

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Generalized System of Preferences HANDBOOK ON THE SCHEME OF THE EUROPEAN COMMUNITY



UNITED NATIONS

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Generalized System of Preferences

**HANDBOOK ON THE SCHEME OF
THE EUROPEAN COMMUNITY**



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Contents

Preface.....	v
Introduction.....	vii
Checklist: How to benefit from the European Community Generalized System of Preferences scheme.....	xi
Part I: Explanatory notes to the European Community Generalized System of Preferences scheme (2006).....	1
A. Beneficiaries.....	1
B. Product coverage.....	1
C. Depth of tariff cuts.....	1
D. Maintenance of previous preferential margins.....	2
E. Country-section graduation and country exclusion.....	6
F. Special arrangements for least developed countries: The “Everything but Arms” initiative.....	9
G. Special incentive arrangements for sustainable development and good governance (“GSP Plus”).....	12
H. Temporary withdrawal of the European Community Generalized System of Preferences scheme.....	16
I. Safeguard clauses.....	18
J. Surveillance measures in the agricultural sector	20
Part II: Rules of origin under the European Community Generalized System of Preferences scheme.....	21
A. Preamble.....	21
B. Origin criteria.....	22
C. Direct consignment conditions.....	32
D. Documentary evidence.....	34

List of tables

Table 1	Summary of the tariff cuts provided by the 2008 EC GSP scheme.....	3
Table 2	Example of a GSP tariff calculation (ad valorem duty only)	3
Table 3	Example of a GSP tariff calculation (specific duty only).....	4
Table 4	Example of a GSP tariff calculation (ad valorem and specific duty).....	4
Table 5	Example of a GSP tariff calculation (minimum duty).....	4
Table 6	Example of a GSP tariff calculation (minimum and maximum duties).....	5
Table 7	Example of a GSP tariff calculation (textiles and textile articles).....	5
Table 8	Example of a GSP tariff calculation (lowest rate applies).....	5
Table 9	Example of country-section graduation.....	7
Table 10	Summary of the EBA initiative.....	10
Table 11	Tariff quotas for rice and raw sugar from least developed countries.....	11
Table 12	Example of working or processing conferring origin.....	24
Table 13	Example of an imported input calculation.....	29

Annexes

Annex I	Certificate of origin Form A (English and French).....	39
Annex II	EUR.1 movement certificate and application for EUR.1 movement certificate..	45
Annex III	Invoice declaration.....	55

Appendices

I.	Council Regulation (EC) No 732/2008 of 22 July 2008 applying a scheme of generalized tariff preferences for the period from 1 January 2009 to 31 December 2011 and amending Regulations (EC) No 552/97, No 1933/2006 and Commission Regulations (EC) No 1100/2006 and No 964/2007.....	59
II.	Commission Regulation (EC) No 881/2003 of 21 May 2003, amending Regulation (EEC) No 2454/93 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (OJ L 134, 29.5.2003, p.1).....	101
III.	Commission Regulations (EC) No 1614/2000; No 1807/2006; No 1613/2000; No 1806/2006; No 1615/2000 and No 1808/2006 applicable to Cambodia, Lao and Nepal in respect of rules of origin.....	213

Preface

The series of handbooks on the Generalized System of Preferences (GSP) promotes greater awareness among exporters and government officials in developing countries on trading opportunities available under the GSP and other preferential trade arrangements and a better understanding on applicable rules and regulations with a view to facilitating their effective utilization. The series comprises the following publications:

Publications in the Generalized System of Preferences series

- Handbook on the Scheme of Australia (UNCTAD/ITCD/TSB/Misc.56)
- Handbook on the Scheme of Canada (UNCTAD/ITCD/TSB/Misc.66)
- Handbook on the Scheme of the European Community (Present volume)
- Handbook on the Scheme of Japan (UNCTAD/ITCD/TSB/Misc.42/Rev.3)
- Handbook on the Scheme of New Zealand (UNCTAD/ITCD/TSB/Misc.48)
- Handbook on the Scheme of Norway (UNCTAD/ITCD/TSB/Misc.29/Rev.1)
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- Handbook on the Scheme of Turkey (UNCTAD/ITCD/TSB/Misc.74)
- Handbook on the Scheme of the United States of America (UNCTAD/ITCD/TSB/Misc.58)
- Generalized System of Preferences – List of beneficiaries (UNCTAD/ITCD/TSB/Misc.62/Rev.2)
- The African Growth and Opportunity Act: A preliminary assessment (UNCTAD/ITCD/TSB/2003/1)
- Negotiating anti-dumping and setting priorities among outstanding implementation issues in the post-Doha scenario: A first examination in the light of recent practice and DSU jurisprudence (UNCTAD/ITCD/TSB/Misc.72)
- Quantifying the benefits obtained by developing countries from the Generalized System of Preferences (UNCTAD/ITCD/TSB/Misc.52)
- Trade preferences for LDCs: An early assessment of benefits and possible improvements (UNCTAD/ITCD/TSB/2003/8)

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Introduction

The first European Community Generalized System of Preferences (EC GSP) scheme spanned an initial phase of 10 years (1971–1981) and was subsequently renewed for a second decade (1981–1991). During these periods, the EC GSP was reviewed each year. The reviews involved changes in product coverage, quotas, ceilings and their administration, beneficiaries and depth of tariff cuts for agricultural products. In 1991, at the end of the second decade, the scheme was due for major revision. Pending the outcome of the Uruguay Round, however, the 1991 scheme was extended with various amendments until 1994, when the Community made another 10-year offer.

Accordingly, the second cycle of the EC GSP scheme covered the period from 1995 to 2004. The first phase started on 1 January 1995, when the Community adopted the following basic legislative acts: Council Regulation (EC) No. 3281/94,¹ concerning industrial products, and Council Regulation 1256/96,² concerning agricultural products. For the second phase, lasting from 1 July 1999 to 31 December 2001, the European Community (EC) revised its GSP scheme on the basis of Council Regulation (EC) No. 2820/98.³

For the period from 1 January 2002 to 31 December 2005, the European Union put in place the third phase of the scheme by adopting Council Regulation (EC) No. 2501/2001. Arrangements under this phase of the scheme included:

- General arrangements;
- Special incentive arrangements for the protection of labour rights;
- Special incentive arrangements for the protection of the environment;
- Special arrangements to combat drug production and trafficking;
- Special arrangements for LDCs: the “Everything but Arms” initiative.

Based on the guidelines drawn up in 2004,⁴ a third EC GSP scheme, adopted on 27 June 2005 under Council Regulation (EC) No. 980/2005 covering the period from 1 January 2006 to 31 December 2008, simplified the scheme by reducing the number of arrangements from five to three, namely:

- General arrangements;
- Special incentive arrangements for sustainable development and good governance (“GSP Plus”);⁵

¹ This applies a four-year scheme of generalized tariff preferences (1995–1998) in respect of certain industrial products originating in developing countries. *Official Journal* L 348, 31.12.1994: 1.

² This applies multiannual schemes of generalized tariff preferences from 1 July 1996 to 30 June 1999 in respect of certain agricultural products originating in developing countries. *Official Journal* L 160, 29.6.1996: 1.

³ This applies a multiannual scheme of generalized tariff preferences for the period 1 July 1999 to 31 December 2001. *Official Journal* L 357, 30.12.1998: 1.

⁴ Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee. Developing countries, international trade and sustainable development: The function of the Community’s Generalized System of Preferences (GSP) for the 10-year period from 2006 to 2015.

⁵ See column E of annex I to the regulation for a list of countries included in the GSP Plus arrangements.

- Special arrangements for least developed countries:⁶ the “Everything but Arms” initiative (which remains unchanged).

This basic structure was maintained under the new EU GSP scheme effective from 1 January 2009 to 31 December 2011. The EU General Affairs and External Relations Council adopted a regulation (Council Regulation (EC) No. 732/2008) on 22 July 2008 renewing the EU GSP scheme for the three-year period. The new scheme remains therefore broadly unchanged while incorporating a few technical changes.

The EC GSP scheme has three key features, namely: (1) tariff modulation, (2) country-sector graduation and (3) special incentive arrangements.

The first feature – tariff modulation – represented a radical departure from schemes adopted before 1994, under which quantitative limitation of GSP imports applied. After 1994, these limitations – essentially individual fixed duty-free amounts and ceilings in the case of sensitive industrial products and fixed reduced-duty⁷ amounts in the case of agricultural products – were replaced by four reduced rates of duty according to product sensitivity: a 15 per cent preferential margin for very sensitive products; a 30 per cent preferential margin for sensitive products; a 65 per cent preferential margin for semi-sensitive products; and duty-free entry for non-sensitive products, i.e. a 100 per cent preferential margin.

Two simplified categories of sensitivity were created under the 2002–2004 scheme: non-sensitive and sensitive products. The 2006 scheme also used these categories. Eligible non-sensitive products continue to enjoy a preferential zero rate of duty, while eligible sensitive products enjoy a reduction of 3.5 percentage points in the full ad valorem rate of customs duty payable.⁸

The second feature – country-sector graduation – was introduced in 1995 through an open policy of graduation containing the relevant criteria. Regulation (EC) No. 3281/94 provided for a country graduation mechanism which entered into force on 1 January 1998 and continued to apply under the 1999–2001 scheme.

The country-section graduation system was further simplified in 2006 and remains valid for the 2009–2011 period. When products from beneficiary countries account for more than 15 per cent of EU imports of that product from GSP countries, the country has “graduated” as far as the Combined Nomenclature (CN) section of products is concerned and ceases to benefit from preferential access. In the case of textiles and textile articles, the graduation threshold is set at the lower level of 12.5 per cent.

The third feature is the special incentive arrangements introduced for sustainable development and good governance. The 2002–2004 scheme introduced three special arrangements for the protection of labour rights, the protection of the environment and combating drug production and trafficking. These special incentive schemes granting deeper preferences were intended to assist qualified beneficiary countries in

⁶ See column D of annex I to the regulation for a list of countries included in the “Everything but Arms” arrangements.

⁷ For the definition of fixed duty-free amounts and individual duty-free tariff ceilings, see document UNCTAD/ITD/GSP/9 (July 1994).

⁸ For exceptions, see part I (C) of this handbook.

sustaining and improving their environmental and social standards and fighting against illicit production. As a result of a dispute case brought before the World Trade Organization (WTO) by India concerning Community special arrangements to combat drug production and trafficking,⁹ the 2006 EC GSP scheme introduced the GSP Plus arrangements for sustainable development and good governance, which replaces the three special incentive schemes of the previous GSP scheme and provides special incentives for countries that are considered vulnerable, on condition that they become party to 27 specific international conventions on human rights, labour standards and sustainable development. The system is basically unchanged for the period 2009-2011.

The EC GSP scheme includes the “Everything but Arms” (EBA) initiative, a special arrangement for least developed countries¹⁰ which entered into force on 5 March 2001. The EBA initiative extends unrestricted duty-free access to all products originating in beneficiary least developed countries, excluding arms and munitions. Only three highly sensitive products – namely, bananas, rice and sugar – are subject to transitional periods, which end on 1 October 2009 with the liberalization of sugar imports. The EBA initiative is broadly unchanged under the 2009 scheme and continues to benefit the world’s 50 poorest countries.

As regards rules of origin, the relevant regulations are contained in articles 66–97 and annexes 14–18 and 21 to Commission Regulation (EEC) No. 2454/93, as amended by regulations (EC) Nos. 12/97, 1602/2000 and 881/2003. A consolidated version of Regulation (EEC) No. 2454/93 is available on the European Union website eur-lex.europa.eu.

The European Commission has begun internal consultations on the reform of the preferential rules of origin applicable to the GSP scheme since 2003, including on possible improvements in the conditions for conferring origin, cumulation and administrative procedures. A green paper was issued in 2003,¹¹ and a communication outlining future strategy was issued on 16 March 2005. The reformed preferential rules of origin were initially expected to enter into force by 2006,¹² but the consultation process was extended and a proposal for a new Council regulation for the period from 1 January 2009 to 31 December 2011 was finally submitted on 10 January 2008 and is awaiting adoption.¹³ Thus, the existing rules of origin remain valid under the 2009 scheme.¹⁴

⁹ European Communities – Conditions for the granting of tariff preferences to developing countries. WT/DS246/AB/R.

¹⁰ Council Regulation (EC) No. 416/2001 of 1 March 2001 extending duty-free access without quantitative restriction to products originating in least developed countries. *Official Journal* L 60: 43.

¹¹ Green paper on the future of rules of origin in preferential trade arrangements. COM(2003)787 final.

¹² Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee. The rules of origin in preferential trade arrangements – Orientations for the future. COM(2005) 100 final (16 March 2005).

¹³ Proposal for a Council regulation applying a scheme of generalized tariff preferences for the period 1 January 2009 to 31 December 2011 and amending Regulations (EC) No. 552/97, No. 1933/2006 and Commission regulations (EC) Nos. 964/2007 and 1100/2006. COM(2007) 857 final (21 December 2007).

¹⁴ The new regulation will be published on the website ec.europa.eu/taxation_customs.

Checklist: How to benefit from the European Community Generalized System of Preferences scheme

Step 1: Check the product eligibility

- Establish the tariff classification of the product according to the Combined Nomenclature (CN);
- Ascertain that the product is covered by the EC GSP scheme (see annex II to Regulation (EC) No. 732/2008, contained in annex I to this handbook);
- Check the country-section graduation, since certain sections of certain countries are excluded from the EC GSP scheme (see column C of annex I to Regulation (EC) No. 732/2008).

Step 2: Identify the correct GSP rate

- Check annex II to Regulation (EC) No. 732/2008 to ascertain the product sensitivity category in which the product is listed (“S” for sensitive or “NS” for non-sensitive), observing the precise tariff classification and product description;
- Identify the conventional most-favoured-nation rate which applies to the product under the Community’s Customs Code (Taric);¹⁵
- Check the composition of the duty, i.e. whether it is made of ad valorem duty, a specific duty or a combination of the two, as the GSP tariff reduction applies only to the ad valorem part of the duty and not to both;
- Apply the reduction granted to the product category in which the Harmonized System (HS) product is listed, taking into account that for a limited number of products (sections XI (a) and XI (b) and HS heading 2207) a lower preferential margin applies.

Step 3: Investigate the possibility of obtaining additional preferences

- Special treatment is granted to least developed countries under the “Everything but Arms” initiative. Check column D, annex I to Regulation (EC) No. 732/2008 to ascertain if the country is a beneficiary of these arrangements.
- For EBA beneficiary countries, all products with the exception of those listed in chapter 93 (Arms and ammunition), are granted duty-free entry (transitional quota restrictions are applicable to bananas, sugar and rice).
- Special incentive arrangements may be granted under the GSP Plus arrangements for beneficiaries that respect international conventions by promoting sustainable development and good governance.

¹⁵ Taric is the integrated tariff of the European Community, published annually. It is based on the Combined Nomenclature (CN) which has some 10,000 headings (coded with eight digits) and constitutes the basic nomenclature for the Common Customs Tariff as well as for trade statistics. Taric contains around 18,000 further subdivisions (coded with two extra digits or with an additional code) necessitated by tariff quotas, tariff preferences, the GSP, agricultural components, anti-dumping and countervailing duties, etc. For Taric consultations, see the website ec.europa.eu/taxation_customs.

Step 4: Check the origin criteria

- Ensure that the product complies with the origin criteria set by the EC.

Step 5: Check the consignment conditions

- Ensure that the modalities for the transport of goods from the preference-receiving country to the EC market fulfil the provisions laid down in the EC regulations.

Step 6: Prepare documentary evidence

- Fill in the certificate of origin Form A or the invoice declaration correctly; they are the official documents on which the EC customs authorities rely to grant the GSP benefits to products.

Part I

Explanatory notes to the European Community Generalized System of Preferences scheme (2008)

A. BENEFICIARIES

The granting of the EC generalized tariff preferences for the period from 1 January 2009 to 31 December 2011 is restricted to 176 countries and territories listed in annex I to Council Regulation (EC) No. 732/2008 (hereinafter, “the regulation”), which is reproduced in annex I to this handbook. The annex also provides information on the product sections excluded for particular countries and indicates if a particular country is covered by the special incentive arrangements or general arrangements of the EC GSP scheme.¹⁶ Myanmar and Belarus remain temporarily withdrawn from GSP preferences due to political reasons.¹⁷ Moldova was removed from the list of beneficiaries as the EC granted more favourable preferences under a separate legal instrument in March 2008.

B. PRODUCT COVERAGE

The regulation contains rules for both industrial and agricultural products.

Some 6,350 products are eligible for the EC GSP general arrangements and 7,200 for the EBA initiative, including a number of agricultural and fish products listed in HS chapters 1–24, and almost all processed and semi-processed industrial products, including ferro-alloys, that are listed in HS chapters 25–97, except for those in chapter 93 (Arms and ammunition). The list of products covered and the relevant treatment is contained in annex II to the regulation, which is reproduced in annex I to this handbook.

C. DEPTH OF TARIFF CUTS

The current EC GSP scheme simplifies the previous system, since, while maintaining duty-free access for all non-sensitive products,¹⁸ it replaces the three categories of very sensitive, sensitive and semi-sensitive products with just one single category of sensitive products.

The new GSP rate for sensitive products is calculated by applying one of following:

- A flat-rate reduction of 3.5 percentage points to the most-favoured-nation duty (applicable to the ad valorem duties);
- A 30 per cent reduction in the most-favoured-nation duty where only specific duties apply; or,

¹⁶ Column C of annex I to the regulation.

¹⁷ Council Regulations (EC) No. 552/97 and No. 1933/2006 respectively.

¹⁸ For non-sensitive products, duties shall be entirely suspended except for the agricultural components (art. 7, para. 1, of the regulation).

- A flat-rate reduction of 3.5 percentage points applicable to the ad valorem duties only, where duties are composed of both ad valorem and specific duties.

Limited exceptions apply for the following products:

- Textiles and clothing (products of sections XI (a) and XI (b)), whose most-favoured-nation duties shall be reduced by 20 per cent;

With respect to agricultural products listed in chapters 1–24, wherever customs duties comprise an ad valorem duty and one or more specific duties, the preferential reduction is limited to the ad valorem duty.

Where the customs duties specify a maximum duty, that maximum duty shall not be reduced. Conversely, where the customs duties specify a minimum duty, that minimum duty shall not apply (art. 6.6).

The final rate of preferential duty calculated in accordance with the regulation shall be rounded down to the first decimal place. When the rate of an ad valorem duty for an individual declaration reduced in accordance with the regulation is calculated to be 1 per cent or 2 euros or less for a specific duty, that duty shall be entirely suspended (art. 14).

D. MAINTENANCE OF PREVIOUS PREFERENTIAL MARGINS

Given that the preferential duty rates under the previous GSP Regulation (EC) No. 2501/2001 might have resulted, for a certain number of products, in a more favourable treatment than a reduction of 3.5 percentage points, the previous preferential duty rates shall apply in such cases (art. 6, para. 3).

When checking for possible preferences, it is important for users of the GSP to determine correctly the customs classification for their products according to the Combined Nomenclature (CN).¹⁹ Once this has been done, the user should check whether the CN subheading under which the product is classified is listed in annex II to the regulation, and then calculate the applicable tariff reduction accordingly.

¹⁹ For the latest CN update, see Commission Regulation (EC) No. 1719/2005 of 27 October 2005, amending annex I to Council Regulation (EEC) No. 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff.

Table 1
Summary of the tariff cuts provided by the 2008 EC GSP scheme

CURRENT REGULATION (EC) NO. 732/2008 (TOTAL NUMBER OF PRODUCTS COVERED: 7 200)			
Lists of products	General arrangements	GSP Plus arrangements	EBA (LDC) arrangements
Products covered	The 6 350 products listed in annex II to Regulation (EC) No. 732/2008	The 6 400 products listed in annex II to Regulation (EC) No. 732/2008	All products in HS chapters 1–97, except arms (chapter 93)
1. Sensitive products	Flat-rate reduction of 3.5 percentage points in the most-favoured-nation (MFN) duty (applicable to ad valorem duties only)	Duty-free entry (where duty is composed of both ad valorem and specific duties, the total tariff paid amounts to the specific duty) ²⁰	Duty-free entry
	30% reduction in the MFN duty, where only specific duties apply		
	20% reduction for textiles and textile articles		
2. Non-sensitive products	Duty-free entry	Duty-free entry	Duty-free entry

EXAMPLES OF GSP TARIFF CALCULATION²¹

Since tariffs on all imports listed as non-sensitive in annex II to the regulation have been totally suspended, only sensitive products have been used below to demonstrate how to calculate the GSP rate.

Case 1 (see table 2). In the case of “Swordfish”, which is on the list of sensitive products, the GSP rate is calculated as follows:

Table 2
Example of a GSP tariff calculation (ad valorem duty only)

CN CODE	PRODUCT DESCRIPTION	2008 MFN RATE	TARIFF REDUCTION	2008 GSP RATE
0304 91 00	Swordfish	7.5%	3.5 percentage points	4.0%

²⁰ For products of CN codes 1704 10 91 and 1704 10 99, the specific duty shall be limited to 16 per cent of the customs value under the special incentive arrangements for sustainable development and good governance.

²¹ For Taric consultations, see the website ec.europa.eu/taxation_customs.

