only used up to a value of 15% of the ex-works price of the product</li> </ul>
ex 8431	Parts for road rollers	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8439	Machinery for making pulp of fibrous cellulosic material or for making or finishing paper or paperboard	<p><b>Manufacture:</b></p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 25% of the ex-works price of the product</li> </ul>

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
8441	Other machinery for making up paper pulp, paper or paperboard, including cutting machines of all kinds	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 25% of the ex-works price of the product</li> </ul>
8444 to 8447	Machines of these headings for use in the textile industry	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex 8448	Auxiliary machinery for use with machines of headings Nos. 8444 and 8445	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8452	<p>Sewing machines, other than book-sewing machines of heading No. 8440; furniture, bases and covers specially designed for sewing machines; sewing machine needles:</p> <ul style="list-style-type: none"> <li>- Sewing machines (lock stitch only) with heads of a weight not exceeding 16 kg without motor or 17 kg with motor</li> </ul> <p>- Other</p>	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product,</li> <li>- where the value of all the non-originating materials used in assembling the head (without motor) does not exceed the value of the originating materials used, and</li> <li>- the thread tension, crochet and zigzag mechanisms used are already originating</li> </ul> <p>Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product</p>

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HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

8456 to 8466	Machine-tools and machines and their parts and accessories of heading Nos 8456 to 8466	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex 8467	Hydraulic tools for working in the hand without a self-contained non-electric motor	Manufacture: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the value of the materials classified within heading No. 8431 are only used up to a value of 15% of the ex-works price of the product
8469 to 8472	Office machines (for example, typewriters, calculating machines, automatic data processing machines, duplicating machines, stapling machines)	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8480	Moulding boxes for metal foundry; mould bases; moulding patterns; moulds for metal (other than ingot moulds), metal carbides, glass, mineral materials, rubber or plastics	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
8482	Ball or roller bearings	Manufacture: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 15% of the ex-works price of the product
ex 8483	roller screws	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product



HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

8484	Gaskets and similar joints of metal sheeting combined with other material or of two or more layers of metal; sets or assortments of gaskets and similar joints, dissimilar in composition, put up in pouches, envelopes or similar packings; mechanical seals.	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8485	Machinery parts, not containing electrical connectors, insulators, coils, contacts or other electrical features, not specified or included elsewhere in this Chapter	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex Chapter 85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles; except for those falling within the following headings or parts of headings for which the rules are set out below: 8501, 8502, ex 8504, ex 8517, ex 8522, 8523 to 8524, ex 8525, 8528 to 8529, 8535 to 8537, 8542, 8544 to 8547 and ex 8548	Manufacture: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product
8501	Electric motors and generators (excluding generating sets)	Manufacture: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified within heading No. 8503 are only used up to a value of 10% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

8502	Electric generating sets and rotary converters	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within heading No. 8501 or 8503, taken together, are only used up to a value of 5% of the ex-works price of the product</li> </ul>
ex 8504	Power supply units for automatic data-processing machines	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex 8517	videophones	<p>Manufacture :</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where the value of all the non-originating materials used does not exceed the value of the originating materials used</li> </ul>
ex 8522	Parts and accessories of cinematographic sound recorders or reproducers for film of 16 mm or more	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8523	Prepared unrecorded media for sound recording or similar recording of other phenomena, other than products of Chapter 37	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8524	Records, tapes and other recorded media for sound or other similarly recorded phenomena, including matrices and masters for the production of records, but excluding products of Chapter 37:	

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

	<ul style="list-style-type: none"> <li>- Matrices and masters for the production of records</li> <li>- Other</li> </ul>	<p>Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product</p> <p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within heading No. 8523 are only used up to a value of 10% of the ex-works price of the product</li> </ul>
ex 8525	Transmission apparatus for radio-telephony, radio-telegraphy, radio-broadcasting or television, whether or not incorporating reception apparatus or sound recording or reproducing apparatus; television cameras;	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product</li> </ul>
8526	Radar apparatus, radio navigational aid apparatus and radio remote control apparatus	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where the value of all the non-originating materials used does not exceed the value of the originating materials used</li> </ul>
8527	Reception apparatus for radio-telephony, radio-telegraphy or radio broadcasting, whether or not combined, in the same housing, with sound recording or reproducing apparatus or a clock	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where the value of all the non-originating materials used does not exceed the value of the originating materials used</li> </ul>