Case 2 (see table 3). In the case of “Sweet potatoes: other”, to which only specific duty applies, the GSP rate is calculated as follows:

Table 3
Example of a GSP tariff calculation (specific duty only)

CN CODE	PRODUCT DESCRIPTION	2008 MFN RATE	TARIFF REDUCTION	2008 GSP RATE
0714 20 90 00	Sweet potatoes: other	6.4 EUR/100 kg	30%	4.4 EUR/100 kg

Case 3 (see table 4). In the case of “Couscous: other”, to which combined duty applies, the GSP rate is calculated as follows:

Table 4
Example of a GSP tariff calculation (ad valorem and specific duty)

CN CODE	PRODUCT DESCRIPTION	2008 MFN RATE	TARIFF REDUCTION	2008 GSP RATE
1902 40 90 00	Couscous: other	6.4% + 9.7 EUR/100 kg	3.5 Percentage points (applicable to the ad valorem part only)	2.9% + 9.7 EUR/100 kg

Case 4 (see table 5). In the case of “Other beans”, which incorporates a minimum duty, the calculation is as follows:

Table 5
Example of a GSP tariff calculation (minimum duty)

CN CODE	PRODUCT DESCRIPTION	2008 MFN RATE	TARIFF REDUCTION	2008 GSP RATE
0708 20 00 90	Beans (Vigna spp., Phaseolus spp.)	10.4% (minimum of 1.6 EUR/100 kg)	3.5 percentage points	6.9% (no minimum applicable)

Case 5 (see table 6). In the case of “Tobacco, not stemmed/stripped (flue-cured Virginia type)”, which incorporates a maximum and a minimum duty, the GSP rate is calculated as follows:

Table 6
Example of a GSP tariff calculation (minimum and maximum duties)

CN CODE	PRODUCT DESCRIPTION	2008 MFN RATE	TARIFF REDUCTION	2008 GSP RATE
2401 10 10 00	Tobacco, not stemmed/stripped (flue-cured Virginia type)	18.4% (minimum of 22 EUR/100 kg, maximum 24 EUR/100 kg)	3.5 percentage points	14.9% (no minimum, maximum of 24 EUR/100 kg)

Case 6 (see table 7). For “Men’s or boys’ shirts, knitted or crocheted: cotton”, as for all products in chapters 50–63 of the CN, the tariff cut under the GSP scheme amounts to 20 per cent of the most-favoured-nation rate.

Table 7
Example of a GSP tariff calculation (textiles and textile articles)

CN CODE	PRODUCT DESCRIPTION	2008 MFN RATE	TARIFF REDUCTION	2008 GSP RATE
6105 10 00 00	Men’s or boys’ shirts, knitted or crocheted: cotton	12%	20%	9.6%

Case 7 (see table 8). Lastly, where the old formulae provides for deeper preferential tariff cuts, the applicable GSP rate does not change. For example, in the case of “Cigars, cheroots and cigarillos containing tobacco”, which is on the list of sensitive products and incorporates a maximum and a minimum duty, the calculation is as follows:

Table 8
Example of a GSP tariff calculation (lowest rate applies)

CN CODE	PRODUCT DESCRIPTION	2008 MFN RATE	CURRENT TARIFF REDUCTION	PREVIOUS TARIFF REDUCTION	APPLICABLE 2008 GSP RATE
2402 10 00 00	Cigars, cheroots and cigarillos, containing tobacco	26%	3.5 percentage points = GSP rate of 22.5%	65% tariff reduction = GSP rate of 9.1%	9.1%

E. COUNTRY-SECTION GRADUATION AND COUNTRY EXCLUSION

Instead of applying to products in a certain category or sector, the new graduation mechanism, introduced in 2006 and maintained for the 2009-2011 scheme, applies to all products in a section of the CN code. Country-section graduation refers to the withdrawal of preferences for an entire section of products originating in a certain GSP beneficiary country when the graduation criteria are met (art. 13).

Preferences will only be withdrawn from countries/products after they have met the parameters for three consecutive years, thus providing beneficiary countries with some early-warning mechanisms before any graduation action is actually undertaken by the EU.

1. Country-section graduation

The application of country-section graduation is based on criteria laid down in article 13 of the regulation.²²

The previous scheme took into account the development index of the beneficiary country and either the level of imports from that country of all products or a sector-specialization index. The current arrangements set only one criterion for graduation: when the value of GSP-covered products in the relevant section imported from a country exceeds 15 per cent of the total imports of the same products from all GSP beneficiary countries to the EU over three consecutive years, the GSP treatment will be withdrawn from the section of products originating in this beneficiary country. The threshold is set at a lower level of 12.5 per cent for textile and textile articles products.

If imports from a GSP beneficiary country in respect of any section represent more than 50 per cent in value of its total GSP imports to the EU, the graduation rules do not apply.

The beneficiary countries and product sections for which GSP preferences are withdrawn are listed in column C of annex I to the regulation. (see table 9).

²² See annex I to this handbook.

Table 9
Example of county-section graduation

NAME OF COUNTRY	SECTIONS GRADUATED
China, People's Republic of	S-VI Products of the chemical or allied industries.
	S-VII Plastics and articles thereof; rubber and articles thereof.
	S-VIII Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut).
	S-IX Wood and articles of wood; wood charcoal; cork and articles of cork; manufacturers of straw, of esparto or of other plaiting materials; basketware and wickerwork.
	S-XI (a) Textiles; S-XI (b) Textile articles.
	Please refer to annex I to the regulation for the complete list.
Brazil	S-IV Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes.
	S-IX Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork.

The excerpt shows that products in sections VI, VII, VIII, IX, XI (a) and (b) which originate in China have graduated from the GSP scheme (this also applies to sections XII, XIII, XIV, XV, XVI, XVII and XX); thus, the GSP preferential tariff rates no longer apply to these products. The same applies to products originating in Brazil that are listed in sections IV and IX. See annex I, column C, to the regulation (as contained in annex I to this handbook) for the full list of the graduated country sections.

The simplified graduation criteria have allowed products originating in a number of countries that lost their entitlement to the GSP rates under the previous GSP scheme to be granted the preferential rates when the above criteria are no longer met (see below)

2. Country graduation mechanism

Article 3.1 of the regulation provides that beneficiary countries and territories shall be removed from the list of beneficiary countries and territories in annex I to the regulation if they meet both of the following criteria during three consecutive years:

- The country is classified by the World Bank as a high-income country (e.g. GNI per capita of \$11,456 for 2007 or more, according to the most recent figures from the World Bank)²³; and
- Imports to the Community from its five largest sections represent less than 75 per cent in value of its total GSP-covered imports to the Community.

²³ Figures for 2004.

Both conditions must be met before country graduation can be considered. The EC decided to withdraw some advanced developing countries and territories from the list of GSP beneficiaries, including Hong Kong (China), the Republic of Korea and Singapore, as of May 1998 (art. 3 of Regulation (EC) No. 2623/97, *Official Journal* L 354, 30.12.1997, p. 9). Since then, no countries have been excluded from the later EC GSP schemes.²⁴

In addition, the current regulation provides that, if a beneficiary country is covered by another free trade agreement with the EU that provides at least the same preferences provided by this GSP scheme, it too shall be removed from the GSP beneficiary country list.

3. Common provisions for country-section and country graduation

The 2002–2005 GSP scheme also provided for the graduation system to be reversed, i.e. for the GSP preferences to be reintroduced for a graduated sector and/or country. The Commission decides on annual basis which sectors are to be removed and which are to be re-established.²⁵ For preferences to be reintroduced for a certain graduated country-sector and/or a country, the same parameters that led to the graduation action must not be met for the same period of time (i.e. three years).²⁶

The current GSP scheme simply sets out the effective period for those graduated country-sections listed in annex I to the regulation as three years from 1 January 2009 to 31 December 2011. Intra- and Extra-EU Trade Data (Comext) statistics²⁷ serve as the basis for calculating the share of imports when checking if the graduation threshold has been met.

The recalculation of trade data for 2004-2006 has led to the re-inclusion ("de-graduation") of certain product-sections for six beneficiaries for the preferential treatment under the 2009-2011 scheme. These are: Algeria (for Section V "Mineral products"); India (for Section XIV "Jewellery, pearls, precious metals and stones"); Indonesia (for Section IX "Wood and articles of wood"); Russian Federation (for Section VI "Products of the chemical or allied industries" and Section XV "Base metals"); South Africa (for Section XII "Transport equipment"), and; Thailand (for Section XVII "Transport equipment").

By contract, GSP preferences are suspended for Vietnam for Section XII "Footwear, headgear, umbrellas, sun umbrellas, artificial flowers".²⁸

²⁴ Due to the political situation in Myanmar, temporary withdrawal of all tariff preferences in respect of imports or products originating in Myanmar remains in force (*Official Journal* L 169/2, 30.6.2005).

²⁵ *Official Journal* L 346, 31.12.2001: 5.

²⁶ See art. 14 of the regulation.

²⁷ Comext is the data base with statistics that represents the commercial interchanges between the States members of the European Union and those between EU member States and their commercial partners.

²⁸ See column C of annex I to the regulation No. 732/2008 (*Official Journal* L 211, 6.8.2008) against column C of annex I to Regulation (EC) No. 980/2005 (*Official Journal* L 139/1, 30.6.2005).

F. SPECIAL ARRANGEMENTS FOR LEAST DEVELOPED COUNTRIES: THE “EVERYTHING BUT ARMS” INITIATIVE

Under the special treatment granted to least developed beneficiaries, the regulation fully incorporates the “Everything but Arms” (EBA) initiative (Regulation (EC) No. 416/2001²⁹ amending Regulation (EC) No. 2802/98), which entered into force on 5 March 2001.

The 2001 EBA initiative, as currently incorporated in Regulation (EC) No. 732/2008 (chapter II, section 3), extends duty/quota-free access to all products originating in LDCs, except for arms and ammunition listed in HS chapter 93.³⁰ The EBA initiative now covers all agricultural products, including such sensitive products as beef and other meat; dairy products; fruit and vegetables; processed fruit and vegetables; maize and other cereals; starch; oils; processed sugar products; cocoa products; pasta; and alcoholic beverages. On most of these products, the pre-EBA GSP scheme provided a percentage reduction of most-favoured-nation rates, which would apply only to the ad valorem duties, thus leaving the specific duties still entirely applicable. The 2002–2005 EC GSP scheme changed this provision, and the current regulation states in article 11, paragraph 1, that, “Common Customs Tariff duties on all products of chapters 1 to 97 of the Harmonised System, except those of chapter 93 thereof, originating in a country that according to annex I benefits from the special arrangement for least developed countries shall be entirely suspended” (see table 10).

Thus, specific and other duties are no longer applicable to exports from LDCs, an example being the rather complicated “entry-price system” used to regulate the access of certain fruit and vegetables, such as cucumbers and courgettes, to the EC market.

²⁹ This amends Regulation (EC) No. 2820/98 of 21 December 1998 applying a multiannual scheme of generalized tariff preferences for the period 1 July 1999 to 31 December 2001 so as to extend duty-free access without any quantitative restrictions to products originating in least developed countries. *Official Journal L 60*, 1.3.2001: 43.

³⁰ It should be noted that products of chapter 93 are excluded from the EC GSP product coverage for all beneficiaries.

Table 10
Summary of the EBA initiative

	PRE-EBA	EBA (FROM MARCH 2001)
PRODUCT COVERAGE	<ul style="list-style-type: none"> • All GSP-covered products • Additional list of products for LDCs only • Certain sensitive agricultural products are excluded 	All products but arms (HS chapter 93)
DEPTH OF TARIFF CUT	<ul style="list-style-type: none"> • Duty-free for all GSP-covered products • For the additional list of products, different tariff cuts are available according to the import sensitivity of products (four products categories) • No preferences on the specific component of MFN duties, the entry price, the agricultural component or other duties 	<ul style="list-style-type: none"> • Duty-free for all products • All duties • Delayed (phased-in period) liberalization for bananas, sugar and rice
RULES OF ORIGIN	Regulation (EC) No. 1602/2000	Regulations (EC) Nos. 1602/2000, and 881/2003 (Africa, Caribbean and Pacific (ACP) LDCs moving over to the EBA initiative may lose ACP cumulation)

Under the EBA initiative, only three of the most sensitive agricultural products are not subject to immediate liberalization:

(a) **Fresh bananas (CN code 0803 00 19)**: The EBA initiative provided for full liberalization between 1 January 2002 and 1 January 2006 by reducing the full EC tariff by 20 per cent every year. The tariff was entirely suspended as of 1 January 2006.

(b) **Rice (HS heading 1006)**: Customs duties on rice will be phased out between 1 September 2006 and 1 September 2009 by gradually reducing the full EU tariff to zero.³¹ During the interim period, in order to provide effective market access, LDC rice will be allowed to enter the EC market duty-free within the limits of a tariff quota. The initial quantities of this quota are based on best LDC export levels to the EU in past years plus 15 per cent. The quota will grow by 15 per cent every year from 2,517 tons (husked-rice equivalent) in 2001/02 to 6,694 tons in 2008/09 (the marketing year starts in the September and finishes in the August of the following year).

³¹ Tariff duties should be reduced by 20 per cent on 1 September 2006, by 50 per cent on 1 September 2007 and by 80 per cent on 1 September 2008.

(c) **Sugar (HS heading 1701)**: Full liberalization will be phased in between 1 July 2006 and 1 October 2009 by gradually reducing the full EU tariff to zero.³² In the meantime, as for rice, LDC raw sugar can come in duty-free within the limits of a tariff quota, which will grow by 15 per cent every year: from 74,185 tons (white-sugar equivalent) in 2001/02 to 197,355 tons in 2008/09 (the marketing year starts in the July and ends in the June of the following year). Imports of sugar under Community Protocol 3 on ACP sugar will be excluded from the above calculations so that the protocol remains viable.

Table 11 below shows the planned evolution of the quota for rice and sugar imports to the EU from LDCs.

Table 11
Tariff quotas for rice and raw sugar imports from least developed countries
(thousands of tons)

Products	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Rice (1)	2 517	2 895	3 329	3 829	4 403	5 063	5 823	6 694
Sugar (2)	74 185	85 313	98 110	112 827	129 751	149 213	171 595	197 335

(1) Marketing years: September 2001 to September 2009.

(2) Marketing years: July 2001 to October 2009.

The Commission, in cooperation with the member States, will monitor imports of rice, bananas and sugar from LDCs.

Taking into account that, under the Cotonou Agreement, products covered by the common agricultural policy still face customs duties, the EBA initiative has made the EC GSP a more favourable scheme for LDCs in terms of tariff treatment and product coverage than the preferential trade arrangements available under the Cotonou Agreement.

The EBA initiative does not, however, include any amendment to existing EC preferential rules of origin applicable to GSP imports,³³ as contained in Regulation (EC) No. 2454/93, as amended most recently by 881/2003.³⁴

In this respect, the implementation of the EBA initiative has an important implication for LDCs, as there are different cumulation systems available under the GSP scheme

³² Tariff duties were to be reduced by 20 per cent on 1 July 2006, by 50 per cent on 1 July 2007 and by 80 per cent on 1 July 2008. To synchronize with the EU marketing year as well as to ensure coherence with ACP-EU EPA negotiations, the regulation provided that the full liberalization of sugar be scheduled for 1 October 2009 instead of 1 July (Article 11.3). The regulation also reintroduced a minimum price arrangement for sugar to ensure coherence with the result of EPA negotiations, which will apply from 1 October 2009 to 30 September 2012 (Article 11.4).

³³ The Commission stressed that there was no need to tighten origin requirements and that the establishment of rules of origin specifically for LDCs would be inconsistent with EC efforts to harmonize and simplify the various sets of rules of origin in force under the different trade arrangements entered into by the Community.

³⁴ *Official Journal* L 134/1, 29.5.2003. See annex II to this handbook.

and under the Cotonou Agreement. On the one hand, if an LDC from the African, Caribbean and Pacific Group of States (ACP) desires to take advantage of the EBA duty/quota-free treatment, it will have to do so as a GSP beneficiary and thus it will lose the opportunity of full cumulation with its ACP partners³⁵ – an opportunity that is only available to a party to the Cotonou Agreement. On the other hand, if an ACP LDC wants to take advantage of the more favourable Cotonou cumulation system, it will face, where applicable, the customs duties and quantitative limitations specified under the Cotonou Agreement.

Similarly, LDCs must be aware that, since the EBA initiative is an integral part of the EC GSP scheme, such duty/quota-free treatment will be subject to the authority and all the various limitations of that scheme, such as the unilateral and unbound character of the GSP, the possibility of the temporary withdrawal of the preferences (also provided for under the EBA initiative itself) and its rules of origin.

A beneficiary country should be withdrawn from the EBA initiative when it is excluded from the United Nations list of LDCs. It is the Commission, however, that will decide on the removal of the country and the establishment of at least a three-year transitional period.

G. SPECIAL INCENTIVE ARRANGEMENTS FOR SUSTAINABLE DEVELOPMENT AND GOOD GOVERNANCE (“GSP PLUS”)

The 2006 EC GSP scheme introduced special incentive arrangements focusing on sustainable development and good governance, known as "GSP Plus". Under the scheme, more favourable tariff treatment is granted to a range of products originating in those countries that meet certain conditions pertaining to economic vulnerability and the sustainable development criteria as provided by the 27 international conventions on human rights, the environment and internationally agreed labour standards listed in annex III to the regulation. Fourteen developing countries benefited from the provisions during 2006–2008. The scheme was maintained broadly unchanged under the 2009–2011 scheme except for changes pertaining to the eligibility criteria and the timing for the application to the scheme.

1. The coverage of products and the depth of tariff cuts

Under article 7 of the regulation, this incentive arrangement applies to all GSP-covered products originating in GSP Plus beneficiary countries, as listed in annex II to the regulation. GSP Plus rates are calculated as follows:

- Total suspension of duty for all eligible products, whether sensitive or non-sensitive, whose duty is composed of ad valorem duty only (art. 7.1);
- Total suspension of duty for all eligible products, whether sensitive or non-sensitive, whose duty is composed of specific duty only (art. 7.2);
- When the duty rate of an eligible product is composed of both ad valorem and specific duty, only the ad valorem duty is totally suspended, i.e. the

³⁵ For the purpose of cumulation all ACP countries are grouped together as one territory, which means that production may be shared freely between ACP countries.

total payable tariff is the specific duty component only. If the tariff is composed of 10 per cent (ad valorem duty) and 50 euros per 1,000 kg (specific duty), the total suspension of duty applies to the 10 per cent part only, meaning that the full amount of the specific duty component continues to apply (in this case, 50 euros per 1,000 g).

There is a limited exception to this preferential treatment for products classified under CN codes 1704 10 91 and 1704 10 99 (“Chewing gum: gum in strips” and “Other chewing gum” respectively), for which specific duty shall be limited to 16 per cent of the customs value.

It is important to note that, as opposed to the old scheme under which special incentive arrangements related to labour rights and environment were available to all products covered by the GSP Plus scheme (even those in sectors affected by graduation), the 2009 GSP scheme does not grant preferential treatment to those graduated products listed in column C of annex I to the regulation.

2. *Criteria for granting the special incentive arrangements*

In order to become a beneficiary country of the GSP Plus arrangement, the country needs to be considered a vulnerable country. The definition of vulnerability is that:

- First, the country is not classified as a high-income country during three consecutive years, i.e. its per capita GNI should not exceed \$11.456 according to the World Bank 2007 data;
- Second, it has a non-diversified economy, as measured by the fact that its five largest sections of GSP-covered imports represent more than 75 per cent in value of its total GSP-covered imports to the EU; and
- Third, its GSP-covered imports to the EU represent less than 1 per cent in value of total GSP imports.

The data to be used are (a) those available on 1 September 2007, as an annual average over three consecutive years, for the application of the scheme as from 1 January 2009 (art. 9(a)(i)) or (b) those available on 1 September 2009, as an annual average over three consecutive years for the application of the scheme as from 1 July 2010 (art. 9(a)(ii)) (see below).

In fact, a beneficiary country will be both ineligible for the GSP Plus incentive arrangements and completely excluded from the list of beneficiary countries when it is classified as high-income country by the World Bank for three consecutive years and when its largest five sections of GSP-covered imports to the EU represent less than 75 per cent in value of its total GSP imports (art. 2).

The special incentive arrangements are not automatic and need to be requested by a beneficiary country that complies with a list of international standards and agreements relating to human rights, environmental and social standards. These standards, contained in annex III to the regulation, include 16 core human and labour rights conventions (part A of the annex) and 11 conventions related to the environment and governance principles (part B).

The criteria for complying with those standards were as follows:

- First, the country had ratified and effectively implemented all the 27 conventions listed in annex III including:
 - 16 conventions relating to core political, human and labour rights listed in part A, including: International Convention on Civil and Political Rights; International Convention on Economic, Social and Cultural Rights; International Convention on the Elimination of All Forms of Racial Discrimination; Convention on the Elimination of All Forms of Discrimination against Women; the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment; Convention on the Rights of the Child; Convention on the Prevention and Punishment of the Crime of Genocide; Convention concerning Minimum Age for Admission to Employment (No 138); Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Form of Child Labour (No. 182); Convention concerning the Abolition of Forced Labour (No. 105); Convention concerning Forced or Compulsory Labour (No. 29); Convention concerning Equal Remuneration for Men and Women Workers for Work of Equal Value (No. 100); Convention concerning Discrimination in Respect of Employment and Occupation (No. 111); Convention concerning Freedom of Association and Protection of the Right to Organize (No. 87); the Convention concerning the Application of the Principles of the Right to Organize and to Bargain Collectively (No. 98); and International Convention on the Suppression and Punishment of the Crime of Apartheid.
 - 11 conventions relating to the environment, good governance and the fight against drug production and trafficking, as listed in part B of annex III, including : Montreal Protocol on Substances that Deplete the Ozone Layer; Basel Convention on the Control of Transboundary Movement of Hazardous Wastes and Their Disposal; Stockholm Convention on Persistent Organic Pollutants; Convention on International Trade in Endangered Species of Wild Fauna and Flora; Convention on Biological Diversity; Cartagena Protocol on Biosafety; the Kyoto Protocol to the United Nations Framework Convention on Climate Change; United Nations Single Convention on Narcotic Drugs (1961); United Nations Convention on Psychotropic Substances (1971); United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988); United Nations Convention against Corruption (Mexico).
- Second, it gives an undertaking to maintain the ratification of the conventions and their implementing legislation and measures, and accept regular monitoring and review of its implementation record in accordance with the implementation provisions of the conventions it has ratified.

3. *Procedure for granting the special incentive arrangements*

Under article 9 of the regulation, in order to benefit from the GSP Plus special arrangements for their originating products, the country's authorities had to submit a request to that effect in writing:

- (i) by 31 October 2008 for the application of the arrangements as from 1 January 2009, or;
- (ii) by 30 April 2010 for the application of the scheme as from 1 July 2010.

The requesting country is required to provide comprehensive information on:

- Ratification of the conventions referred to in annex III;
- Its national legislation and measures to effectively implement the provisions of the conventions; and
- Its commitment to accept and fully comply with the monitoring and review mechanisms envisaged in the relevant conventions and related instruments.

The 15 beneficiary countries that had qualified for the GSP plus treatment under the 2006-2008 scheme would need to submit anew a request if they so wish. These are: Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Georgia, Guatemala, Honduras, Moldova,³⁶ Mongolia, Nicaragua, Panama, Peru, Sri Lanka and the Bolivarian Republic of Venezuela.

The Commission would examine the requests submitted by the applicant beneficiary countries by taking into account the findings of the relevant international organizations and agencies.

The Commission would notify the requesting beneficiary country of a decision as to whether the country would be granted the GSP-plus treatment, and, if so, of the date on which that decision would enter into force. Products eligible for the special incentive arrangements would be admitted under the arrangements from the date of entry into force of the Commission's decision. The Commission is required to publish the list of beneficiary countries in the *Official Journal of the European Union* by 15 December 2008 for those countries that submitted requests by 31 October 2008, and 15 June 2009 for those countries that submitted requests by 30 April 2009. It needs to explain the reasons for a requesting country being refused the special incentive arrangement if the countries so request.

Accordingly, the Commission issued a Commission Decision on 9 December 2008 designating the following 16 countries as the beneficiaries for the GSP-plus scheme: Armenia; Azerbaijan; Bolivia; Colombia; Costa Rica; Ecuador; Georgia; Guatemala; Honduras; Sri Lanka; Mongolia; Nicaragua; Peru; Paraguay; El Salvador, and; Venezuela.³⁷

³⁶ Moldova had not been approved when the regulation was published in July 2005 and is therefore not included in column E of annex I to the regulation.

³⁷ *Official Journal*/ L 334/90, 12.12.2008.

The Commission would keep under review the status of ratification and effective implementation of the listed conventions by beneficiary countries by examining available information from relevant monitoring bodies. By the time of the discussion on the next regulations, the Commission would present to the Council a summary report on the status of the ratification and available recommendations by relevant monitoring bodies.

H. TEMPORARY WITHDRAWAL OF THE EUROPEAN COMMUNITY GENERALIZED SYSTEM OF PREFERENCES SCHEME

Under article 15 of the regulation, preferences may at any time be temporarily withdrawn in whole or in part under the following circumstances:

- (a) Serious and systematic violations of principles laid down in the conventions listed in part A of annex III, judging from the conclusions of the relevant monitoring bodies;
- (b) Export of goods made by prison labour;
- (c) Serious shortcomings in customs controls on export or transit of drugs (illicit substances or precursors), or failure to comply with international conventions on money-laundering;
- (d) Serious and systematic unfair trading practices which have an adverse effect on the Community's industry and have not been addressed by the beneficiary country. For those unfair trading practices which are prohibited or actionable under WTO agreements, the application of article 16 shall be based on a previous determination to that effect by the competent WTO body;
- (e) Serious and systematic infringements of the objectives of regional fishery organizations or arrangements concerning the conservation and management of fishery resources to which the Community is a member.

The regulation specifies that preferences provided for products which are subject to anti-dumping or countervailing measures under regulations Nos. 384/96 and 2026/97, as amended,³⁸ shall not be withdrawn pursuant to paragraph (d) above.

Under article 15, paragraph 2, the regulation provides criteria for the temporary withdrawal of preferences in respect of all or certain products included in the GSP Plus arrangement:

- If the beneficiary country's legislation no longer incorporates those conventions referred to in annex III to the regulation, which it has ratified to become a beneficiary country of the GSP Plus arrangements; or
- If its legislation incorporating those conventions referred to in annex III is not effectively implemented.

Furthermore, article 16 provides that the Commission may suspend the preferential arrangements on the following grounds:

³⁸ *Official Journal* L 56, 6.3.96: 1 (regulation as last amended by Regulation (EC) No. 905/98, *Official Journal* L 128, 30.4.98) and *Official Journal* L 288, 21.10.978: 1.

- Fraud, irregularities or systematic failure to comply with the rules of origin and procedures related thereto; or
- Systemic failure to provide administrative cooperation.

Administrative cooperation means that, inter alia, a beneficiary country should communicate to the Commission and update the information necessary for the implementation of the rules of origin; assist the Community by carrying out verification of origin and allowing the Commission to conduct investigations and verify the authenticity of documents or the accuracy of information in the country (art. 16, para. 2).

Temporary withdrawal is not automatic, but instead follows the procedural requirements laid down in articles 17–20 of the regulation. The Commission may suspend the preferential arrangements, provided that it has followed the procedure below:

1. Consultation

When the Commission or a member State considers that there are sufficient grounds for an investigation, it shall inform the Generalized Preferences Committee and request consultations, which should take place within one month.

2. Investigation

Following the consultation, the Committee decides within one month whether or not to initiate an investigation. If it initiates an investigation, the Commission shall:

- Announce the initiation of the investigation in the *Official Journal of the European Union* and notify the country concerned; and
- Commence the investigation, which should be completed within one year. The duration of the investigation may be extended if necessary.

During the investigation, the Commission may (art. 18, paras. 3–5):

- Seek all information it considers necessary, including the assessments, comments and decisions of the relevant supervisory bodies of the United Nations, the International Labour Organization and other competent international organizations;
- Verify the information with economic operators and the competent authorities of the beneficiary country concerned; and
- Hear interested parties.

3. Findings

When the investigation is complete, the Commission reports the findings to the Generalized Preferences Committee. If the Commission considers temporary withdrawal unnecessary, it publishes a notice in the *Official Journal of the European Union*, announcing the termination of the investigation and its conclusions.

If, on the contrary, the Commission considers temporary withdrawal to be necessary, it shall notify the beneficiary country concerned of the decision and publish a notice in the *Official Journal of the European Union*, announcing its intention to submit a proposal to the Council for temporary withdrawal. This will give the beneficiary country concerned the possibility of committing to taking the measures necessary to conform, within a reasonable period of time, with conventions referred to in part A of annex III to the regulation.

When the Commission considers temporary withdrawal to be necessary, it submits an appropriate proposal to the Council, which decides thereon within two months by qualified majority (art. 19). Where such a decision is taken, it will enter into force six months later.³⁹

Before the Commission adopts the decision to suspend the preferential treatment provided by the regulation, it is requested to complete the following administrative procedure:

- (a) Inform the Committee;
- (b) Call on the member States to take such precautionary measures as are necessary in order to safeguard the Community's financial interests and/or secure compliance by the beneficiary country with its obligations;
- (c) Publish a notice in the *Official Journal of the European Union* stating the grounds for reasonable doubts about the right of the country in question to continue enjoying preferential treatment as granted by the regulation.

Before any decision comes into effect, the Commission shall inform the beneficiary country concerned. Any member State may refer to the Council a decision to suspend preferential arrangements within one month, and the Council may take a different decision within one month.

The period of suspension shall not exceed six months. At the end of the suspension period, the Commission shall decide either to:

- Terminate the suspension after consulting the Generalized Preferences Committee; or
- Extend the period of suspension in accordance with the procedure laid down in article 16, paragraph 3, as mentioned above.

Member States shall communicate to the Commission the relevant information justifying the suspension. If the Commission considers that the information provides sufficient evidence, it shall take, after informing the Committee, all the appropriate measures as quickly as possible.

I. SAFEGUARD CLAUSES

Under the EC GSP scheme, there are two general safeguard clauses.

³⁹ Due to political situation in Myanmar, temporary withdrawal of all tariff preferences in respect of imports of products originating in Myanmar should remain in force (*Official Journal* L 169, 30.6.2005: 2).

The first provides that the most-favoured-nation duties on a particular product may be reintroduced at any time at the request of a member State or on the Commission's own initiative, if a product originating in one of the beneficiary countries or territories is imported on terms which cause or threaten to cause serious difficulties to a Community producer of like or directly competing products (art. 20, para. 1).

Under the second safeguard clause, the Commission may suspend the preferential arrangements in respect of the products concerned,⁴⁰ where imports of products included in annex I to the Treaty of Rome cause, or threaten to cause, serious difficulties to Community markets or their regulatory mechanisms (art. 21).

Where the Commission decides to initiate an investigation, it shall first publish a notice in the *Official Journal of the European Union* announcing the investigation, providing relevant information and specifying the period – which shall not exceed four months from the date of publication of the notice – within which interested parties may make their views known in writing. In examining whether there are serious difficulties, the Commission takes into account, inter alia, the following factors, where the information is available:

- Reduction in the market share of Community producers;
- Reduction in their production;
- Increase in their stocks;
- Closure of their production capacity;
- Bankruptcies;
- Low profitability;
- Low rate of capacity utilization;
- Employment;
- Trade; and
- Prices.

The investigation shall be completed within six months of the publication of the notice. In exceptional circumstances (art. 20, para. 5), the Commission may extend this period. A decision on the investigation is taken within 30 working days and the decision shall enter into force within 30 days of its publication.

The beneficiary country concerned shall be informed by the Commission as soon as possible of any decision to take safeguard measures. The Commission shall also notify the Council and the EU member States thereof. Any member State (not just the State concerned) may refer a Commission decision to the Council within one month, and the Council may adopt a different decision within one month.

In the case of imports of the products listed in section XI (b) (Textile articles), the EC GSP scheme provides that safeguard measures are applied, at Commission's own initiative or at the request of a member State, when these imports:

⁴⁰ The Commission shall first inform the management committee for the relevant common market organization.

- Increase by at least 20 per cent in quantity (by volume) as compared to the previous calendar year; or
- Exceed the 12.5 per cent threshold during any 12-month period.

Both cases will result in the withdrawal of the preferential tariff rates applied to products from section XI (b) originating in a beneficiary country covered under the general arrangements and the GSP Plus arrangements. Beneficiary countries of the EBA initiative and countries with not more than an 8 per cent share of the imports into the Community from all GSP-covered countries are not affected by safeguard measures. The removal of preferences shall take effect two months after the publication of the Commission's decision in the *Official Journal of the European Union*.

These safeguard clauses do not affect the application of safeguard clauses adopted as part of the common agricultural policy under article 37 of the Treaty of Rome, or as part of the common commercial policy under article 133 of the same treaty, or any other safeguard clauses that may be applied.

J. SURVEILLANCE MEASURES IN THE AGRICULTURAL SECTOR

In view of the increased product coverage under the 2006 EC GSP scheme, mainly for agricultural and fishery products, the 2006 GSP scheme introduced a special surveillance mechanism for HS chapters 1–24 that had not existed under the previous arrangements. The purpose is to avoid the Community market being disrupted by the import of agricultural products.

In the following two cases, none of the procedural periods for initiating the safeguards clause, i.e. the consultation, the investigation, or the submission of views by interested parties, may exceed two months: when the beneficiary country systematically fails to comply with the rules of origin or does not provide administrative cooperation; or when imports of GSP-covered agricultural products massively exceed the usual levels of exports of the beneficiary country.

Part II

Rules of origin under the European Community Generalized System of Preferences scheme

A. PREAMBLE

If preferential treatment is to be granted to goods produced or grown in a certain country, then it has to be determined whether such goods or products have really been produced in that beneficiary country. The rules of origin exist to serve this specific purpose; i.e. to identify the goods produced in the beneficiary country and to ensure that the benefits provided under the preferential trade arrangements are confined to those products originating in the beneficiary country. Among other things, the rules of origin are intended to prevent goods produced in other countries and then simply trans-shipped or given minimal processing in a beneficiary country from enjoying trade preferences. The role of the rules of origin in international trade is not, however, limited to preferential trade agreements. In fact, the notion of the origin of goods is an essential instrument in the implementation of any commercial policy, ranging from the negotiation of a free-trade area or the establishment of a regional economic grouping, to the application of an anti-dumping duty or the issuance of an import licence.

The rules of origin applicable under the GSP scheme are contained in Commission Regulation (EEC) No. 2454/93 of 2 July 1993, which lays down provisions for the implementation of Council Regulation (EEC) No. 2913/92⁴¹ establishing the Community Customs Code, as amended by regulations (EC) Nos. 12/97, 1602/2000 and 881/2003. For the purpose of this handbook, the terms “article” and “annex” are used in the following text to refer to the articles of and annexes to Commission Regulation (EEC) No. 2454/93 (hereinafter, “the regulation”), as last modified by Commission Regulation (EC) No. 881/2003⁴².

The European Commission launched a general debate on the reform of applicable preferential rules of origin by issuing a green paper in 2003.⁴³ Subsequently, a Commission communication was issued on 16 March 2005, outlining future reform as foreseen by the Commission and indicating that it should first be applied under the GSP scheme.⁴⁴ At the end of October 2007, following completion of an impact assessment, the Commission produced a draft regulation that included important changes concerning both the rules for determining origin and the relevant administrative procedures. Once adopted, the new rules on determining origin should come into effect in 2009 and the rules on procedure in 2012. Discussions with member States are continuing, however, so the final text has not yet been produced.

⁴¹ *Official Journal* L 302, 19.10.1992: 1.

⁴² See annex II to this handbook. A consolidated version of the complete Regulation (EEC) No. 2454/93 is available on the website eur-lex.europa.eu.

⁴³ Green paper on the future of rules of origin in preferential trade arrangements. COM(2003) 787 final.

⁴⁴ Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee: The rules of origin in preferential trade arrangements - Orientations for the future. COM(2005) 100 final (16 March 2005).

The existing rules of origin remain valid, including under the 2009–2011 scheme, until the new rules come into effect. The green paper, the communication and the draft regulation are all available on the Commission's website.⁴⁵

Goods shipped to the EC market must comply with the requirements of the rules of origin if they are to benefit from the preferential tariff treatment provided under the GSP scheme. Goods not complying with the requirements of the rules of origin will be denied preferential treatment and normal (most-favoured-nation) duty will apply. The EC rules of origin, like those of other preferential schemes, can be divided into three parts:

- (a) Origin criteria;
- (b) Direct consignment conditions; and
- (c) Valid documentary evidence.

B. ORIGIN CRITERIA

The origin criteria are fundamental to the rules of origin. They determine how and when a product can be considered as originating in a GSP beneficiary country. Under the GSP scheme, a product shall be considered as originating in a beneficiary country if it has been:

- Wholly obtained in that country; or
- Sufficiently worked or processed there (art. 67).

1. *Products wholly obtained*

Article 68 lays down a list of products considered to be wholly obtained in a country. Products are included in this category by virtue of the total absence of imported input used in their production. The following are considered to be wholly obtained in a country:

- (a) Mineral products extracted from its soil or from its seabed;
- (b) Vegetable products harvested there;
- (c) Live animals born and raised there;
- (d) Products obtained there from live animals;
- (e) Products obtained by hunting or fishing conducted there;

⁴⁵ See ec.europa.eu/taxation_customs.

- (f) Products of sea-fishing and other products taken from the sea by their vessels;⁴⁶
- (g) Products made on board their factory ships exclusively from products referred to in (f);
- (h) Used articles collected there which are fit only for the recovery of raw materials;
- (i) Waste and scrap resulting from manufacturing operations conducted there;
- (j) Products extracted from the sea-bed or below the sea-bed which is situated outside its territorial waters, provided that it has exclusive exploitation rights; and
- (k) Products produced there exclusively from products specified in (a) to (j).

One of the changes proposed by the above-mentioned draft regulation⁴⁷ is the simplification of the rules relating to fisheries vessels catching fish outside the country's territorial waters.

2. Products which are manufactured wholly or partly from imported materials, parts or components

As mentioned above, a product is considered to be wholly obtained in a beneficiary country when it does not contain any imported input. When imported inputs are used to manufacture a finished product, the regulation requires that these non-originating materials be sufficiently worked or processed to be considered as originating in the beneficiary country. In particular, article 69, paragraph 1, as last amended by Regulation (EC) No. 1602/2000, specifies what is considered sufficient working or processing as follows:

“Products which are not wholly obtained in a beneficiary country or in the Community are considered to be sufficiently worked or processed when the conditions set out in the list in annex 15 are fulfilled.”⁴⁸

The EC GSP rules of origin are laid down in a comprehensive list which contains the applicable requirements for determining origin. Thus, provided that the working or processing operation is not insufficient (see below), in order to determine the origin of a product, it is necessary to establish the tariff classification of the product under the

⁴⁶ The terms “their vessels” and “their factory ships” (see (f) and (g) above) only refer to vessels and factory ships which are registered or recorded in the beneficiary country or in a member State, which sail under the flag of a beneficiary country or of a member State or at least 50 per cent of which is owned by nationals of the beneficiary country or of a member State or by a company having its head office in the country or in one of the member States; of which the manager(s), chairman of the board and the majority of the members of such boards are nationals of that beneficiary country or of the member State and of which, in the case of companies, at least half the capital belongs to that beneficiary country or one of the member States or to public bodies or nationals of that beneficiary country or of the member States; of which the master and officers are nationals of the beneficiary country or one of the member States; and of which at least 75 per cent of the crew are nationals of the beneficiary country or of a member State (art. 68, para. 2, of Regulation (EEC) No. 2454/93).

⁴⁷ Still under discussion.

⁴⁸ This list is the basic reference for the application of the EC GSP rules of origin (see annex II to this handbook).

Harmonized System (HS) and check whether the conditions laid down in the list (annex 15 to the regulation) for that specific product are fulfilled.

Article 71 provides that, by way of derogation, the total value of the non-originating materials used in the manufacture of a given product shall not exceed 10 per cent of the ex-works price of the product, subject to certain conditions (art. 71, para. 1, of the regulation). This provision does not apply to products listed in chapters 50–63, for which specific tolerances (laid down in annex 14) apply instead.⁴⁹

The draft regulation mentioned earlier proposes a single criterion for determining whether virtually all goods have been sufficiently worked or processed, which is based on the value added in the beneficiary country concerned.⁵⁰

Example 1

Let us suppose that a producer in a beneficiary country manufactures a chair from imported sawn wood. The chair cannot be considered as wholly obtained in one country because the producer has used imported sawn wood. Therefore, it is essential to know if the sawn wood (the imported material) can be considered to have undergone sufficient working or processing as according to the conditions laid down in the list.

Table 12
Example of working or processing conferring origin⁵¹

HS HEADING NO.	DESCRIPTION OF PRODUCT	WORKING OR PROCESSING CARRIED OUT ON NON- ORIGINATING MATERIALS THAT CONFERS ORIGINATING STATUS	
(1)	(2)	(3) OR (4)	
Ex chapter 94 ⁵²	Furniture; (etc.)	Manufacture from materials classified under a heading other than that of the product	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

⁴⁹ Art. 71, para. 1, of Regulation (EEC) No. 2454/93, as contained in Regulation (EC) No.1602/2000, states that “where, in the list, one or several percentage are given for the maximum value of non-originating materials, such percentages must not be exceeded through the application of the first subparagraph”.

⁵⁰ Still under discussion.

⁵¹ For other products, please consult the list of working or processing required that must be carried out on non-originating materials for the product manufactured to obtain originating status (annex II to Commission Regulation (EC) No. 881/2003).

⁵² “Ex” denotes that the rule does not apply to the whole chapter, but only to those parts of it for which a specific rule is not provided. In the case of chapter 94 there are specific rules for products ex 9401 and ex 9403 (i.e. parts of these only) and 9405 and 9406 (in these last two cases, all such products).

The final product, a chair, is classified under HS heading 9403 at the four-digit-level. As shown by the above excerpt, in the case of goods listed under HS chapter 94 for which a specific rule is not provided, the list provides for two alternative origin criteria (between which the exporter decides):

- (a) The “Change of tariff heading” rule; and
- (b) The percentage-value-addition criterion.

Thus, the chair would be eligible for the GSP arrangements under one of the two following conditions:

- (a) The non-originating material, sawn wood, must be classified under a HS heading which differs from the heading under which the final product is classified (the “Change of tariff heading” rule). Given that the sawn wood is classified under HS heading 4407, which is different from the one under which the chair is classified, we can determine that the sawn wood has been sufficiently worked or processed and that the chair qualifies as an originating product; or
- (b) The value of imported inputs must not exceed 40 per cent of the value of the finished product. In order to fulfil this condition, it is necessary to calculate the amount of non-originating sawn wood incorporated in the final product, the chair. In order to do this, the exporter must take into account the following:
 - The term “value” in the list means the customs value⁵³ at the time of the importation of the non-originating materials used or, if this is not known and cannot be ascertained, the first ascertainable price for the materials in the territory concerned.
 - The term “ex-works price” in the list means the price paid for the product obtained from the manufacturer within whose enterprise the final working or processing is carried out: this price includes the value of all materials used in manufacture, minus any internal taxes which are, or may be, payable when the product obtained is exported.

Example 2

The list requires most articles of apparel and clothing accessories listed in HS chapter 62 that are not knitted nor crocheted to be manufactured from yarn; this means that the use of imported fabric would not confer origin.

Example 3

For plastic articles included under HS headings 3922–3926, the list requires that the value of all non-originating inputs used in their manufacture should not exceed 50 per cent of the ex-works price of the product.

⁵³ Customs value is defined as the customs value determined in accordance with the 1994 Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (GATT).