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

8528	Reception apparatus for television, whether or not incorporating radio broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where the value of all the non-originating materials used does not exceed the value of the originating materials used</li> </ul>
8529	Parts suitable for use solely or principally with the apparatus of heading Nos. 8525 to 8528:	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where the value of all the non-originating materials used does not exceed the value of the originating materials used</li> </ul>
8535 and 8536	Electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within heading No. 8538 are only used up to a value of 10% of the ex-works price of the product</li> </ul>
8537	Boards, panels, consoles, desks, cabinets and other bases, equipped with two or more apparatus of heading No. 8535 or 8536, for electric control or the distribution of electricity, including those incorporating instruments or apparatus of Chapter 90, and numerical control apparatus, other than switching apparatus of heading No. 8517	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within heading No. 8538 are only used up to a value of 10% of the ex-works price of the product</li> </ul>

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 8541	Diodes, transistors and similar semi-conductor devices, except wafers not yet cut into chips	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the products are only used up to a value of 10% of the ex-works price of the product</li> </ul>
8542	Electronic integrated circuits and microassemblies	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within heading No. 8541 or 8542, taken together, are only used up to a value of 10% of the ex-works price of the product</li> </ul>
8544	Insulated (including enamelled or anodised) wire, cable (including coaxial cable) and other insulated electric conductors, whether or not fitted with connectors; optical fibre cables, made up of individually sheathed fibres, whether or not assembled with electric conductors or fitted with connectors	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8545	Carbon electrodes, carbon brushes, lamp carbons, battery carbons and other articles of graphite or other carbon, with or without metal, of a kind used for electrical purposes	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8546	Electrical insulators of any material	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

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HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
8547	Insulating fittings for electrical machines, appliances or equipment, being fittings wholly of insulating materials apart from any minor components of metal (for example, threaded sockets) incorporated during moulding solely for purposes of assembly other than insulators of heading No. 8546; electrical conduit tubing and joints therefor, of base metal lined with insulating material	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex 8548	Electrical parts of machinery or apparatus, not specified or included elsewhere in this Chapter	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8601 to 8607	Railway or tramway locomotives, rolling-stock and parts thereof	Manufacture in which the value of all materials used does not exceed 40% of the ex-works price of the product
8608	Railway or tramway track fixtures and fittings; mechanical (including electromechanical) signalling, safety or traffic control equipment for railways, tramways, roads, inland waterways, parking facilities, port installations or airfields; parts of the foregoing	Manufacture: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product
8609	Containers (including containers for the transport of fluids) specially designed and equipped for carriage by one or more modes of transport	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex Chapter 87	Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof, except for those falling within the following headings or parts of headings for which the rules are set out below: 8709 to 8711, ex8712, 8715 and 8716	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8709	Works trucks, self-propelled, not fitted with lifting or handling equipment, of the type used in factories, warehouses, dock areas or airports for short distance transport of goods; tractors of the type used on railway station platforms; parts of the foregoing vehicles	Manufacture: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product
8710	Tanks and other armoured fighting vehicles, motorized, whether or not fitted with weapons, and parts of such vehicles	Manufacture: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product
8711	Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars:	Manufacture : - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where the value of all the non-originating materials used does not exceed the value of the originating materials used
ex 8712	Bicycles without ball bearings	Manufacture from materials not classified within heading No 8714

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

8715	Baby carriages and parts thereof	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product</li> </ul>
8716	Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof	<p>Manufacture:</p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product</li> </ul>
8803	Parts of goods of heading Nos 8801 or 8802	Manufacture in which the value of all the materials of heading No 8803 used does not exceed 5 % of the ex-works price of the product
8804	Parachutes (including dirigible parachutes and paragliders) and rotochutes; parts thereof and accessories thereto : - Rotochutes  - other	<p>Manufacture from materials of any heading including other materials of heading No. 8804</p> <p>Manufacture in which the value of all the materials of heading 8804 used does not exceed 10 % of the ex-works price of the product</p>
8805	Aircraft launching gear, deck-arrestor or similar gear; ground flying trainers; parts of the foregoing articles	Manufacture in which the value of all the materials of heading 8805 used does not exceed 5 % of the ex-works price of the product



HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

Chapter 89	Ships, boats and floating structures	Manufacture in which all the materials used are classified within a heading other than that of the product. However, hulls of heading No. 8906 may not be used
ex Chapter 90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus, parts and accessories thereof, except for those falling within the following headings or parts of headings for which the rules are set out below: 9001, 9002, 9004, ex 9006, ex 9014, 9015 to 9020 and 9024 to 9033	Manufacture: - in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and - where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product
9001	Optical fibres and optical fibre bundles; optical fibre cables other than those of heading No. 8544; sheets and plates of polarizing material, lenses (including contact lenses), prisms, mirrors and other optical elements, of any material, unmounted, other than such elements of glass not optically worked	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9002	Lenses, prisms, mirrors and other optical elements, of any materials, mounted, being parts of or fittings for instruments or apparatus, other than such elements of glass not optically worked	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9004	Spectacles, goggles and the like, corrective, protective or other	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

ex 9006	<p>Photographic (other than cinematographic) cameras; other than the following:</p> <ul style="list-style-type: none"> <li>- Cameras of a kind used for preparing printing plates or cylinders</li> <li>- Cameras of a kind used for recording documents on microfilm, microfiche or other microforms</li> <li>- Cameras specially designed for underwater use, for aerial survey or for medical or surgical examination of internal organs, comparison cameras for forensic or criminological purposes</li> <li>- Instant print cameras</li> <li>- Other cameras: <ul style="list-style-type: none"> <li>- With a through-the-lens viewfinder (single lens reflex (SLR)), for roll film of a width not exceeding 35 mm <ul style="list-style-type: none"> <li>- Other, for roll film of a width less than 35 mm</li> <li>- Other, for roll film of a width of 35 mm</li> </ul> </li> </ul> </li> </ul>	<p><b>Manufacture:</b></p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 45% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified in the same heading as the product are only used up to a value of 10% of the ex-works price of the product</li> </ul>
ex 9014	Other navigational instruments and appliances	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9015	Surveying (including photogrammetrical surveying), hydrographic, oceanographic, hydrological, meteorological or geophysical instruments and appliances, excluding compasses; rangefinders	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9016	Balances of a sensitivity of 5 cg or better, with or without weights	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

9017	Drawing, marking-out or mathematical calculating instruments (for example, drafting machines, pantographs, protractors, drawing sets, slide rules, disc calculators); instruments for measuring length, for use in the hand (for example, measuring rods and tapes, micrometers, callipers), not specified or included elsewhere in this Chapter	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex 9018	Dentists' chairs incorporating dental appliances or dentists' spittoons	Manufacture from materials of any heading, including other materials of heading No. 9018
9019	Mechano-therapy appliances; massage apparatus; psychological aptitude-testing apparatus; ozone therapy, oxygen therapy, aerosol therapy, artificial respiration or other therapeutic respiration apparatus	Manufacture: <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified in the same heading as the product are only used up to a value of 10% of the ex-works price of the product</li> </ul>
9020	Other breathing appliances and gas masks, excluding protective masks having neither mechanical parts nor replaceable filters	Manufacture: <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product</li> </ul>
9024	Machines and appliances for testing the hardness, strength, compressibility, elasticity or other mechanical properties of materials (for example, metals, wood, textiles, paper, plastics)	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

9025	Hydrometers and similar floating instruments, thermometers, pyrometers, barometers, hygrometers and psychrometers, recording or not, and any combination of these instruments	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9026	Instruments and apparatus for measuring or checking the flow, level, pressure or other variables of liquids or gases (for example, flow meters, level gauges, manometers, heat meters), excluding instruments and apparatus of heading No. 9014, 9015, 9028 or 9032	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9027	Instruments and apparatus for physical or chemical analysis (for example, polarimeters, refractometers, spectrometers, gas or smoke analysis apparatus); instruments and apparatus for measuring or checking viscosity, porosity, expansion, surface tension or the like; instruments and apparatus for measuring or checking quantities of heat, sound or light (including exposure meters); microtomes	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9028	Gas, liquid or electricity supply or production meters, including calibrating meters therefor.	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9029	Revolution counters, production counters, taximeters, milometers, pedometers and the like; speed indicators and tachometers, other than those of heading Nos. 9104 or 9015; stroboscopes	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
9030	Oscilloscopes, spectrum analysers and other instruments and apparatus for measuring or checking electrical quantities, excluding meters of heading No. 9028; instruments and apparatus for measuring or detecting alpha, beta, gamma, X-ray, cosmic or other ionizing radiations	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9031	Measuring or checking instruments, appliances and machines, not specified or included elsewhere in this Chapter; profile projectors	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9032	Automatic regulating or controlling instruments and apparatus	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9033	Parts and accessories (not specified or included elsewhere in this Chapter) for machines, appliances, instruments or apparatus of Chapter 90	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex Chapter 91	Clocks and watches and parts thereof; except for those falling under the following headings for which the rules are set out below: 9101 to 9105 and 9110 to 9113	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9101 to 9105	Watches and clocks	Manufacture in which the value of all the materials used does not exceed 45% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