3. *Insufficient working or processing*

Certain working or processing can never confer origin. Regulation (EC) No. 881/2003 amended the list of what would be considered insufficient working or processing to read as follows (art. 70):

- (a) Preserving operations to ensure that the products remain in good condition during transport and storage;
- (b) Breaking-up and assembly of packages;
- (c) Washing or cleaning; removal of dust, oxide, oil, paint or other coverings;
- (d) Ironing or pressing of textiles;
- (e) Simple painting and polishing operations;
- (f) Husking, partial or total milling, polishing or glazing of cereals and rice;
- (g) Operations to colour sugar or form sugar lumps; partial or total milling of sugar;
- (h) Peeling, stoning or shelling, of fruits, nuts and vegetables;
- (i) Sharpening, simple grinding or simple cutting;
- (j) Sifting, screening, sorting, classifying, grading, matching (including the making-up of sets of articles);
- (k) Simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
- (l) Affixing or printing marks, labels, logos and other such distinguishing signs on products or their packaging;
- (m) Simple mixing of products, whether or not of different kinds, where one or more components of the mixtures do not meet the conditions laid down in this section to enable them to be considered as originating in a beneficiary country or in the Community;
- (n) Simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;
- (o) A combination of two or more of the operations specified in points (a) to (n);
- (p) Slaughter of animals.

For the EU, the main purpose of this list is to ensure that the working or processing which takes place in the beneficiary country is an activity which brings real economic benefit to the country. It is also used in the rules on cumulation of origin (see below).

It is important to bear in mind that if an operation is not listed as insufficient, this does not necessarily mean that it is sufficient. Equally, even if a product fulfils the requirements of the list, it will not acquire origin if the working or processing operation which takes place is listed as an insufficient one. The user must consult both the list of insufficient working or processing operations and the list of sufficient working and processing to see what conditions must be met for the product concerned.

4. *Cumulative origin – regional cumulation (arts. 72, 72 (a) and 72 (b))*

The GSP rules of origin are, in principle, based on the concept of single-country origin, i.e. the origin requirements must be fully met within one exporting preference-receiving country, which must also be the country where the finished products are

manufactured. Under the schemes of some preference-giving countries, this rule has been liberalized so as to permit imported inputs from other beneficiary countries to be regarded as local content, thus making it easier to comply with the rules of origin requirements.

Under the EC GSP scheme, cumulation on a regional basis is permitted, subject to certain conditions. As Regulation (EC) No. 881/2003 combined the Andean Group and Central American Common Market Group, there are now three regional economic groupings of preference-receiving countries able to utilize the EC regional cumulation system (art. 72):

- Group I: Brunei-Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Philippines, Singapore, Thailand and Viet Nam;
- Group II: Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Peru and the Bolivarian Republic of Venezuela;
- Group III: Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

Consequently, the following secretariats of the regional groups are responsible for transmitting information on the undertakings of its member countries to ensure compliance with cumulation requirements and verification of proof of origin to the Commission:

- Group I: General Secretariat of the Association of South-East Asian Nations (ASEAN),
- Group II: Andean Community – Central American Common Market and Panama Permanent Joint Committee on Origin;
- Group III: Secretariat of the South Asian Association for Regional Cooperation (SAARC).

The withdrawal of one country or territory from the list of the countries and territories benefiting from generalized preferences by virtue of the criteria referred to in article 5 of Regulation (EC) No. 732/2008 on the country graduation mechanism does not affect the possibility of using products originating in that country under the regional cumulation rules.⁵⁴ This possibility is subject to the following conditions (see Council Regulation (EC) No. 2623/97, *Official Journal L 354*, 30.12.1997, p. 9):

- (a) The country in question must have been a member of the regional grouping since the multiannual system of preferences applicable to the product concerned entered into force; and
- (b) Must not considered to be the country of origin of the final product within the meaning of article 72 (a) of Regulation (EEC) No. 2454/93.

⁵⁴ Art. 5.3 states that, "regional cumulation within the meaning of Regulation (EEC) No. 2454/93 shall also apply where a product used in further manufacturing in a country belonging to a regional group originates in another country of the group, which does not benefit from the arrangements applying to the final product, provided that both countries benefit from regional cumulation for that group" (*Official Journal L 211/1*, 6.8.2008).

For example, a product originating in Indonesia incorporating Singapore-originating goods will continue to enjoy GSP preferences, even though Singapore is no longer an EC GSP beneficiary country, since Singapore belongs to Group I of the regional cumulation to which Indonesia also belongs.

Under the EC rules for regional cumulation, materials or parts imported by a member country of one of these three groupings from another member country of the same grouping for further manufacture are considered as originating products of the country of manufacture and not as third-country inputs, provided that the materials or parts are already products originating in the exporting member country. Originating products are those that have acquired origin by fulfilling the individual origin requirements under the basic EC rules of origin for GSP purposes.

Article 72 (a), paragraph 1, of the regulation, as amended by Regulation (EC) No. 2913/92, lays down the rules according to which the country of origin of the final product shall be determined:

“When goods originating in a country which is a member of a regional group are worked or processed in another country of the same regional group, they shall have the origin of the country of the regional group where the last working or processing was carried out, provided that:

- (a) The value added⁵⁵ there ... is greater than the highest customs value of the products used originating in any of the other countries of the regional group, and
- (b) The working or processing carried out there exceeds that set out in article 70 and, in the case of textile products, also those operations referred to in annex 16.”

When the above-mentioned conditions are not met, the products shall have the origin of the country of the regional group which accounts for the highest customs value of the originating products coming from other countries of the regional group (art. 72 (a), para. 2).

Example 4

The list requires cotton jackets (HS heading 6203) to be produced from originating yarn. With regional cumulation, however, preference-receiving country A may utilize imported fabrics from country B (note that these fabrics must already have acquired originating status in country B), which is a member of the same regional grouping, and the finished jacket will be considered as an originating product. This is because the imported fabric, which, again, must already have come from an originating producer in the same grouping, is counted under the cumulation rules as a domestic input and not as an imported input.

⁵⁵ “Value added” means the ex-works price minus the customs value of each of the products incorporated which originated in another country of the regional group.

Example 5

The list requires that cars classified under HS heading 8702 must not incorporate more than 40 per cent of imported inputs. A car manufactured in Malaysia, for example, may incorporate the following inputs (all prices are in \$):

Table 13
Example of an imported input calculation

Inputs (Car Manufacturing)	Value \$	Imported %
Inputs originating in Singapore ⁵⁶	1 400	n/a
Inputs originating in Thailand	4 500	n/a
Inputs originating in Japan	1 500	15%
Value added in Malaysia (local content, labour costs, profits)	2 600	n/a
Total (ex-works price)	10 000	-

According to the regional cumulation provision of the regulation, the materials imported from Singapore and Thailand will not be taken into account in calculating the percentage of imported inputs, if the materials already originate in the respective countries. Materials originating in other ASEAN member countries will not be considered imported inputs. Therefore, only the components imported from elsewhere (in this hypothetical case, Japan, which is not an ASEAN member country) are to be considered imported inputs. As the amount of the inputs from Japan is \$1,500, equal to 15 per cent of the export price, and as this is under the 40 per cent limit, the car will be considered as originating in Thailand and will be entitled to preferential treatment under the GSP arrangements.

Proof of the originating status of goods exported from a country belonging to a regional group to another country of the same group for further working or processing, or for re-exportation without further operations, shall be established by the certificate of origin Form A issued in the first country (art. 72 (a), para. 4). On the basis of this certificate, a further certificate of origin Form A or invoice declaration made out in that country will establish proof of the originating status of the goods re-exported to the EC from a country belonging to a regional group (art. 72 (a), para. 5).

Example 6

An exporter in country C wishes to export a finished product that contains imported inputs originating in countries A and B of the same regional grouping. The exporter will have to submit to the competent authority two certificates of origin Form A relating to the inputs originating in country A and country B, respectively, and issued by the competent authorities in each of these countries. On the basis of these two

⁵⁶ Note that Singapore has been withdrawn from the list of beneficiary countries in application of the country graduation mechanism, but its inputs may still be used in application of the regional cumulation rules.

certificates, the competent authority in country C will then issue the final certificate of origin Form A relating to the finished product to be exported.

5. Bilateral cumulation – donor country content and cumulation with Norway and Switzerland

Article 67, paragraphs 2–4, of the regulation, as amended by Regulation (EC) No. 1602/2000, provides that products originating in the EC which are subject to sufficient working or processing in a beneficiary country are to be considered as originating in that beneficiary country. This provision further expands the cumulation options by allowing the use of inputs or intermediate products which have already acquired originating status in the Community.

Proof of originating status of Community products has to be provided in accordance with article 90 (b) either by producing a EUR.1 movement certificate or an invoice declaration. In order to establish origin, the issue, use and subsequent verification of certificates of origin Form A shall apply *mutatis mutandis* to EUR.1 movement certificates and, with the exception of the provisions concerning their issue, to invoice declarations.

By virtue of article 67, paragraph 4, of the regulation, as amended by Regulation (EC) No. 1602/2000, the rules on donor-country content are also extended to products originating in Norway and Switzerland, in so far as these countries grant generalized preferences and apply a definition of the concept of origin corresponding to that set out under the EC GSP scheme. These arrangements have been applied since 2001 following an exchange of letters between the Community, Norway and Switzerland.⁵⁷ When products originating in the Community, Norway and Switzerland are subject to processing in a beneficiary country that exceeds the definition of “insufficient” described in article 70, these products shall be considered as originating in that beneficiary country when exporting back to the EU market, on condition that products should be exported directly from the Community, Norway or Switzerland to the beneficiary country before undergoing processing and working in the beneficiary country.

When the competent authorities of a beneficiary country are asked to issue a certificate of origin Form A for products manufactured with materials originating in the Community, Norway or Switzerland, they shall use the EUR.1 movement certificate or, where necessary, the invoice declaration to establish origin (art. 91, para. 1).

Box 4 on the certificates of origin Form A issued in the cases set out in article 91, paragraph 1, shall contain the endorsement “Cumul CE”, “Cumul Norvège”, “Cumul Suisse” (in French) or “EC cumulation”, “Norway cumulation”, “Switzerland cumulation” (in English) (art. 91, para. 2).

The customs authorities of the Community, Switzerland and Norway have undertaken to provide each other with any appropriate administrative assistance, particularly for

⁵⁷ *Official Journal of the European Union* L 38, 8.2.2001: 24.

the purposes of subsequent verification of the EUR.1 movement certificate for the materials referred to above.

These provisions shall not apply to products listed in HS chapters 1–24 (art. 67, para. 4)

6. Derogations

Article 76 provides for derogations from the provisions on the rules of origin under the EC GSP scheme in favour of least developed countries (LDCs) when so justified by the development of existing industries or creation of new industries. For this purpose, the country concerned shall submit to the Community a request for derogation together with the fullest possible information justifying the request. The following, in particular, shall be taken into account when the request is considered:

- (a) Cases where the application of existing rules of origin would significantly affect the ability of an existing industry in the country concerned to continue its exports to the Community, in particular in cases where this could lead to cessation of these activities;
- (b) Specific cases where it can be clearly demonstrated that significant investment in an industry could be deterred by the rules of origin and where a derogation favouring the realization of the investment programme would enable these rules to be satisfied in stages; and
- (c) The economic and social impact of the decision to be taken, especially in respect of employment.

In order to facilitate consideration of the request for derogation, the country making the request shall furnish the fullest possible information on the points listed below in support of its request:

- Description of the finished product;
- Nature and quantity of the products processed;
- Manufacturing process;
- Value added;
- Number of employees in the company concerned;
- Anticipated volume of exports to the Community;
- Other possible sources of supply for raw materials;
- Reasons for the duration requested; and
- Other observations.

The Commission will make the decision whether to grant derogation to the requesting country in accordance with procedure. The same rules apply to any justifiable request for an extension of derogation.

The Community currently grants a waiver from the definition of originating products for certain exports of textiles, in order to take account of the special situation of three LDCs: Cambodia, the Lao People's Democratic Republic and Nepal.

These derogations have existed since the 1990s but have been extended several times.⁵⁸ The provisions relevant to Cambodia are contained in Regulation (EC) No. 1614/2000,⁵⁹ as amended by regulations (EC) Nos. 292/2002, 2187/2004⁶⁰ and 1807/2006;⁶¹ the provisions relevant to the Lao People's Democratic Republic are contained in Regulation (EC) No. 1613/2000,⁶² as amended by regulations (EC) Nos. 291/2002, 2186/2004⁶³ and 1806/2006;⁶⁴ and, lastly, those relevant to Nepal are contained in Regulation (EC) No. 1615/2000,⁶⁵ as amended by regulations (EC) Nos. 293/2002, 2188/2004⁶⁶ and 1808/2006.⁶⁷ The latest amendments extend the derogations until the 31 December 2008. The derogation should, however, be reviewed in the light of the new rules of origin.

The products listed in the annexes to regulations (EC) Nos. 1613/2000, 1614/2000 and 1615/2000 which are manufactured in these three Asian LDCs from woven fabric (woven items) or yarn (knitted items) imported into those countries and originating in a country belonging to SAARC or ASEAN – except Myanmar – or an ACP country, shall be deemed to originate in these three countries by way of derogation from articles 67–97 of Regulation (EEC) No. 2454/93. The derogation shall apply only to products imported into the Community from Cambodia, the Lao People's Democratic Republic and Nepal prior to the expiry date of the derogation (currently 31 December 2008), up to the annual quantities listed for each product in the attached annexes. When drawings of one of these countries account for 80 per cent of annual quantities, the Commission, in consultation with the relevant government, shall consider whether it is still necessary for this country to apply for derogation beyond those quantities (art. 4 of regulations (EC) Nos. 1613/2000, 1614/2000 and 1615/2000).

The practical effects of the derogation in favour of LDCs are fourfold: (1) to simplify the origin criterion applicable to apparel products (single-stage instead of double-stage transformation); (2) to make sure that the beneficiary LDC actually retains the origin of the apparel products exported to the Community (by waiving the application of the rule on allocation of origin in the context of the partial regional cumulation system) and to maintain the manufacturing operation taking place in the beneficiary country; (3) to extend the geographical coverage of the regional cumulation facility so as to facilitate their sourcing of input, otherwise limited to the regional grouping to which the exporting beneficiary LDC belongs; and (4), by extending the derogations over a longer period of time, to provide these LDC beneficiaries with more stability and predictability for their market access.

C. DIRECT CONSIGNMENT CONDITIONS

The second part of the rules of origin relates to the modalities of the transport of goods from the preference-receiving country to the EC market. Once the goods in

⁵⁸ The basic regulations and latest amendments are contained in annex III to this handbook.

⁵⁹ *Official Journal* L 185, 25.7.2000: 46

⁶⁰ *Official Journal* L 373, 21.12.2004: 16

⁶¹ *Official Journal* L 343, 8.12.2006: 71.

⁶² *Official Journal* L 185, 25.7.2000: 38

⁶³ *Official Journal* L 373, 21.12.2004: 14

⁶⁴ *Official Journal* L 343, 8.12.2006: 69.

⁶⁵ *Official Journal* L 185, 25.7.2000: 54

⁶⁶ *Official Journal* L 373, 21.12.2004: 18

⁶⁷ *Official Journal* L 343, 8.12.2006: 73.

question have complied with the origin criteria, exporters have to make sure that the shipment of their products follows the provisions laid down in the regulation. These provisions aim to ensure that goods shipped from a beneficiary country will be the same goods as those presented at the port of entry into the EC and that they have not been manipulated or further processed in third countries during shipment. As a general rule, article 78 requires that a product be transported directly. Pursuant to that article, the following shall be considered as transported directly from the beneficiary country to the Community or from the Community to the beneficiary country:

- (a) Products transported without passing through the territory of any other country, except in the case of the territory of another country of the same regional group where article 72 is applicable;
- (b) Products constituting one single consignment transported through the territories of countries other than the beneficiary country or the Community, with, should the occasion arise, trans-shipment or temporary warehousing in those countries, provided that the products have remained under the surveillance of the customs authorities in the country of transit or warehousing and have not entered into commerce or been delivered for home use there or undergone operations other than unloading, reloading or any operation designed to preserve them in good condition;
- (c) Goods transported through the territory of Norway or Switzerland and subsequently re-exported in full or in part to the EC or to the beneficiary country, provided that the goods have remained under the surveillance of the customs authorities of the country of transit or warehousing and have not undergone operations other than unloading, reloading or any operation designed to preserve them in good condition;
- (d) Products which are transported by pipeline without interruption across a territory other than that of the exporting beneficiary country or that of the Community.

For products passing through the territory of a third country, documentary evidence that the requirements of direct transportation have been fulfilled must be supplied to the customs authorities in the EC by the presentation of:

- (a) A detailed bill of lading covering the passage through the country or countries of transit; or
- (b) Certification issued by the customs authorities of the country or countries of transit:
 - Giving an exact description of the products;
 - Stating the dates of unloading and reloading of the products or of their embarkation or disembarkation and identifying the ships used; and
 - Certifying the conditions under which the products have remained in the transit country or countries; or
- (c) Failing these, any substantiating documents deemed necessary (for example, a copy of the order for the products, a supplier's invoice, or bills of lading establishing the route by which the products travelled).

D. DOCUMENTARY EVIDENCE

Apart from the documentary evidence relating to the direct consignment conditions, evidence of the originating status is provided by a certificate of origin Form A duly filled in by the exporter and officially certified by the competent authorities in the exporting beneficiary country. Exporters should be aware that the certificate of origin Form A is one of the official documents on which the EC customs authorities rely in order to grant GSP benefits to the exporter's goods. Therefore, it is of vital importance that it be filled in correctly and in accordance with the rules contained in the regulation.

1. Completion and issue of certificates of origin Form A (arts. 81–89 of Commission Regulation (EEC) No. 2454/93)

A certificate of origin Form A is issued only upon written application from exporters or their authorized representatives (art. 81, para. 3). Exporters or their representatives must submit with the application any appropriate supporting documents proving that the products to be exported qualify for the issue of a certificate of origin (such documents could be invoices, cost statements, bills of lading, etc.) (art. 81, para. 4). The certificate of origin Form A must meet certain requirements, including those concerning paper quality and size (see annex V to Commission Regulation (EC) No. 12/97⁶⁸ containing a specimen certificate of origin Form A):

- (a) Each certificate shall measure 210 × 297 mm; a tolerance of up to plus 5 mm or minus 8 mm in the length may be allowed. The paper used shall be white, sized writing paper, which does not contain mechanical pulp and weighs no less than 25g/m². It shall have a printed green guilloche-pattern background, making any falsification by mechanical or chemical means apparent to the naked eye.
- (b) If the certificates have several copies, only the top copy (the original) shall be printed on a green guilloche-pattern background⁶⁹. The original copy is the one to be sent to the EC importer.
- (c) Each certificate must bear a serial number, printed or otherwise, by which it can be identified. This serial number must be assigned to the certificate by the issuing government authorities.
- (d) The certificate of origin Form A must be made out in English or French. If it is completed by hand, entries must be in ink and in capital letters.
- (e) The use of English or French for the notes on the reverse of the certificate is not obligatory.
- (f) The certificate of origin Form A is issued by the competent government authority of the beneficiary country if the products to be exported can be considered products originating in that country (art. 81, para. 5).
- (g) It shall be the responsibility of the competent government authority of the exporting country to take any steps necessary to verify the origin of the products and to check the other statements on the certificate (art. 83).

⁶⁸ *Official Journal* L 9, 13.01.1997.

⁶⁹ A guilloche pattern is one consisting of wavy, interlaced lines.

- (h) The completion of box 2 of the certificate of origin Form A is optional. Box 12 shall be duly completed by indicating “European Community” or entering the name of one of the member States (art. 81, para. 8).
- (i) The signature entered in box 11 of the certificate must be handwritten (art. 81, para. 9).

The certificate should be made available to the exporter as soon as exportation takes place or when it is certain that it will take place. For the purpose of verifying whether the conditions for issuance have been met, the appropriate government authorities have the right to call for any documentary evidence or to carry out any check which they consider appropriate (art. 81, paras. 5 and 6).

2. *Supplementary provisions related to the issue of certificate of origin Form A*

According to article 90 (b), paragraph 4, of the regulation, at the request of the importer and having regard to the conditions laid down by the customs authorities of the importing member State, a single proof of origin may be submitted to the customs authorities upon importation of the first consignment, provided that:

- (a) The goods are imported within the framework of frequent and continuous trade flows of a significant commercial value;
- (b) The goods are the subject of the same contract of sale, the parties to which are established in the exporting country and in the Community;
- (c) The goods are classified in the same code (eight digits) of the Combined Nomenclature; and
- (d) The goods come exclusively from the same exporter, are destined for the same importer and are made the subject of entry formalities at the same customs office in the Community.

This procedure shall be applicable for the quantities and a period determined by the competent customs authorities. This period cannot, however, under any circumstances exceed three months.

2.1 *Issue of duplicates of certificate of origin Form A*

In the event of the theft, loss or destruction of a certificate of origin Form A, the exporter may apply to the competent government authority which issued it for a duplicate to be made out on the basis of the export documents in their possession (art. 86). The duplicate Form A issued in this way must contain the word “DUPLICATE” or “DUPLICATA” printed in box 4 of Form A. The duplicate, which must bear the date of issue and the serial number of the original certificate, will take effect as from that date.

2.2 *Certificates of origin Form A issued retrospectively*

A certificate of origin Form A may exceptionally be issued after exportation of the products to which it relates, provided that (art. 85):

- (a) The certificate was not issued at the time of exportation because of error, accidental omission or special circumstances; or
- (b) It is demonstrated to the satisfaction of the customs authorities that a certificate of origin Form A was issued but was not accepted on importation for technical reasons.

The competent government authority may issue a certificate retrospectively only after verifying that the particulars contained in the exporter's application agree with those contained in the corresponding export documents and that a certificate of origin Form A was not issued when the products in question were exported. Certificates of origin Form A issued retrospectively must bear the endorsement "issued retrospectively" or "délivré a posteriori", printed in box 4.

2.3 *Time limit for presentation of certificates of origin Form A*

Under article 90 (b), paragraph 1, a certificate of origin Form A must be submitted within 10 months from the date of issue by the competent government authority of the beneficiary country to the customs authorities of the member State where the goods are presented.

2.4 *Presentation of certificates of origin Form A after expiry of the time limits*

The article 90 (b), paragraph 2, states that certificates of origin Form A submitted to the customs authorities or the member State of importation after expiry of the 10-month period of validity may be accepted, provided that the failure to observe the time limit is due to exceptional circumstances. In other cases of belated presentation, the competent customs authorities of the importing member State may accept the certificates, provided that the products have been presented to them before expiry of the time limit (art. 90 (b), para. 3).

2.5 *Discrepancies between statements made in certificates of origin Form A and those in other documents*

The discovery of slight discrepancies between the statements made in the certificate of origin Form A, the EUR.1 movement certificate or an invoice declaration and those made in the documents presented to customs for the purpose of carrying out the formalities for importing the products shall not ipso facto render the certificate null and void, provided that it is duly established that the document corresponds to the products concerned (art. 92).

2.6 Issuance and acceptance of replacement certificates of origin Form A by the European Community, Norway and Switzerland

By virtue of article 88, when originating products are placed under the control of a customs office in the Community, it shall be possible to replace the original proof of origin with one or more certificates of origin Form A for the purpose of sending all or some of these products elsewhere within the Community, Norway or Switzerland. The replacement certificate of origin Form A shall be issued, on the written request of the re-exporter, by the customs office under whose control the products are placed and shall be regarded as the definitive certificate of origin for the products to which it refers. The top right-hand box of the replacement certificate shall indicate the name of the intermediary country where it is issued; box 4 shall contain the words “replacement certificate” or “certificat de remplacement”, as well as the date of issue of the original certificate and its serial number. A photocopy of the original certificate of origin Form A may be attached to the replacement certificate.

3. Invoice declaration

An invoice declaration may be made out by an approved Community exporter or by any exporter for any consignment consisting of one or more packages containing originating products whose total value does not exceed 6,000 euros (art. 89). An invoice declaration may be established if the goods concerned are considered as originating in the EC or in a beneficiary country. In the latter case, the beneficiary country shall assist the Community by allowing the customs authorities of member States to verify the authenticity of the document or the accuracy of the information regarding the true origin of the products in question (art. 89, paras. 2 and 3).

4. Verification

The information provided on certificates of origin Form A and invoice declarations may be verified at random or whenever the customs authorities of the importing EC countries have reasonable doubt as to the authenticity of the document or the accuracy of the information regarding the true origin of the goods (art. 94, para. 1). For these purposes, the customs authorities in the Community may return a copy of the certificate of origin Form A or the invoice declaration to the relevant government authority in the exporting beneficiary country, giving the reasons of form or substance for an inquiry where appropriate (art. 94, para. 2).

When an application for subsequent verification has been made by the customs authorities, such verification has to be carried out and its results communicated to the customs authorities in the Community within six months. The government authorities that issued the certificate of origin Form A are responsible for carrying out this inspection and reporting the results to the EC customs authorities. The results must establish whether the certificate of origin Form A in question applies to the products actually exported and whether these products were in fact eligible to benefit from the tariff preferences (art. 94, para. 3).

If, in cases of reasonable doubt, no reply has been communicated to the EC customs authorities in the above-mentioned six-month period or if the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products, a second communication shall be sent to the authorities concerned. If, after the second communication, the results of the verification are not communicated to the requesting authorities as soon as possible or, at the latest, within four months, or if these results do not establish the authenticity of the document in question or the true origin of the products to be determined, the requesting authorities shall (unless there are exceptional circumstances) refuse entitlement to generalized preferences (art. 94, para. 5).

Where the verification or any other available information appears to indicate that the provisions concerning the proof of origin are being contravened, the exporting beneficiary country shall, on its own initiative or at the request of the Community, carry out appropriate inquiries or arrange for such inquiries to be carried out with due urgency to identify and prevent such contraventions. For this purpose, the Community may participate in the inquiries (art. 94, para. 6).

For the purpose of later verification of certificates of origin Form A, copies of the certificates as well as any export documents referring to them shall be kept for at least three years by the appropriate government authority of the exporting beneficiary country (art. 94, para. 7).

In the case of replacement certificates of origin Form A issued by the customs authorities of Norway or Switzerland for a certificate of origin Form A issued by the competent authorities of the beneficiary country, Norway or Switzerland will assist the EC by allowing its customs authorities to verify the authenticity and accuracy of said certificates. The verification procedure is applied *mutatis mutandis*, with the time limit being extended to eight months (art. 89).

ANNEX I

Certificate of origin Form A (English and French)

1. Goods consigned from (Exporter's business name, address, country)		Reference No				
2. Goods consigned to (Consignee's name, address, country)		GENERALIZED SYSTEM OF PREFERENCES CERTIFICATE OF ORIGIN (Combined declaration and certificate) FORM A				
3. Means of transport and route (as far as known)		4. For official use				
5. Item number	6. Marks and numbers of packages	7. Number and kind of packages, description of goods	8. Origin criterion (see Notes overleaf)	9. Gross weight or other quantity	10. Number and date of invoices	
11. Certification hereby certified, on the basis of control carried out, the declaration by the exporter is correct. Place and date, signature and stamp of certifying authority			12. Declaration by the exporter The undersigned hereby declares that the above details and statements are correct; that all the goods were produced in (country) and that they comply with the origin requirements specified for those goods in the Generalized System of Preferences for goods exported to (importing country) Place and date, signature of authorized signatory			

NOTES (2007)

I. Countries which accept Form A for the purposes of the generalized system of preferences (GSP):

Australia*	European Union:		
Belarus	Austria	Finland	Netherlands
Canada	Belgium	France	Poland
Japan	Bulgaria	Hungary	Portugal
New Zealand**	Cyprus	Ireland	Romania
Norway	Czech Republic	Italy	Slovakia
Russian Federation	Denmark	Latvia	Slovenia
Switzerland including Liechtenstein***	Estonia	Lithuania	Spain
Turkey	Germany	Luxembourg	Sweden
United States of America****	Greece	Malta	United Kingdom

Full details of the conditions covering admission to the GSP in these countries are obtainable from the designated authorities in the exporting preference-receiving countries or from the customs authorities of the preference-giving countries listed above. An information note is also obtainable from the UNCTAD secretariat.

II. General conditions

To qualify for preference, products must:

- fall within a description of products eligible for preference in the country of destination. The description entered on the form must be sufficiently detailed to enable the products to be identified by the customs officer examining them;
- comply with the rules of origin of the country of destination. Each article in a consignment must qualify separately in its own right; and,
- comply with the consignment conditions specified by the country of destination. In general, products must be consigned direct from the country of exportation to the country of destination but most preference-giving countries accept passage through intermediate countries subject to certain conditions. (For Australia, direct consignment is not necessary).

III. Entries to be made in Box 8

Preference products must either be wholly obtained in accordance with the rules of the country of destination or sufficiently worked or processed to fulfil the requirements of that country's origin rules.

- Products wholly obtained: for export to all countries listed in Section I, enter the letter "P" in Box 8 (for Australia and New Zealand Box 8 may be left blank).
- Products sufficiently worked or processed: for export to the countries specified below, the entry in Box 8 should be as follows:
 - United States of America: for single country shipments, enter the letter "Y" in Box 8, for shipments from recognized associations of countries, enter the letter "Z", followed by the sum of the cost or value of the domestic materials and the direct cost of processing, expressed as a percentage of the ex-factory price of the exported products; (example "Y" 35% or "Z" 35%).
 - Canada: for products which meet origin criteria from working or processing in more than one eligible least developed country, enter letter "G" in Box 8; otherwise "F".
 - The European Union, Japan, Norway, Switzerland including Liechtenstein, and Turkey; enter the letter "W" in Box 8 followed by the Harmonized Commodity Description and coding system (Harmonized System) heading at the 4-digit level of the exported product (example "W" 96.18).
 - Russian Federation: for products which include value added in the exporting preference-receiving country, enter the letter "Y" in Box 8 followed by the value of imported materials and components expressed as a percentage of the fob price of the exported products (example "Y" 45%); for products obtained in a preference-receiving country and worked or processed in one or more other such countries, enter "Pk".
 - Australia and New Zealand: completion of Box 8 is not required. It is sufficient that a declaration be properly made in Box 12.

* For Australia, the main requirement is the exporter's declaration on the normal commercial invoice. Form A, accompanied by the normal commercial invoice, is an acceptable alternative, but official certification is not required.

** Official certification is not required.

*** The Principality of Liechtenstein forms, pursuant to the Treaty of 29 March 1923, a customs union with Switzerland.

**** The United States does not require GSP Form A. A declaration setting forth all pertinent detailed information concerning the production or manufacture of the merchandise is considered sufficient only if requested by the district collector of Customs.

1. Expéditeur (nom, adresse, pays de l'exportateur)		Référence N° SYSTÈME GÉNÉRALISÉ DE PRÉFÉRENCES CERTIFICAT D'ORIGINE (Déclaration et certificat) FORMULE A			
2. Destinataire (nom, adresse, pays)		Délivré en (pays) Voir notes au verso			
3. Moyen de transport et itinéraire (si connus)		4. Pour usage officiel			
5. N° d'ordre	6. Marques et numéros des colis	7. Nombre et type de colis; description des marchandises	8. Critère d'origine (voir notes au verso)	9. Poids brut ou quantité	10. N° et date de la facture
11. Certificat Il est certifié, sur la base du contrôle effectué, que la déclaration de l'exportateur est exacte. Lieu et date, signature et timbre de l'autorité délivrant le certificat		12. Déclaration de l'exportateur Le soussigné déclare que les mentions et indications ci-dessus sont exactes, que toutes ces marchandises ont été produites en (nom du pays) et qu'elles remplissent les conditions d'origine requises par le système généralisé de préférences pour être exportées à destination de (nom du pays importateur) Lieu et date, signature du signataire habilité			

NOTES (2007)

I. Pays qui acceptent la formule A aux fins du système généralisé de préférences (SGP):

Australie*	Union Européenne:		
Belarus	Allemagne	France	Pays-Bas
Canada	Autriche	Grèce	Pologne
Etats-Unis d'Amérique***	Belgique	Hongrie	Portugal
Fédération de Russie	Bulgarie	Irlande	République tchèque
Japon	Chypre	Italie	Roumanie
Norvège	Danemark	Lettonie	Royaume-Uni
Nouvelle-Zélande**	Espagne	Lituanie	Slovaquie
Suisse y compris Liechtenstein****	Estonie	Luxembourg	Slovénie
Turquie	Finlande	Malte	Suède

Des détails complets sur les conditions régissant l'admission au bénéfice du SGP dans ce pays peuvent être obtenus des autorités désignées par les pays exportateurs bénéficiaires ou de l'administration des douanes des pays donneurs qui figurent dans la liste ci-dessus. Une note d'information peut également être obtenue du secrétariat de la CNUCED.

II. Conditions générales

Pour être admis au bénéfice des préférences, les produits doivent:

- correspondre à la définition établie des produits pouvant bénéficier du régime de préférences dans les pays de destination. La description figurant sur la formule doit être suffisamment détaillée pour que les produits puissent être identifiés par l'agent des douanes qui les examine;
- satisfaire aux règles d'origine du pays de destination. Chacun des articles d'une même expédition doit répondre aux conditions prescrites; et
- satisfaire aux conditions d'expédition spécifiées par le pays de destination. En général, les produits doivent être expédiés directement du pays d'exportation au pays de destination; toutefois, la plupart des pays donneurs de préférences acceptent sous certaines conditions le passage par des pays intermédiaires (pour l'Australie, l'expédition directe n'est pas nécessaire).

III. Indications à porter dans la case 8

Pour bénéficier des préférences, les produits doivent avoir été, soit entièrement obtenus, soit suffisamment ouverts ou transformés conformément aux règles d'origine des pays de destination.

- Produits entièrement obtenus: pour l'exportation vers tous les pays figurant dans la liste de la section, il y a lieu d'inscrire la lettre "P" dans la case 8 (pour l'Australie et la Nouvelle-Zélande, la case 8 peut être laissée en blanc).
- Produits suffisamment ouverts ou transformés: pour l'exportation vers les pays figurant ci-après, les indications à porter dans la case 8 doivent être les suivantes:
 - Etats Unis d'Amérique: dans le cas d'expédition provenant d'un seul pays, inscrire la lettre "Y" ou, dans le cas d'expéditions provenant d'un groupe de pays reconnu comme un seul, la lettre "Z", suivie de la somme du coût ou de la valeur des matières et du coût direct de la transformation, exprimée en pourcentage du prix départ usine des marchandises exportées (exemple: "Y" 35% ou "Z" 35%);
 - Canada: il y a lieu d'inscrire dans la case 8 la lettre "G" pour les produits qui satisfont aux critères d'origine après ouvrison ou transformation dans plusieurs des pays les moins avancés; sinon, inscrire la lettre "F";
 - Japon, Norvège, Suisse y compris Liechtenstein, Turquie et l'Union européenne: inscrire dans la case 8 la lettre "W" suivie de la position tarifaire à quatre chiffres occupée par le produit exporté dans le Système harmonisé de désignation et de codification des marchandises (Système harmonisé) (exemple "W" 96.18);
 - Fédération de Russie: pour les produits avec valeur ajoutée dans le pays exportateur bénéficiaire de préférences, il y a lieu d'inscrire la lettre "Y" dans la case 8, en la faisant suivre de la valeur des matières et des composants importés, exprimée en pourcentage du prix fob des marchandises exportées (exemple: "Y" 45%); pour les produits obtenus dans un pays bénéficiaire de préférences et ouverts ou transformés dans un ou plusieurs autres pays bénéficiaires, il y a lieu d'inscrire les lettre "Pk" dans la case 8;
 - Australie et Nouvelle-Zélande: il n'est pas nécessaire de remplir la case 8. Il suffit de faire une déclaration appropriée dans la case 12.

* Pour l'Australie, l'exigence de base est une attestation de l'exportateur sur la facture habituelle. La formule A, accompagnée de la facture habituelle, peut être acceptée en remplacement, mais une certification officielle n'est pas exigée.

** Un visa officiel n'est pas exigé.

*** Les Etats-Unis n'exigent pas de certificat SGP Formule A. Une déclaration reprenant toute information appropriée et détaillée concernant la production ou la fabrication de la marchandise est considérée comme suffisante, et doit être présentée uniquement à la demande du receveur des douanes du district (District collector of Customs).

**** D'après l'Accord du 29 mars 1923, la Principauté du Liechtenstein forme une union douanière avec la Suisse.

ANNEX II

Movement certificate EUR.1 and Application for Movement certificate EUR.1

Movement certificate EUR.1 and Application for Movement certificate EUR.1

1. Each certificate shall measure 210 x 297 mm; a tolerance up to plus 5 mm or minus 8 mm in the length may be allowed. The paper used shall be white, sized for writing, not containing mechanical pulp and weighing not less than 25 g/m². It shall have a printed green guilloche-pattern background making any falsification by mechanical or chemical means apparent to the eye.

2. The competent authorities of the European Community may reserve the right to print the forms themselves or may have them printed by approved printers. In the latter case, each form must include a reference to such approval. Each form must bear the name and address of the printer or a mark by which the printer can be identified. It shall also bear a serial number either printed or not, by which it can be identified.

MOVEMENT CERTIFICATE

1. <i>Exporter (Name, full address, country)</i>	EUR.1 No A 000.000		
See notes overleaf before completing this form.			
2. <i>Certificate used in preferential trade between</i> <i>and</i> (Insert appropriate countries, groups of countries or territories)			
3. <i>Consignee (Name, full address, country) (Optional)</i>	4. <i>Country, group of countries or territory in which the products are considered as originating</i>	5. <i>Country, group of countries or territory of destination</i>	
6. <i>Transport details (Optional)</i>	7. <i>Remarks</i>		
8. <i>Item number; Marks and numbers; Number and kind of package¹; Description of goods</i>	9. <i>Gross weight (kg) or other measure (litres, m³, etc.)</i>	10. <i>Invoices (Optional)</i>	

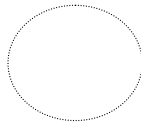
11. CUSTOMS ENDORSEMENT

Declaration certified
 Export document ²

Form No
 territory
 Date

.....
 (Signature)

(Stamp)



12. DECLARATION BY THE EXPORTER

I, the undersigned, declare that the goods described above meet the conditions required for the issue of this certificate.

Place and date

.....

.....
 (Signature)

<p>13. <i>REQUEST FOR VERIFICATION, to:</i></p>	<p>14. <i>RESULT OF VERIFICATION</i></p> <p><i>Verification carried out shows that this certificate (*) Was issued by the customs office indicated and that the information contained therein is accurate.</i></p>
<p><i>Verification of the authenticity and accuracy of this certificate is requested</i></p> <p>..... <i>(Place and date)</i></p> <p>..... <i>(Signature)</i></p>	<p><i>Does not meet the requirements as to authenticity and accuracy (see remarks appended).</i></p> <p>..... <i>Place and date)</i></p> <p>..... <i>(Signature)</i></p> <p>..... <i>(*) Insert X in the appropriate box.</i></p>

NOTES

1. Certificates must not contain erasures or words written over one another. Any alterations must be made by deleting the incorrect particulars and adding any necessary corrections. Any such alteration must be initialled by the person who completed the certificate and endorsed by the customs authorities of the issuing country or territory.
2. No spaces must be left between the items entered on the certificate and each item must be preceded by an item number. A horizontal line must be drawn immediately below the last item. Any unused space must be struck through in such a manner as to make any later additions impossible.
3. Goods must be described in accordance with commercial practice and with sufficient detail to enable them to be identified.

APPLICATION FOR A MOVEMENT CERTIFICATE

1. Exporter (Name, full address, country)	EUR.1 No A 000.000	
	<i>See notes overleaf before completing this form.</i>	
3. Consignee (Name, full address, country) (Optional)	2. Certificate used in preferential trade between <i>and</i> (Insert appropriate countries, groups of countries or territories)	
	4. Country, group of countries or territory in which the products are considered as originating	5. Country, group of countries or territory of destination
6. Transport details (Optional)	7. Remarks	
8. Item number; Marks and numbers; Number and kind of package¹; Description of goods	9. Gross weight (kg) or other measure (litres, m³, etc.)	10. Invoices (Optional)

DECLARATION BY THE EXPORTER

I, the undersigned, exporter of the goods described overleaf,

DECLARE that the goods meet the conditions required for the issue of the attached certificate;

SPECIFY as follows the circumstances which have enable these goods to meet the above conditions:

.....
.....
.....

SUBMIT the following supporting documents ⁽⁷⁰⁾:

.....
.....
.....

UNDERTAKE to submit, at the request of the appropriate authorities, any supporting evidence which these authorities may require for the purpose of issuing the attached certificate, and undertake, if required, to agree to any inspection of my accounts and to any check on the processes of manufacture of the above goods, carried out by the said authorities;

REQUEST the issue of the attached certificate for these goods.

.....
(Place and date)

.....
(Signature)

¹ For example: import documents, movement certificates, invoices, manufacturer's declarations, etc., referring to the products used in manufacture or to the goods re-exported in the same state.

ANNEX III

Invoice Declaration

Invoice Declaration

The invoice declaration, the text of which is given below, must be made out in accordance with the footnotes. However, the footnotes do not have to be reproduced.

English version

The exporter of the products covered by this document (customs authorization No ...¹) declares that, except where otherwise clearly indicated, these products are of preferential origin² according to rules of origin of the Generalized System of Preferences of the European Community.

French version

L'exportateur des produits couverts par le présent document (autorisation douanière n° ...¹) déclare que, sauf indication claire du contraire, ces produits ont l'origine préférentielle ...² au sens des règles d'origine du Système de préférences tarifaires généralisées de la Communauté européenne.

.....³
(Place and date)

.....⁴
(Signature of the exporter. In addition, the name of the person signing the declaration has to be indicated in clear script)

¹ When the invoice declaration is made out by an approved exporter within the meaning of Article 38 of this Decision, the authorization number of the approved exporter must be entered in this space. When the invoice declaration is not made out by an approved exporter, the words in brackets shall be omitted or the space left blank.

² Origin of products to be indicated.

³ These indications may be omitted if the information is contained on the document itself.

⁴ See paragraph 5 of Article 26. In cases where the exporter is not required to sign, the exemption of signature also implies the exemption of the name of the signatory.

APPENDIX I

Council Regulation (EC) No 732/2008
of 22 July 2008 applying a
scheme of generalized tariff preferences
for the period from 1 January 2009 to 31 December 2011 and
amending Regulations (EC) No 552/97, No 1933/2006 and Commission
Regulations (EC) No 1100/2006 and No 964/2007

I

(Acts adopted under the EC Treaty/Euratom Treaty whose publication is obligatory)

REGULATIONS

COUNCIL REGULATION (EC) No 732/2008

of 22 July 2008

applying a scheme of generalised tariff preferences for the period from 1 January 2009 to 31 December 2011 and amending Regulations (EC) No 552/97, (EC) No 1933/2006 and Commission Regulations (EC) No 1100/2006 and (EC) No 964/2007

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament ⁽¹⁾,

Whereas:

- (1) Since 1971, the Community has granted trade preferences to developing countries, in the framework of its scheme of generalised tariff preferences.
- (2) The Community's common commercial policy is to be consistent with and to consolidate the objectives of development policy, in particular the eradication of poverty and the promotion of sustainable development and good governance in the developing countries. It is to comply with WTO requirements, and in particular with the GATT 'enabling clause' of 1979 according to which WTO Members may accord differential and more favourable treatment to developing countries.
- (3) The Communication of 7 July 2004 from the Commission to the Council, the European Parliament and the European Economic and Social Committee, entitled 'Developing countries, international trade and sustainable development: the function of the Community's generalised system of preferences (GSP) for the 10-year period from 2006

to 2015', sets out the guidelines for the application of the scheme of generalised tariff preferences for the period 2006 to 2015.