9110	Complete watch or clock movements, unassembled or partly assembled (movement sets); incomplete watch or clock movements, assembled; rough watch or clock movements	<p><b>Manufacture:</b></p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within heading No. 9114 are only used up to a value of 10% of the ex-works price of the product</li> </ul>
9111	Watch cases and parts thereof	<p><b>Manufacture:</b></p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product</li> </ul>
9112	Clock cases and cases of a similar type for other goods of this Chapter, and parts thereof	<p><b>Manufacture:</b></p> <ul style="list-style-type: none"> <li>- in which the value of all the materials used does not exceed 40% of the ex-works price of the product, and</li> <li>- where, within the above limit, the materials classified within the same heading as the product are only used up to a value of 10% of the ex-works price of the product</li> </ul>
9113	<p>Watch straps, watch bands and watch bracelets, and parts thereof:</p> <ul style="list-style-type: none"> <li>- Of base metal, whether or not plated, or clad with precious metal</li> <li>- Other</li> </ul>	<p>Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product</p> <p>Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product</p>

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)

Chapter 92	Musical instruments; parts and accessories of such articles	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
Chapter 93	Arms and ammunition; parts and accessories thereof	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 9401 and ex 9403	Base metal furniture, incorporating unstuffed cotton cloth of a weight of 300 g/m <sup>2</sup> or less	Manufacture in which all the materials used are classified within a heading other than that of the product or Manufacture from cotton cloth already made up in a form ready for use of heading No. 9401 or 9403, provided: <ul style="list-style-type: none"> <li>- its value does not exceed 25% of the ex-works price of the product, and</li> <li>- all the other materials used are already originating and are classified within a heading other than heading No. 9401 or 9403</li> </ul>
9405	Lamps and lighting fittings including searchlights and spotlights and parts thereof, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like, having a permanently fixed light source, and parts thereof not elsewhere specified or included	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
9406	Prefabricated buildings	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product

HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
ex 9502	Dolls, with electric motors	Manufacture in which the electric motor used must be originating and all other materials used must be classified in a heading other than that of the product
9503	Other toys; reduced-size ("scale") models and similar recreational models, working or not; puzzles of all kinds	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 9506	Finished golf club heads	Manufacture from roughly shaped blocks
ex 9507	Fishing rods, fish-hooks and other line fishing tackle; fish landing nets, butterfly nets and similar nets; decoy "birds" (other than those of heading Nos 9208 or 9705) and similar hunting or shooting requisites : - mounted fish-hooks with artificial bait; mounted fishing lines including casts	Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified in the same heading may be used provided their value does not exceed 25 % of the ex-works price of the product
ex 9601 and ex 9602	Articles of animal, vegetable or mineral carving materials	Manufacture from "worked" carving materials of the same heading
ex 9603	Brooms and brushes (except for besoms and the like and brushes made from marten or squirrel hair), hand-operated mechanical floor sweepers, not motorized, paint pads and rollers, squeegees and mops	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product



HS No	Description of product	Working or processing carried out on non-originating materials that confers originating status
(1)	(2)	(3)
9605	Travel sets for personal toilet, sewing or shoe or clothes cleaning	Each item in the set must satisfy the rule, which would apply to it if it were not included in the set. However, non-originating articles may be incorporated, provided their total value does not exceed 15% of the ex-works price of the set
9606	Buttons, press-fasteners, snap-fasteners and press-studs, button moulds and other parts of these articles; button blanks	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 9608	Ball point pens; felt tipped and other porous-tipped pens and markers, fountain pens, stylograph pens and other pens; duplicating stylos, propelling or sliding pencils; pen-holders, pencil-holders and similar holders; parts (including caps and clips) of the foregoing articles, other than those of heading No 9609; - fountain pens, stylograph pens and other pens with nibs	Manufacture in which all the materials used are classified in a heading other than that of the product. However, nibs or nib points may be used and the other materials classified within the same heading may also be used provided their value does not exceed 10 % of the ex-works price of the product
9612	Typewriter or similar ribbons, inked or otherwise prepared for giving impressions, whether or not on spools or in cartridges; ink-pads, whether or not inked, with or without boxes	Manufacture in which: - all the materials used are classified within a heading other than that of the product, and - the value of all the materials used does not exceed 50% of the ex-works price of the product
ex 9614	Smoking pipes and pipe bowls	Manufacture from roughly shaped blocks

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