- (4) Council Regulation (EC) No 980/2005 ⁽²⁾ applies the scheme of generalised tariff preferences until 31 December 2008. Thereafter, the scheme should continue to apply until 31 December 2011, in accordance with the guidelines.
- (5) The scheme of generalised tariff preferences (hereinafter referred to as the scheme) should consist of a general arrangement, granted to all beneficiary countries and territories, and two special arrangements taking account of the various development needs of countries in similar economic situations.
- (6) The general arrangement should be granted to all those beneficiary countries which are not classified by the World Bank as high-income countries and which are not sufficiently diversified in their exports.
- (7) The special incentive arrangement for sustainable development and good governance is based on the integral concept of sustainable development, as recognised by international conventions and instruments such as the 1986 UN Declaration on the Right to Development, the 1992 Rio Declaration on Environment and Development, the 1998 ILO Declaration on Fundamental Principles and Rights at Work, the 2000 UN Millennium Declaration, and the 2002 Johannesburg Declaration on Sustainable Development.

⁽¹⁾ Opinion delivered on 5 June 2008 following non-compulsory consultation (not yet published in the Official Journal).

⁽²⁾ Council Regulation (EC) No 980/2005 of 27 June 2005 applying a scheme of generalised tariff preferences (OJ L 169, 30.6.2005, p. 1). Regulation as last amended by Regulation (EC) No 55/2008 (OJ L 20, 24.1.2008, p. 1).

- (8) Consequently, additional tariff preferences should be granted to those developing countries which, due to a lack of diversification and insufficient integration into the international trading system, are vulnerable while assuming the special burdens and responsibilities resulting from the ratification and effective implementation of core international conventions on human and labour rights, environmental protection and good governance.
- (9) These preferences should be designed to promote further economic growth and, thereby, to respond positively to the need for sustainable development. Under this arrangement, the *ad valorem* tariffs should therefore be suspended for the beneficiary countries concerned, as well as the specific duties, unless combined with an *ad valorem* duty.
- (10) Developing countries which fulfil the criteria for being eligible for the special incentive arrangement for sustainable development and good governance should be able to benefit from the additional tariff preferences if, upon their application, the Commission confirms their qualification by 15 December 2008. The countries which already benefit from the special arrangement for sustainable development and good governance should renew their applications.
- (11) The Commission should monitor the effective implementation of the international conventions in accordance with their respective mechanisms and should assess the relationship between the additional tariff preferences and the promotion of sustainable development.
- (12) The special arrangement for the least-developed countries should continue to grant duty-free access to the Community market for products originating in the least-developed countries, as recognised and classified by the UN. For a country no longer classified by the UN as a least-developed country, a transitional period should be established, to alleviate any adverse effects caused by removal of the tariff preferences granted under this arrangement.
- (13) To ensure coherence with the market access provisions for sugar in the Economic Partnership Agreements, the duty free access for sugar should apply from 1 October 2009 and the tariff quota for products under subheading 1701 11 10 as opened under the special arrangement for the least developed countries should be extended until 30 September 2009 with a pro rata increase in its volume. In addition, for the period between 1 October 2009 and 30 September 2012 the importer of products under heading 1701 should undertake to purchase such products at a price not lower than a minimum price.
- (14) For the general arrangement, there should be continued differentiation of the preferences between 'non-sensitive' products and 'sensitive' products, to take account of the situation of the sectors manufacturing the same products in the Community.
- (15) Tariff duties on non-sensitive products should continue to be suspended, while duties on sensitive products should enjoy a tariff reduction, in order to ensure a satisfactory utilisation rate while at the same time taking account of the situation of the corresponding Community industries.
- (16) Such a tariff reduction should be sufficiently attractive, in order to motivate traders to make use of the opportunities offered by the scheme. Therefore, as far as the *ad valorem* duties are concerned, the general reduction should be by a flat rate of 3,5 percentage points from the 'most favoured nation' duty-rate, while such duties for textiles and textile goods should be reduced by 20 %. Specific duties should be reduced by 30 %. Where a minimum duty is specified, that minimum duty should not apply.
- (17) Where the preferential duty-rates, calculated in accordance with Regulation (EC) No 980/2005, provide for a higher tariff reduction, such rates should continue to apply.
- (18) Duties should be suspended totally, where the preferential treatment for an individual import declaration results in an *ad valorem* duty of 1 % or less or in a specific duty of EUR 2 or less, since the cost of collecting such duties might be higher than the revenue gained.
- (19) For the sake of coherence in the Community's commercial policy, a beneficiary country should not benefit from both the scheme and a preferential trade agreement, if that agreement covers all the preferences provided for by the present scheme to that country.
- (20) Graduation should be based on criteria related to sections of the Common Customs Tariff. The graduation of a section for a beneficiary country should be applied when the section meets the criteria for graduation during three consecutive years, in order to increase predictability and fairness of graduation by eliminating the effect of large and exceptional variations in the import statistics.
- (21) The rules of origin concerning the definition of the concept of originating products, the procedures and the methods of administrative cooperation related thereto, laid down in Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code ⁽¹⁾, should apply to the tariff preferences provided for by this Regulation, in order to ensure that the benefit of this scheme goes only to those beneficiary countries which the scheme is intended to benefit.

(1) OJ L 253, 11.10.1993, p. 1. Regulation as last amended by Regulation (EC) No 214/2007 (OJ L 62, 1.3.2007, p. 6).

- (22) The reasons for temporary withdrawal should include serious and systematic violations of the principles laid down in certain international conventions concerning core human rights and labour rights or related to the environment or good governance, so as to promote the objectives of those conventions and to ensure that no beneficiary country receives unfair advantage through continuous violation of those conventions.
- (23) Due to the political situation in Myanmar and in Belarus, the temporary withdrawal of all tariff preferences in respect of imports of products originating in Myanmar or Belarus should be maintained.
- (24) Where necessary, references in other Community legislation should be updated to refer to this Regulation. Council Regulations (EC) No 552/97 of 24 March 1997 temporarily withdrawing access to generalised tariff preferences from the Union of Myanmar ⁽¹⁾, No 1933/2006 of 21 December 2006 temporarily withdrawing access to the generalised tariff preferences from the Republic of Belarus ⁽²⁾ and Commission Regulations (EC) No 1100/2006 of 17 July 2006 laying down, for the marketing years 2006/2007, 2007/08 and 2008/2009, detailed rules for the opening and administration of tariff quotas for raw cane-sugar for refining, originating in least developed countries, as well as detailed rules applying to the importation of products under tariff heading 1701 originating in least developed countries ⁽³⁾ and (EC) No 964/2007 of 14 August 2007 laying down detailed rules for the opening and administration of the tariff quotas for rice originating in the least developed countries for the marketing years 2007/2008 and 2008/2009 ⁽⁴⁾ should therefore be amended accordingly.
- (25) The measures necessary for the implementation of this Regulation should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission ⁽⁵⁾,

HAS ADOPTED THIS REGULATION:

CHAPTER I

GENERAL PROVISIONS

Article 1

1. The scheme of generalised tariff preferences (hereinafter referred to as the scheme) shall apply in accordance with this Regulation.

⁽¹⁾ OJ L 85, 27.3.1997, p. 8.

⁽²⁾ OJ L 405, 30.12.2006, p. 35.

⁽³⁾ OJ L 196, 18.7.2006, p. 3.

⁽⁴⁾ OJ L 213, 15.8.2007, p. 26.

⁽⁵⁾ OJ L 184, 17.7.1999, p. 23. Decision as amended by Decision 2006/512/EC (OJ L 200, 22.7.2006, p. 11).

2. This Regulation provides for the following tariff preferences:

- (a) a general arrangement;
- (b) a special incentive arrangement for sustainable development and good governance; and
- (c) a special arrangement for the least-developed countries.

Article 2

For the purposes of this Regulation:

- (a) 'Common Customs Tariff duties' means the duties specified in Part Two of Annex I to Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff ⁽⁶⁾, except those duties set up within the framework of tariff quotas;
- (b) 'section' means any of the sections of the Common Customs Tariff as laid down by Regulation (EEC) No 2658/87. Section XI shall be treated as being made up of two separate sections, with Section XI(a) comprising Chapters 50-60 of the Common Customs Tariff, and Section XI(b) comprising Chapters 61-63 of the Common Customs Tariff;
- (c) 'beneficiary countries and territories' means countries and territories listed in Annex I to this Regulation.

Article 3

1. A beneficiary country shall be removed from the scheme when it has been classified by the World Bank as a high-income country during three consecutive years, and when the value of imports for the five largest sections of its imports covered by the GSP into the Community represents less than 75 % of the total GSP-covered imports from that beneficiary country into the Community.

2. When a beneficiary country benefits from a preferential trade agreement with the Community which covers all the preferences provided for by the present scheme to that country, it shall be removed from the list of beneficiary countries.

The Commission shall inform the Committee referred to in Article 27 about the preferences provided by the preferential trade agreement referred to in the first subparagraph.

3. The Commission shall notify the beneficiary country concerned of its removal from the list of beneficiary countries.

Article 4

The products included in the arrangements referred to in Article 1(2)(a) and (b) are listed in Annex II.

⁽⁶⁾ OJ L 256, 7.9.1987, p. 1. Regulation as last amended by Commission Regulation (EC) No 360/2008 (OJ L 111, 23.4.2008, p. 9).

Article 5

1. The tariff preferences provided shall apply to imports of products included in the arrangement enjoyed by the beneficiary country in which they originate.

2. For the purposes of the arrangements referred to in Article 1(2), the rules of origin concerning the definition of the concept of originating products, the procedures and the methods of administrative cooperation related thereto, shall be those laid down in Regulation (EEC) No 2454/93.

3. Regional cumulation within the meaning and provisions of Regulation (EEC) No 2454/93 shall also apply where a product used in further manufacture in a country belonging to a regional group originates in another country of the group, which does not benefit from the arrangements applying to the final product, provided that both countries benefit from regional cumulation for that group.

CHAPTER II

ARRANGEMENTS AND TARIFF PREFERENCES

SECTION 1

General arrangement

Article 6

1. Common Customs Tariff duties on products listed in Annex II as non-sensitive products shall be suspended entirely, except for agricultural components.

2. Common Customs Tariff *ad valorem* duties on products listed in Annex II as sensitive products shall be reduced by 3,5 percentage points. For products from Sections XI(a) and XI(b), this reduction shall be 20 %.

3. Where preferential duty-rates, calculated in accordance with Article 7 of Regulation (EC) No 980/2005, on the Common Customs Tariff *ad valorem* duties applicable on 25 August 2008, provide for a tariff reduction, for the products referred to in paragraph 2 of this Article, of more than 3,5 percentage points, those preferential duty-rates shall apply.

4. Common Customs Tariff specific duties, other than minimum or maximum duties, on products listed in Annex II as sensitive products shall be reduced by 30 %.

5. Where Common Customs Tariff duties on products listed in Annex II as sensitive products include *ad valorem* duties and specific duties, the specific duties shall not be reduced.

6. Where duties reduced in accordance with paragraphs 2 and 4 specify a maximum duty, that maximum duty shall not be reduced. Where such duties specify a minimum duty, that minimum duty shall not apply.

7. The tariff preferences referred to in paragraphs 1, 2, 3 and 4 shall not apply to products from sections in respect of which those tariff preferences have been removed, for the country of origin concerned, in accordance with Article 13 and Article 20(8) as listed in column C of Annex I.

SECTION 2

Special incentive arrangement for sustainable development and good governance

Article 7

1. Common Customs Tariff *ad valorem* duties on all products listed in Annex II which originate in a country included in the special incentive arrangement for sustainable development and good governance shall be suspended.

2. Common Customs Tariff specific duties on products referred to in paragraph 1 shall be suspended entirely, except for products for which the Common Customs Tariff duties include *ad valorem* duties. For products with CN code 1704 10 90, the specific duty shall be limited to 16 % of the customs value.

3. For a beneficiary country, the special incentive arrangement for sustainable development and good governance shall not include products from the sections for which, according to column C of Annex I, these tariff preferences have been withdrawn.

Article 8

1. The special incentive arrangement for sustainable development and good governance may be granted to a country which:

- (a) has ratified and effectively implemented all the conventions listed in Annex III;
- (b) gives an undertaking to maintain the ratification of the conventions and their implementing legislation and measures, and accepts regular monitoring and review of its implementation record in accordance with the implementation provisions of the conventions it has ratified; and
- (c) is considered to be a vulnerable country as defined in paragraph 2.

2. For the purposes of this Section a vulnerable country means a country:

- (a) which is not classified by the World Bank as a high-income country during three consecutive years, and of which the five largest sections of its GSP-covered imports into the Community represent more than 75 % in value of its total GSP-covered imports; and
- (b) of which the GSP-covered imports into the Community represent less than 1 % in value of the total GSP-covered imports into the Community.

The data to be used are:

- (a) for the purpose of Article 9(a)(i) — those available on 1 September 2007, as an annual average over three consecutive years;
- (b) for the purpose of Article 9(a)(ii) — those available on 1 September 2009, as an annual average over three consecutive years.

3. The Commission shall keep under review the status of ratification and effective implementation of the conventions listed in Annex III by examining available information from relevant monitoring bodies. The Commission shall inform the Council if this information indicates that there has been a diversion, by a beneficiary country, from the effective implementation of any of the conventions.

In time for discussion on the next Regulation, the Commission shall present, to the Council, a summary report on the status of ratification and available recommendations by relevant monitoring bodies.

Article 9

1. Without prejudice to paragraph 3, the special incentive arrangement for sustainable development and good governance shall be granted if the following conditions are met:

- (a) a country or territory listed in Annex I has made a request to that effect either:
 - (i) by 31 October 2008, to be granted the special incentive arrangement as from 1 January 2009;
 - or
 - (ii) by 30 April 2010, to be granted the special incentive arrangement as from 1 July 2010;
- and
- (b) an examination of the request shows that the requesting country or territory fulfils the conditions laid down in Article 8(1) and (2).

2. The requesting country shall submit its request to the Commission in writing, and shall provide comprehensive information concerning the ratification of the conventions referred to in Annex III, the legislation and measures to implement the provisions of the conventions effectively, and its commitment to accept and comply fully with the monitoring and review mechanism envisaged in the relevant conventions and related instruments.

3. Those countries which were granted the special incentive arrangement for sustainable development and good governance under Regulation (EC) No 980/2005 shall also submit a request, in accordance with paragraphs 1 and 2 of this Article. Countries granted the special incentive arrangement for sustainable development and good governance on the basis of a request under paragraph 1(a)(i) shall not be required to submit a request under paragraph 1(a)(ii).

Article 10

1. The Commission shall examine the request accompanied by the information referred to in Article 9(2). When examining the request the Commission shall take account of the findings of the relevant international organisations and agencies. It may ask the requesting country any questions which it considers relevant, and may verify the information received with the requesting country or with any other relevant sources.

2. After having examined the request the Commission shall decide in accordance with the procedure referred to in Article 27(4) whether to grant the requesting country the special incentive arrangement for sustainable development and good governance.

3. The Commission shall notify the requesting country of a decision taken in accordance with paragraph 2. Where a country is granted the special incentive arrangement, it shall be informed of the date on which that decision enters into force. The Commission shall publish a notice in the *Official Journal of the European Union*, listing the countries benefiting from the special incentive arrangement for sustainable development and good governance:

- (a) by 15 December 2008, for a request under Article 9(1)(a)(i);
or
- (b) by 15 June 2010 for a request under Article 9(1)(a)(ii).

4. Where the requesting country is not granted the special incentive arrangement, the Commission shall give the reasons, if that country so requests.

5. The Commission shall conduct all relations with a requesting country concerning the request acting in accordance with the procedure referred to in Article 27(4).

6. The special incentive arrangement for sustainable development and good governance granted under Council Regulation (EC) No 980/2005 shall continue to be granted from 1 January 2009 to any country still subject to an investigation initiated under Article 18(2) of that Regulation, until the date of conclusion of such investigation under this Regulation.

SECTION 3

Special arrangement for the least-developed countries

Article 11

1. Without prejudice to paragraphs 2 and 3, the Common Customs Tariff duties on all products from Chapters 1 to 97 of the Harmonised System except those from Chapter 93 thereof, originating in a country which according to Annex I benefits from the special arrangement for the least-developed countries, shall be suspended entirely.

2. The Common Customs Tariff duties on the products under tariff heading 1006 shall be reduced by 80 % until 31 August 2009, and suspended entirely with effect from 1 September 2009.

3. The Common Customs Tariff duties on the products under tariff heading 1701 shall be reduced by 80 % until 30 September 2009, and suspended entirely with effect from 1 October 2009.

4. For the period from 1 October 2009 to 30 September 2012 the importer of products under tariff heading 1701 shall undertake to purchase such products at a minimum price not lower than 90 % of the reference price (on a cif basis) set in Article 3 of Council Regulation (EC) No 318/2006 of 20 February 2006 on the common organisation of the markets in the sugar sector ⁽¹⁾ for the relevant marketing year.

5. Until Common Customs Tariff duties on the products under tariff headings 1006 and 1701 are entirely suspended in accordance with paragraphs 2 and 3, a global tariff quota at zero duty shall be opened for every marketing year for products under tariff heading 1006 and subheading 1701 11 10 respectively, originating in the countries benefiting from this special arrangement. The tariff quotas for the marketing year 2008/2009 shall be equal to 6 694 tonnes, husked rice equivalent, for products under tariff heading 1006 and 204 735 tonnes, white sugar equivalent, for products under subheading 1701 11 10.

6. For the period from 1 October 2009 to 30 September 2015, imports of products under tariff heading 1701 shall require an import licence.

7. The Commission shall adopt detailed rules for implementing the provisions referred to in paragraphs 4, 5 and 6 of this Article in accordance with the procedure referred to in Article 195 of Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) ⁽²⁾.

8. When a country is excluded by the UN from the list of the least-developed countries, it shall be withdrawn from the list of the beneficiaries of this arrangement. The removal of a country from the arrangement and the establishment of a transitional period of at least three years shall be decided by the Commission, in accordance with the procedure referred to in Article 27(4).

Article 12

Article 11(3) and (5) that refer to products under tariff subheading 1701 11 10 shall not apply to products originating in countries benefiting from the preferences referred to in this section and released for free circulation in the French overseas departments.

SECTION 4

Common provisions

Article 13

1. The tariff preferences referred to in Articles 6 and 7 shall be removed, in respect of products originating in a beneficiary country of a section, when the average value of Community imports from that country of products included in the section concerned and covered by the arrangement enjoyed by that country exceeds

⁽¹⁾ OJ L 58, 28.2.2006, p. 1. Regulation as last amended by Commission Regulation (EC) No 1260/2007 (OJ L 283, 27.10.2007, p. 1).

⁽²⁾ OJ L 299, 16.11.2007, p. 1. Regulation as last amended by Commission Regulation (EC) No 510/2008 (OJ L 149, 7.6.2008, p. 61).

15 % of the value of Community imports of the same products from all beneficiary countries and territories over three consecutive years, on the basis of the most recent data available on 1 September 2007. For each of the Sections XI(a) and XI(b), the threshold shall be 12,5 %.

2. The sections removed in accordance with paragraph 1 are listed in column C of Annex I. The sections thus removed shall remain so for the period of application of this Regulation as referred to in Article 32(2).

3. The Commission shall notify a beneficiary country of the removal of a section.

4. Paragraph 1 shall not apply to a beneficiary country in respect of any section which represents more than 50 % in value of all GSP-covered imports into the Community originating from that country.

5. The statistical source to be used for the purpose of this Article shall be Eurostat's external trade statistics.

Article 14

1. Where the rate of an *ad valorem* duty for an individual import declaration reduced in accordance with this Chapter is 1 % or less, that duty shall be suspended entirely.

2. Where the rate of a specific duty for an individual import declaration reduced in accordance with the provisions of this Chapter is EUR 2 or less per individual euro amount, that duty shall be suspended entirely.

3. Subject to paragraphs 1 and 2, the final rate of preferential duty calculated in accordance with this Regulation shall be rounded down to the first decimal place.

CHAPTER III

TEMPORARY WITHDRAWAL AND SAFEGUARD PROVISIONS

SECTION 1

Temporary withdrawal

Article 15

1. The preferential arrangements provided for in this Regulation may be withdrawn temporarily, in respect of all or of certain products originating in a beneficiary country, for any of the following reasons:

- (a) the serious and systematic violation of principles laid down in the conventions listed in Part A of Annex III, on the basis of the conclusions of the relevant monitoring bodies;

- (b) the export of goods made by prison labour;
- (c) serious shortcomings in customs controls on the export or transit of drugs (illicit substances or precursors), or failure to comply with international conventions on money-laundering;
- (d) serious and systematic unfair trading practices which have an adverse effect on the Community industry and which have not been addressed by the beneficiary country. For those unfair trading practices which are prohibited or actionable under the WTO Agreements, the application of this Article shall be based on a previous determination to that effect by the competent WTO body;
- (e) the serious and systematic infringement of the objectives of regional fishery organisations or arrangements of which the Community is a member concerning the conservation and management of fishery resources.

2. Without prejudice to paragraph 1, the special incentive arrangement referred to in Section 2 of Chapter II may be withdrawn temporarily, in respect of all or of certain products included in this arrangement and originating in a beneficiary country, in particular if the national legislation no longer incorporates those conventions referred to in Annex III which have been ratified in fulfilment of the requirements of Article 8(1) and (2) or if that legislation is not effectively implemented.

3. The preferential arrangements provided for in this Regulation shall not be withdrawn pursuant to paragraph 1(d) in respect of products which are subject to anti-dumping or countervailing measures under Regulations (EC) No 384/96 ⁽¹⁾ or (EC) No 2026/97 ⁽²⁾, for the reasons which justify those measures.

Article 16

1. The preferential arrangements provided for in this Regulation may be withdrawn temporarily, in respect of all or of certain products originating in a beneficiary country, in cases of fraud, irregularities or systematic failure to comply with or to ensure compliance with the rules concerning the origin of the products and with the procedures related thereto, or failure to provide the administrative cooperation as required for the implementation and policing of the arrangements referred to in Article 1(2).

2. The administrative cooperation referred to in paragraph 1 requires, *inter alia*, that a beneficiary country:

- (a) communicate to the Commission and update the information necessary for the implementation of the rules of origin and the policing thereof;

⁽¹⁾ Council Regulation (EC) No 384/96 of 22 December 1995 on protection against dumped imports from countries not members of the European Community (OJ L 56, 6.3.1996, p. 1). Regulation as last amended by Regulation (EC) No 2117/2005 (OJ L 340, 23.12.2005, p. 17).

⁽²⁾ Council Regulation (EC) No 2026/97 of 6 October 1997 on protection against subsidized imports from countries not members of the European Community (OJ L 288, 21.10.1997, p. 1). Regulation as last amended by Regulation (EC) No 461/2004 (OJ L 77, 13.3.2004, p. 12).

- (b) assist the Community by carrying out, at the request of the customs authorities of the Member States, subsequent verification of the origin of the goods, and communicate its results in time;
- (c) assist the Community by allowing the Commission, in coordination and close cooperation with the competent authorities of the Member States, to conduct Community administrative and investigative cooperation missions in that country, in order to verify the authenticity of documents or the accuracy of information relevant for granting the benefit of the arrangements referred to in Article 1(2);
- (d) carry out or arrange for appropriate inquiries to identify and prevent contravention of the rules of origin;
- (e) comply with or ensure compliance with the rules of origin in respect of regional cumulation, within the meaning of Regulation (EEC) No 2454/93, if the country benefits therefrom;
- (f) assist the Community in the verification of conduct where there is the presumption of origin-related fraud. The existence of fraud may be presumed where imports of products under the preferential arrangements provided for in this Regulation massively exceed the usual levels of the beneficiary country's exports.

3. The Commission may suspend the preferential arrangements provided for in this Regulation, in respect of all or of certain products originating in a beneficiary country, where it considers that there is sufficient evidence that temporary withdrawal would be justified for the reasons referred to in paragraphs 1 and 2, provided that it has first:

- (a) informed the Committee referred to in Article 27;
- (b) called on the Member States to take such precautionary measures as are necessary, in order to safeguard the Community's financial interests and/or secure compliance by the beneficiary country with its obligations; and
- (c) published a notice in the *Official Journal of the European Union* stating that there are grounds for reasonable doubt about the application of the preferential arrangements and/or compliance by the beneficiary country with its obligations, which may call into question its right to continue to enjoy the benefits granted by this Regulation.

The Commission shall inform the beneficiary country concerned of any decision taken in accordance with this paragraph, before it becomes effective. The Commission shall also notify the Committee referred to in Article 27.

4. Any Member State may refer a decision taken in accordance with paragraph 3 to the Council within one month. The Council, acting by a qualified majority, may take a different decision within one month.

5. The period of suspension shall not exceed six months. On conclusion of the period, the Commission shall decide either to terminate the suspension after informing the Committee referred to in Article 27 or to extend the period of suspension in accordance with the procedure referred to in paragraph 3 of this Article.

6. Member States shall communicate to the Commission all relevant information that may justify the suspension of preferences or its extension.

Article 17

1. Where the Commission or a Member State receives information that may justify temporary withdrawal and where the Commission or a Member State considers that there are sufficient grounds for an investigation, it shall inform the Committee referred to in Article 27 and request consultations. The consultations shall take place within one month.

2. Following the consultations, the Commission may decide, within one month and in accordance with the procedure referred to in Article 27(5), to initiate an investigation.

Article 18

1. Where the Commission decides to initiate an investigation, it shall publish a notice in the *Official Journal of the European Union* announcing the investigation, and notify the beneficiary country concerned thereof. The notice shall provide a summary of the information received, and state that any relevant information should be sent to the Commission. It shall specify the period, which may not exceed four months from the date of publication of the notice, within which interested parties may make their views known in writing.

2. The Commission shall provide the beneficiary country concerned with every opportunity to cooperate in the investigation.

3. The Commission shall seek all information it considers necessary, including the available assessments, comments, decisions, recommendations and conclusions of the relevant supervisory bodies of the UN, the ILO and other competent international organisations. These shall serve as the point of departure for the investigation into whether temporary withdrawal is justified for the reason referred to in Article 15(1)(a). The Commission may verify the information received with economic operators and the beneficiary country concerned.

4. The Commission may be assisted by officials of the Member State on whose territory verification might be sought, if that Member State so requests.

5. Where information requested by the Commission is not provided within the period specified in the notice announcing the investigation, or the investigation is significantly impeded, findings may be made on the basis of the facts available.

6. The investigation shall be completed within one year. The Commission may extend this period, in accordance with the procedure referred to in Article 27(5).

Article 19

1. The Commission shall submit a report on its findings to the Committee referred to in Article 27.

2. Where the Commission considers that the findings do not justify temporary withdrawal, it shall decide, in accordance with the procedure referred to in Article 27(5), to terminate the investigation. In that case, the Commission shall publish a notice in the *Official Journal of the European Union*, announcing the termination of the investigation and setting out its main conclusions.

3. Where the Commission considers that the findings justify temporary withdrawal for the reason referred to in Article 15(1)(a), it shall decide, in accordance with the procedure referred to in Article 27(5), to monitor and evaluate the situation in the beneficiary country concerned for a period of six months. The Commission shall notify the beneficiary country concerned of this decision and shall publish a notice in the *Official Journal of the European Union*, announcing that it intends to submit a proposal to the Council for temporary withdrawal, unless, before the end of the period, the beneficiary country concerned makes a commitment to take the measures necessary to conform, in a reasonable period of time, with the conventions referred to in Part A of Annex III.

4. Where the Commission considers temporary withdrawal to be necessary, it shall submit an appropriate proposal to the Council, which shall decide within two months by a qualified majority. In the case referred to in paragraph 3, the Commission shall submit its proposal at the end of the period referred to in that paragraph.

5. Where the Council decides on temporary withdrawal, such decision shall enter into force six months after it is taken, unless the Council, following an appropriate proposal by the Commission decides before then that the reasons justifying it no longer prevail.

SECTION 2

Safeguard clause

Article 20

1. Where a product originating in a beneficiary country is imported on terms which cause, or threaten to cause, serious difficulties to a Community producer of like or directly competing products, normal Common Customs Tariff duties on that product may be reintroduced at any time at the request of a Member State or on the Commission's initiative.

2. The Commission shall take a formal decision, within a reasonable period of time, to initiate an investigation. Where the Commission decides to initiate an investigation, it shall publish a notice, in the *Official Journal of the European Union*, announcing the investigation. The notice shall provide a summary of the information received, and state any relevant information to be sent to the Commission. It shall specify the period, which shall not exceed four months from the date of publication of the notice, within which interested parties may make their views known in writing.

3. The Commission shall seek all information which it deems necessary, and may verify the information received with the beneficiary country concerned and any other relevant source. It may be assisted by officials of the Member State on whose territory verification might be sought, if that Member State so requests.

4. In examining whether there are serious difficulties, the Commission shall take account, *inter alia*, of the following factors concerning Community producers, where the information is available:

- (a) market share;
- (b) production;
- (c) stocks;
- (d) production capacity;
- (e) bankruptcies;
- (f) profitability;
- (g) capacity utilisation;
- (h) employment;
- (i) imports;
- (j) prices.

5. The investigation shall be completed within six months from the date of publication of the notice referred to in paragraph 2. The Commission may, in the case of exceptional circumstances and after consultation of the Committee referred to in Article 27, extend this period in accordance with the procedure referred to in Article 27(5).

6. The Commission shall take a decision within one month, in accordance with the procedure referred to in Article 27(5). Such decision shall enter into force within one month from the date of its publication in the *Official Journal of the European Union*.

7. Where exceptional circumstances requiring immediate action make an investigation impossible, the Commission may, after informing the Committee referred to in Article 27, take any preventive measure which is strictly necessary.

8. The Commission, on 1 January of each year during the period of application of this Regulation as referred to in Article 32(2), on its own initiative or at the request of a Member State and after informing the Committee referred to in Article 27,

shall remove the preferences referred to in Article 6 and 7 with respect to the products from Section XI(b) where imports of those products, as referred to in Article 13(1), originating in a beneficiary country:

- (a) increase by at least 20 % in quantity (by volume), as compared with the previous calendar year; or
- (b) exceed 12,5 % of the value of Community imports of products from Section XI(b) from all countries and territories listed in Annex I during any period of twelve months.

This provision shall not apply to countries benefiting from the special arrangement for the least-developed countries referred to in Article 11, nor to countries with a share of imports into the Community, as defined in Article 13(1), not exceeding 8 %. The removal of the preferences shall take effect two months after the date of publication of the Commission's decision to this effect in the *Official Journal of the European Union*.

Article 21

Where imports of products included in Annex I to the Treaty cause, or threaten to cause, serious disturbance to Community markets, in particular to one or more of the outermost regions, or these markets' regulatory mechanisms, the Commission, on its own initiative or at the request of a Member State, may suspend the preferential arrangements in respect of the products concerned after consulting the management committee for the relevant common market organisation.

Article 22

1. The Commission shall inform the beneficiary country concerned as soon as possible of any decision taken in accordance with Article 20 or 21 before it becomes effective. The Commission shall also notify the Council and the Member States thereof.

2. Any Member State may refer a decision taken in accordance with Article 20 or 21 to the Council within one month. The Council, acting by qualified majority, may adopt a different decision within one month.

SECTION 3

Surveillance measures in the agricultural sector

Article 23

1. Without prejudice to Article 20, products from Chapters 1 to 24 of the Common Customs Tariff originating in beneficiary countries, may be subject to a special surveillance mechanism, in order to avoid disturbances to the Community's market. The Commission, on its own initiative or at the request of a Member State, shall decide on the products to which this surveillance mechanism shall be applied.

2. In the case of application of Article 20 to products from Chapters 1 to 24 of the Common Customs Tariff originating in beneficiary countries, the periods mentioned in Article 20(2) and (5) shall be reduced to two months in the following cases:

- (a) when the beneficiary country concerned does not ensure compliance with the rules of origin or does not provide the administrative cooperation referred to in Article 16; or
- (b) when imports of products from Chapters 1 to 24 under the preferential arrangements granted under this Regulation massively exceed the usual levels of exports from the beneficiary country concerned.

SECTION 4

Common provision

Article 24

Nothing in this Chapter shall affect the application of safeguard clauses adopted as part of the Common Agricultural Policy under Article 37 of the Treaty, or as part of the Common Commercial Policy under Article 133 of the Treaty, or any other safeguard clauses which may be applied.

CHAPTER IV

PROCEDURAL PROVISIONS

Article 25

The Commission shall, in accordance with the procedure referred to in Article 27(5), adopt amendments to the Annexes to this Regulation made necessary:

- (a) by amendments to the Combined Nomenclature;
- (b) by changes in the international status or classification of countries or territories;
- (c) by the application of Article 3(2);
- (d) if a country has reached the thresholds set out in Article 3(1);
- (e) for the establishment of the list of beneficiary countries in accordance with Article 10.

Article 26

1. Within six weeks of the end of each quarter, Member States shall send the Eurostat their statistical data on products placed under the customs procedure of release for free circulation during that quarter under the tariff preferences provided for in this Regulation according to Council Regulation (EC) No 1172/95 ⁽¹⁾

⁽¹⁾ Council Regulation (EC) No 1172/95 of 22 May 1995 on the statistics relating to the trading of goods by the Community and its Member States with non-member countries (OJ L 118, 25.5.1995, p. 10). Regulation as last amended by Regulation (EC) No 1882/2003 of the European Parliament and of the Council (OJ L 284, 31.10.2003, p. 1).

and Commission Regulation (EC) No 1917/2000 ⁽²⁾. These data, supplied by reference to the Combined Nomenclature codes and, where applicable, the TARIC codes, shall show, by country of origin, the values, quantities and any supplementary units required in accordance with the definitions in Council Regulation (EC) No 1172/95 and Commission Regulation (EC) No 1917/2000.

2. In accordance with Article 308(d) of Regulation (EEC) No 2454/93, Member States shall forward to the Commission, at its request, details of the quantities of products released for free circulation under the tariff preferences provided for in this Regulation, during the previous months. These data shall include the products referred to in paragraph 3.

3. The Commission shall, in close cooperation with Member States, monitor the imports of products with CN codes 0603, 0803 00 19, 1006, 1604 14, 1604 19 31, 1604 19 39, 1604 20 70, 1701, 1704, 1806 10 30, 1806 10 90, 2002 90, 2103 20, 2106 90 59, 2106 90 98 and 6403, in order to determine whether the conditions referred to in Articles 20 and 21 are fulfilled.

Article 27

1. Without prejudice to Article 11(7), the Commission shall be assisted by a Generalised Preferences Committee (hereinafter referred to as the Committee).

2. The Committee may examine any matter relating to the application of this Regulation, raised by the Commission or at the request of a Member State.

3. The Committee shall examine the effects of the scheme, on the basis of a report from the Commission covering the period since 1 January 2006. This report shall cover all of the preferential arrangements referred to in Article 1(2), and shall be presented in time for the discussion on the next Regulation.

4. Where reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply.

The period laid down in Article 5(6) of Decision 1999/468/EC shall be set at three months.

5. Where reference is made to this paragraph, Articles 3 and 7 of Decision 1999/468/EC shall apply.

⁽²⁾ Commission Regulation (EC) No 1917/2000 of 7 September 2000 laying down certain provisions for the implementation of Council Regulation (EC) No 1172/95 as regards statistics on external trade (OJ L 229, 9.9.2000, p. 14). Regulation as last amended by Regulation (EC) No 1949/2005 (OJ L 312, 29.11.2005, p. 10).

CHAPTER V

AMENDMENTS TO REGULATIONS (EC) No 552/97, (EC) No 1933/2006, (EC) No 1100/2006 and (EC) No 964/2007*Article 28*

Regulation (EC) No 552/97 is hereby amended as follows:

1. in Article 1, the words 'Regulation (EC) No 3281/94 and Regulation (EC) No 1256/96' shall be replaced by the words 'Council Regulation (EC) No 732/2008 of 22 July 2008 applying a scheme of generalised tariff preferences for the period from 1 January 2009 to 31 December 2011 (*)'.

(*) OJ L 211, 6.8.2008, p. 1';

2. in Article 2, the words 'Article 9(1), first indent, of Regulation (EC) No 3281/94 and Article 9(1), first indent, of Regulation (EC) No 1256/96' shall be replaced by the words 'Article 15(1)(a) of Regulation (EC) No 732/2008'.

Article 29

In Regulation (EC) No 1933/2006, the words in Article 1 'Regulation (EC) No 980/2005' shall be replaced by the words 'Council Regulation (EC) No 732/2008 of 22 July 2008 applying a scheme of generalised tariff preferences for the period from 1 January 2009 to 31 December 2011 (*)'

(*) OJ L 211, 6.8.2008, p. 1'.

Article 30

Regulation (EC) No 1100/2006 is hereby amended as follows:

1. in the first indent of Article 1, the words 'Article 12(5) of Regulation (EC) No 980/2005' shall be replaced by the words 'Article 11(5) of Council Regulation (EC) No 732/2008 of 22 July 2008 applying a scheme of generalised tariff preferences for the period from 1 January 2009 to 31 December 2011 (*)'

(*) OJ L 211, 6.8.2008, p. 1';

2. in the second indent of Article 1, the words 'Article 12(4) and (5) of Regulation (EC) No 980/2005' shall be replaced by the words 'Article 11(3) and (5) of Regulation (EC) No 732/2008';

3. in Article 3(1), the first and second subparagraphs shall be replaced by the following: 'The following global tariff quotas at zero duty, expressed as "white-sugar" equivalent, shall be opened for imports of raw cane-sugar for refining of CN code 1701 11 10, originating in a country which, according to Annex I to Regulation (EC)

No 732/2008, benefits from the special arrangement for least developed countries:

- 178 030,75 tonnes for the marketing year from 1 October 2007 to 30 September 2008,
- 204 735 tonnes for the marketing year from 1 October 2008 to 30 September 2009.

The quotas shall bear the order numbers 09.4361 and 09.4362, respectively.;

4. Article 3(2) shall be amended as follows:

- (a) the first subparagraph shall be replaced by the following:

'2. For imports, other than those referred to in paragraph 1, of products of tariff heading 1701 originating in least developed countries, the Common Customs Tariff (CCT) duties, as well as the additional duties referred to in Article 27 of Regulation (EC) No 318/2006 and subject to Article 36 of Regulation (EC) No 951/2006, shall be reduced in accordance with Article 11(3) of Regulation (EC) No 732/2008 by 50 % on 1 July 2007, by 80 % on 1 July 2008, and suspended entirely with effect from 1 October 2009.;

- (b) in point (c) of the third subparagraph, the word 'June' shall be replaced by the word 'September';

- (c) point (d) of the third subparagraph is deleted;

5. in Article 5(7)(d), the words 'the approved operator's pledge' shall be replaced by the words 'the applicant's pledge';

6. in Article 5(8)(a), the words 'Annex I to Regulation (EC) No 980/2005' shall be replaced by the words 'Annex I to Regulation (EC) No 732/2008';

7. in the first indent of Article 5(8)(c), the words 'Article 12(5) of Regulation (EC) No 980/2005' shall be replaced by the words 'Article 11(5) of Regulation (EC) No 732/2008';

8. in the second indent of Article 5(8)(c), the words 'Article 12(4) of Regulation (EC) No 980/2005' shall be replaced by the words 'Article 11(3) of Regulation (EC) No 732/2008';

9. In Article 10(2), the words 'Article 12(4) of Regulation (EC) No 980/2005' shall be replaced by the words 'Article 11(3) of Regulation (EC) No 732/2008'.

Article 31

CHAPTER VI

Regulation (EC) No 964/2007 is hereby amended as follows:

FINAL PROVISIONS

1. in the first subparagraph of Article 1(1), the words 'Article 12(5) of Regulation (EC) No 980/2005' are replaced by the words 'Article 11(5) of Council Regulation (EC) No 732/2008 of 22 July 2008 applying a scheme of generalised tariff preferences for the period from 1 January 2009 to 31 December 2011 (*)'.

Article 32

1. This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

(*) OJ L 211, 6.8.2008, p. 1';

2. In the second subparagraph of Article 1(1), the words 'Annex I to Regulation (EC) No 980/2005' are replaced by the words 'Annex I to Regulation (EC) No 732/2008'.

2. It shall apply from 1 January 2009 until 31 December 2011. However, the expiry date shall not apply to the special arrangement for the least-developed countries, nor, to the extent that they are applied in conjunction with that arrangement, to any other provisions of this Regulation.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 22 July 2008.

For the Council
The President
B. KOUCHNER

ANNEX I

Beneficiary countries ⁽¹⁾ and territories of the Community's scheme of generalised tariff preferences

Column A: alphabetical code, in accordance with the nomenclature of countries and territories for the external trade statistics of the Community

Column B: name of the country or territory

Column C: section(s) in respect of which the tariff preferences have been removed, for the beneficiary country concerned (Article 13)

Column D: country included in the special arrangement for the least developed countries (Article 11)

Column E: country included in the special incentive arrangement for sustainable development and good governance (Article 7)

A	B	C	D	E
AE	United Arab Emirates			
AF	Afghanistan		X	
AG	Antigua and Barbuda			
AI	Anguilla			
AM	Armenia			
AN	Netherlands Antilles			
AO	Angola		X	
AQ	Antarctica			
AR	Argentina			
AS	American Samoa			
AW	Aruba			
AZ	Azerbaijan			
BB	Barbados			
BD	Bangladesh		X	
BF	Burkina Faso		X	
BH	Bahrain			
BI	Burundi		X	
BJ	Benin		X	
BM	Bermuda			
BN	Brunei Darussalam			
BO	Bolivia			
BR	Brazil	S-IV		
		S-IX		
		Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto or of other plaiting materials; basket ware and wickerwork		
BS	Bahamas			
BT	Bhutan		X	

⁽¹⁾ This list includes countries which may have been suspended temporarily from the Community's GSP or which may not have complied with the requirements for administrative cooperation (a precondition for goods to be granted the benefit of tariff preferences). The Commission or the competent authorities of the country concerned will provide an updated list.

A	B	C	D	E
BV	Bouvet Island			
BW	Botswana			
BY	Belarus			
BZ	Belize			
CC	Cocos Islands (or Keeling Islands)			
CD	Congo, Democratic Republic of		X	
CF	Central African Republic		X	
CG	Congo			
CI	Côte d'Ivoire			
CK	Cook Islands			
CM	Cameroon			
CN	China, People's Republic of	S-VI	Products of the chemical or allied industries	
		S-VII	Plastics and articles thereof; rubber and articles thereof	
		S-VIII	Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut)	
		S-IX	Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	
		S-XI(a)	Textiles; S-XI(b) Textile articles	
		S-XII	Footwear, headgear, umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding-crops and parts thereof; prepared feathers and articles made therewith; artificial flowers; articles of human hair	
		S-XIII	Articles of stone, plaster, cement, asbestos, mica or similar materials; ceramic products; glass and glassware	
		S-XIV	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	
		S-XV	Base metals and articles of base metal	
		S-XVI	Machinery and mechanical appliances; electrical equipment; parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	
		S-XVII	Vehicles, aircraft, vessels and associated transport equipment	
S-XVIII	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; clocks and watches; musical instruments; parts and accessories thereof			
S-XX	Miscellaneous manufactured articles			
CO	Colombia			
CR	Costa Rica			

A	B	C	D	E
CU	Cuba			
CV	Cape Verde		X	
CX	Christmas Islands			
DJ	Djibouti		X	
DM	Dominica			
DO	Dominican Republic			
DZ	Algeria			
EC	Ecuador			
EG	Egypt			
ER	Eritrea		X	
ET	Ethiopia		X	
FJ	Fiji			
FK	Falkland Islands			
FM	Micronesia, Federated States of			
GA	Gabon			
GD	Grenada			
GE	Georgia			
GH	Ghana			
GI	Gibraltar			
GL	Greenland			
GM	Gambia		X	
GN	Guinea		X	
GQ	Equatorial Guinea		X	
GS	South Georgia and South Sandwich Islands			
GT	Guatemala			
GU	Guam			
GW	Guinea-Bissau		X	
GY	Guyana			
HM	Heard Island and McDonald Islands			
HN	Honduras			
HT	Haiti		X	
ID	Indonesia	S-III	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	
IN	India	S-XI(a)	Textiles	
IO	British Indian Ocean Territory			
IQ	Iraq			
IR	Iran			
JM	Jamaica			
JO	Jordan			

A	B	C	D	E
KE	Kenya			
KG	Kyrgyzstan			
KH	Cambodia		X	
KI	Kiribati		X	
KM	Comoros		X	
KN	St Kitts and Nevis			
KW	Kuwait			
KY	Cayman Islands			
KZ	Kazakhstan			
LA	Lao People's Democratic Republic		X	
LB	Lebanon			
LC	St Lucia			
LK	Sri Lanka			
LR	Liberia		X	
LS	Lesotho		X	
LY	Libyan Arab Jamahiriya			
MA	Morocco			
MG	Madagascar		X	
MH	Marshall Islands			
ML	Mali		X	
MM	Myanmar		X	
MN	Mongolia			
MO	Macao			
MP	Northern Mariana Islands			
MR	Mauritania		X	
MS	Montserrat			
MU	Mauritius			
MV	Maldives		X	
MW	Malawi		X	
MX	Mexico			
MY	Malaysia	S-III Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes		
MZ	Mozambique		X	
NA	Namibia			
NC	New Caledonia			
NE	Niger		X	
NF	Norfolk Island			
NG	Nigeria			
NI	Nicaragua			
NP	Nepal		X	

A	B	C	D	E
NR	Nauru			
NU	Niue			
OM	Oman			
PA	Panama			
PE	Peru			
PF	French Polynesia			
PG	Papua New Guinea			
PH	Philippines			
PK	Pakistan			
PM	St Pierre and Miquelon			
PN	Pitcairn			
PW	Palau			
PY	Paraguay			
QA	Qatar			
RU	Russian Federation			
RW	Rwanda		X	
SA	Saudi Arabia			
SB	Solomon Islands		X	
SC	Seychelles			
SD	Sudan		X	
SH	Saint Helena			
SL	Sierra Leone		X	
SN	Senegal		X	
SO	Somalia		X	
SR	Suriname			
ST	São Tomé and Príncipe		X	
SV	El Salvador			
SY	Syrian Arab Republic			
SZ	Swaziland			
TC	Turks and Caicos Islands			
TD	Chad		X	
TF	French Southern Territories			
TG	Togo		X	
TH	Thailand	S-XIV Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin		
TJ	Tajikistan			
TK	Tokelau			
TL	Timor-Leste		X	
TM	Turkmenistan			
TN	Tunisia			
TO	Tonga			

A	B	C	D	E
TT	Trinidad and Tobago			
TV	Tuvalu		X	
TZ	Tanzania		X	
UA	Ukraine			
UG	Uganda		X	
UM	United States Minor Outlying Islands			
UY	Uruguay			
UZ	Uzbekistan			
VC	St Vincent and the Grenadines			
VE	Venezuela			
VG	Virgin Islands, British			
VI	Virgin Islands, US			
VN	Vietnam	S-XII Footwear, headgear, umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding crops and parts thereof; prepared feathers and articles made therewith; artificial flowers; articles of human hair		
VU	Vanuatu		X	
WF	Wallis and Futuna			
WS	Samoa		X	
YE	Yemen		X	
YT	Mayotte			
ZA	South Africa			
ZM	Zambia		X	
ZW	Zimbabwe			

ANNEX II

List of products included in the arrangements referred to in Article 1(2)(a) and (b)

Notwithstanding the rules for the interpretation of the Combined Nomenclature, the description of the products is to be considered as indicative, the tariff preferences being determined by the CN codes. Where 'ex' CN codes are indicated, the tariff preferences are to be determined by the CN code and the description, together.

Entry of products with a CN code marked with an asterisk is subject to the conditions laid down in the relevant Community provisions.

The column 'Sensitive/non-sensitive' refers to the products included in the general arrangement (Article 6) and in the special incentive arrangement for sustainable development and good governance (Article 7). These products are listed as being either NS (non-sensitive, for the purposes of Article 6(1)) or S (sensitive, for the purposes of Article 6(2)).

For reasons of simplification, the products are listed in groups. These may include products for which Common Customs Tariff duties are exempted or suspended.

CN code	Description	Sensitive/non-sensitive
0101 10 90	Live, pure-bred breeding asses and other	S
0101 90 19	Live horses, other than pure-bred breeding animals, other than for slaughter	S
0101 90 30	Live asses, other than pure-bred breeding animals	S
0101 90 90	Live mules and hinnies	S
0104 20 10 *	Live, pure-bred breeding goats	S
0106 19 10	Live domestic rabbits	S
0106 39 10	Live pigeons	S
0205 00	Meat of horses, asses, mules or hinnies, fresh, chilled or frozen	S
0206 80 91	Edible offal of horses, asses, mules or hinnies, fresh or chilled, other than for the manufacture of pharmaceutical products	S
0206 90 91	Edible offal of horses, asses, mules or hinnies, frozen, other than for the manufacture of pharmaceutical products	S
0207 14 91	Livers, frozen, of fowls of the species <i>Gallus domesticus</i>	S
0207 27 91	Livers, frozen, of turkeys	S
0207 36 89	Livers, frozen, of ducks, geese or guinea fowls, other than fatty livers of ducks or geese	S
ex 0208 ⁽¹⁾	Other meat and edible meat offal, fresh, chilled or frozen, excluding products under subheading 0208 90 55 (except for the products under subheading 0208 90 70 to which the footnote shall not apply)	S
0208 90 70	Frogs' legs	NS
0210 99 10	Meat of horses, salted, in brine or dried	S
0210 99 59	Offal of bovine animals, salted, in brine, dried or smoked, other than thick skirt and thin skirt	S
0210 99 60	Offal of sheep or goats, salted, in brine, dried or smoked	S
0210 99 80	Offal, salted, in brine, dried or smoked, other than poultry liver, other than of domestic swine, of bovine animals or of sheep or goats	S

CN code	Description	Sensitive/non-sensitive
ex Chapter 3 ⁽²⁾	Fish and crustaceans, molluscs and other aquatic invertebrates, except for products under subheading 0301 10 90	S
0301 10 90	Live, ornamental saltwater fish	NS
0403 10 51 0403 10 53 0403 10 59 0403 10 91 0403 10 93 0403 10 99	Yogurt, flavoured or containing added fruit, nuts or cocoa	S
0403 90 71 0403 90 73 0403 90 79 0403 90 91 0403 90 93 0403 90 99	Buttermilk, curdled milk and cream, kephir and other fermented or acidified milk and cream, flavoured or containing added fruit, nuts or cocoa	S
0405 20 10 0405 20 30	Dairy spreads, of a fat content, by weight, of 39 % or more but not exceeding 75 %	S
0407 00 90	Birds' eggs, in shell, fresh, preserved or cooked, other than of poultry	S
0409 00 00 ⁽³⁾	Natural honey	S
0410 00 00	Edible products of animal origin, not elsewhere specified or included	S
0511 99 39	Natural sponges of animal origin, other than raw	S
ex Chapter 6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage, except for products under subheading 0604 91 40	S
0604 91 40	Conifer branches, fresh	NS
0701	Potatoes, fresh or chilled	S
0703 10	Onions and shallots, fresh or chilled	S
0703 90 00	Leeks and other alliaceous vegetables, fresh or chilled	S
0704	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled	S
0705	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium</i> spp.), fresh or chilled	S
0706	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled	S
ex 0707 00 05	Cucumbers, fresh or chilled, from 16 May to 31 October	S
0708	Leguminous vegetables, shelled or unshelled, fresh or chilled	S
0709 20 00	Asparagus, fresh or chilled	S
0709 30 00	Aubergines (eggplants), fresh or chilled	S
0709 40 00	Celery other than celeriac, fresh or chilled	S
0709 51 00 0709 59	Mushrooms, fresh or chilled, excluding the products under subheading 0709 59 50	S
0709 60 10	Sweet peppers, fresh or chilled	S
0709 60 99	Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> , fresh or chilled, other than sweet peppers, other than for the manufacture of capsicin or capsicum oleoresin dyes and other than for the industrial manufacture of essential oils or resinoids	S
0709 70 00	Spinach, New Zealand spinach and orache spinach (garden spinach), fresh or chilled	S

CN code	Description	Sensitive/non-sensitive
0709 90 10	Salad vegetables, fresh or chilled, other than lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium</i> spp.)	S
0709 90 20	Chard (or white beet) and cardoons, fresh or chilled	S
0709 90 31 *	Olives, fresh or chilled, for uses other than the production of oil	S
0709 90 40	Capers, fresh or chilled	S
0709 90 50	Fennel, fresh or chilled	S
0709 90 70	Courgettes, fresh or chilled	S
ex 0709 90 80	Globe artichokes, fresh or chilled, from 1 July to 31 October	S
0709 90 90	Other vegetables, fresh or chilled	S
ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen, except for the product of subheading 0710 80 85	S
0710 80 85 ⁽³⁾	Asparagus (uncooked or cooked by steaming or boiling in water), frozen	S
ex 0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, excluding the products under subheading 0711 20 90	S
ex 0712	Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared, excluding olives and the products under subheading 0712 90 19	S
0713	Dried leguminous vegetables, shelled, whether or not skinned or split	S
0714 20 10 *	Sweet potatoes, fresh, whole, and intended for human consumption	NS
0714 20 90	Sweet potatoes, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets, other than fresh and whole and intended for human consumption	S
0714 90 90	Jerusalem artichokes and similar roots and tubers with high inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith	NS
0802 11 90 0802 12 90	Almonds, fresh or dried, whether or not shelled, other than bitter	S
0802 21 00 0802 22 00	Hazelnuts or filberts (<i>Corylus</i> spp.), fresh or dried, whether or not shelled	S
0802 31 00 0802 32 00	Walnuts, fresh or dried, whether or not shelled	S
0802 40 00	Chestnuts (<i>Castanea</i> spp.), fresh or dried, whether or not shelled or peeled	S
0802 50 00	Pistachios, fresh or dried, whether or not shelled or peeled	NS
0802 60 00	Macadamia nuts, fresh or dried, whether or not shelled or peeled	NS
0802 90 50	Pine nuts, fresh or dried, whether or not shelled or peeled	NS
0802 90 85	Other nuts, fresh or dried, whether or not shelled or peeled	NS
0803 00 11	Plantains, fresh	S
0803 00 90	Bananas, including plantains, dried	S
0804 10 00	Dates, fresh or dried	S
0804 20 10 0804 20 90	Figs, fresh or dried	S
0804 30 00	Pineapples, fresh or dried	S
0804 40 00	Avocados, fresh or dried	S
ex 0805 20	Mandarins (including tangerines and satsumas), and clementines, wilkings and similar citrus hybrids, fresh or dried, from 1 March to 31 October	S

CN code	Description	Sensitive/non-sensitive
0805 40 00	Grapefruit, including pomelos, fresh or dried	NS
0805 50 90	Limes (<i>Citrus aurantifolia</i> , <i>Citrus latifolia</i>), fresh or dried	S
0805 90 00	Other citrus fruit, fresh or dried	S
ex 0806 10 10	Table grapes, fresh, from 1 January to 20 July and from 21 November to 31 December, excluding grapes of the variety Emperor (<i>Vitis vinifera</i> cv.) from 1 to 31 December	S
0806 10 90	Other grapes, fresh	S
ex 0806 20	Dried grapes, excluding products under subheading ex 0806 20 30 in immediate containers of a net capacity exceeding 2 kg	S
0807 11 00 0807 19 00	Melons (including watermelons), fresh	S
0808 10 10	Cider apples, fresh, in bulk, from 16 September to 15 December	S
0808 20 10	Perry pears, fresh, in bulk, from 1 August to 31 December	S
ex 0808 20 50	Other pears, fresh, from 1 May to 30 June	S
0808 20 90	Quinces, fresh	S
ex 0809 10 00	Apricots, fresh, from 1 January to 31 May and from 1 August to 31 December	S
0809 20 05	Sour cherries (<i>Prunus cerasus</i>), fresh	S
ex 0809 20 95	Cherries, fresh, from 1 January to 20 May and from 11 August to 31 December, other than sour cherries (<i>Prunus cerasus</i>)	S
ex 0809 30	Peaches, including nectarines, fresh, from 1 January to 10 June and from 1 October to 31 December	S
ex 0809 40 05	Plums, fresh, from 1 January to 10 June and from 1 October to 31 December	S
0809 40 90	Sloes, fresh	S
ex 0810 10 00	Strawberries, fresh, from 1 January to 30 April and from 1 August to 31 December	S
0810 20	Raspberries, blackberries, mulberries and loganberries, fresh	S
0810 40 30	Fruit of the species <i>Vaccinium myrtillus</i> , fresh	S
0810 40 50	Fruit of the species <i>Vaccinium macrocarpon</i> and <i>Vaccinium corymbosum</i> , fresh	S
0810 40 90	Other fruits of the genus <i>Vaccinium</i> , fresh	S
0810 50 00	Kiwifruit, fresh	S
0810 60 00	Durians, fresh	S
0810 90 50 0810 90 60 0810 90 70	Black-, white- or redcurrants and gooseberries, fresh	S
0810 90 95	Other fruit, fresh	S
ex 0811	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter, except for products under subheadings 0811 10 and 0811 20	S
0811 10 ⁽³⁾ and 0811 20 ⁽³⁾	Strawberries, raspberries, blackberries, mulberries, loganberries, black-, white- and redcurrants, and gooseberries	S
ex 0812	Fruit and nuts, provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, except for products under subheading 0812 90 30	S

CN code	Description	Sensitive/non-sensitive
0812 90 30	Papaws (papayas)	NS
0813 10 00	Apricots, dried	S
0813 20 00	Prunes	S
0813 30 00	Apples, dried	S
0813 40 10	Peaches, including nectarines, dried	S
0813 40 30	Pears, dried	S
0813 40 50	Papaws (papayas), dried	NS
0813 40 95	Other fruit, dried, other than that of headings 0801 to 0806	NS
0813 50 12	Mixtures of dried fruit (other than that of headings 0801 to 0806) of papaws (papayas), tamarinds, cashew apples, lychees, jackfruit, sapodillo plums, passion fruit, carambola or pitahaya, but not containing prunes	S
0813 50 15	Other mixtures of dried fruit (other than that of headings 0801 to 0806), not containing prunes	S
0813 50 19	Mixtures of dried fruit (other than that of headings 0801 to 0806), containing prunes	S
0813 50 31	Mixtures exclusively of tropical nuts of headings 0801 and 0802	S
0813 50 39	Mixtures exclusively of nuts of headings 0801 and 0802, other than of tropical nuts	S
0813 50 91	Other mixtures of nuts and dried fruits of Chapter 8, not containing prunes or figs	S
0813 50 99	Other mixtures of nuts and dried fruits of Chapter 8	S
0814 00 00	Peel of citrus fruit or melons (including watermelons), fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions	NS
ex Chapter 9	Coffee, tea, maté and spices, except the products under subheadings 0901 12 00, 0901 21 00, 0901 22 00, 0901 90 90 and 0904 20 10, headings 0905 00 00 and 0907 00 00, and subheadings 0910 91 90, 0910 99 33, 0910 99 39, 0910 99 50 and 0910 99 99	NS
0901 12 00	Coffee, not roasted, decaffeinated	S
0901 21 00	Coffee, roasted, not decaffeinated	S
0901 22 00	Coffee, roasted, decaffeinated	S
0901 90 90	Coffee substitutes containing coffee in any proportion	S
0904 20 10	Sweet peppers, dried, neither crushed nor ground	S
0905 00 00	Vanilla	S
0907 00 00	Cloves (whole fruit, cloves and stems)	S
0910 91 90	Mixtures of two or more products under different headings of headings 0904 to 0910, crushed or ground	S
0910 99 33 0910 99 39 0910 99 50	Thyme; bay leaves	S
0910 99 99	Other spices, crushed or ground, other than mixtures of two or more products under different headings of headings 0904 to 0910	S
ex 1008 90 90	Quinoa	S
1105	Flour, meal, powder, flakes, granules and pellets of potatoes	S
1106 10 00	Flour, meal and powder of the dried leguminous vegetables of heading 0713	S

CN code	Description	Sensitive/non-sensitive
1106 30	Flour, meal and powder of products from Chapter 8	S
1108 20 00	Inulin	S
ex Chapter 12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit, except for products under subheadings 1209 21 00, 1209 23 80, 1209 29 50, 1209 29 80, 1209 30 00, 1209 91 10, 1209 91 90 and 1209 99 91; industrial or medicinal plants, except for products under heading 1210 and subheading 1211 90 30, and excluding products under subheadings 1212 91 and 1212 99 20; straw and fodder	S
1209 21 00	Lucerne (alfalfa) seed, of a kind used for sowing	NS
1209 23 80	Other fescue seed, of a kind used for sowing	NS
1209 29 50	Lupine seed, of a kind used for sowing	NS
1209 29 80	Seeds of other forage plants, of a kind used for sowing	NS
1209 30 00	Seeds of herbaceous plants cultivated principally for their flowers, of a kind used for sowing	NS
1209 91 10 1209 91 90	Other vegetable seeds, of a kind used for sowing	NS
1209 99 91	Seeds of plants cultivated principally for their flowers, of a kind used for sowing, other than those of subheading 1209 30 00	NS
1210 ⁽¹⁾	Hop cones, fresh or dried, whether or not ground, powdered or in the form of pellets; lupulin	S
1211 90 30	Tonquin beans, fresh or dried, whether or not cut, crushed or powdered	NS
ex Chapter 13	Lac; gums, resins and other vegetable saps and extracts, except for products under subheading 1302 12 00	S
1302 12 00	Vegetable saps and extracts, of liquorice	NS
1501 00 90	Poultry fat, other than that of heading 0209 or 1503	S
1502 00 90	Fats of bovine animals, sheep or goats, other than those of heading 1503 and other than for industrial uses other than the manufacture of foodstuffs for human consumption	S
1503 00 19	Lard stearin and oleostearin, other than for industrial uses	S
1503 00 90	Lard oil, oleo-oil and tallow oil, not emulsified or mixed or otherwise prepared, other than tallow oil for industrial uses other than the manufacture of foodstuffs for human consumption	S
1504	Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified	S
1505 00 10	Wool grease, crude	S
1507	Soya-bean oil and its fractions, whether or not refined, but not chemically modified	S
1508	Groundnut oil and its fractions, whether or not refined, but not chemically modified	S
1511 10 90	Palm oil, crude, other than for technical or industrial uses other than the manufacture of foodstuffs for human consumption	S
1511 90	Palm oil and its fractions, whether or not refined but not chemically modified, other than crude oil	S
1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified	S
1513	Coconut (copra), palm-kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified	S
1514	Rape, colza or mustard oil and fractions thereof, whether or not refined, but not chemically modified	S

CN code	Description	Sensitive/non-sensitive
1515	Other fixed vegetable fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified	S
ex 1516	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared, except for products under subheading 1516 20 10	S
1516 20 10	Hydrogenated castor oil, so called 'opal-wax'	NS
1517	Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of Chapter 15, other than edible fats or oils or their fractions of heading 1516	S
1518 00	Animal or vegetable fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading 1516; inedible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of Chapter 15, not elsewhere specified or included	S
1521 90 99	Beeswax and other insect waxes, whether or not refined or coloured, other than raw	S
1522 00 10	Degras	S
1522 00 91	Oil foots and dregs; soapstocks, other than containing oil having the characteristics of olive oil	S
1601 00 10	Sausages and similar products, of liver, and food preparations based on liver	S
1602 20 10	Goose or duck liver, prepared or preserved	S
1602 41 90	Ham and cuts thereof, prepared or preserved, of swine other than of domestic swine	S
1602 42 90	Shoulders and cuts thereof, prepared or preserved, of swine other than of domestic swine	S
1602 49 90	Other prepared or preserved meat or meat offal, including mixtures, of swine other than of domestic swine	S
1602 50 31 ⁽³⁾ 1602 50 95 ⁽³⁾	Other prepared or preserved meat or meat offal, cooked, of bovine animals, whether or not in airtight containers	S
1602 90 31	Other prepared or preserved meat or meat offal, of game or rabbit	S
1602 90 69 1602 90 72 1602 90 74 1602 90 76 1602 90 78 1602 90 99	Other prepared or preserved meat or meat offal, of sheep or goats or other animals, not containing uncooked bovine meat or offal and not containing meat or meat offal of domestic swine	S
1603 00 10	Extracts and juices of meat, fish or crustaceans, molluscs or other aquatic invertebrates, in immediate packings of a net content not exceeding 1 kg	S
1604	Prepared or preserved fish; caviar and caviar substitutes prepared from fish eggs	S
1605	Crustaceans, molluscs and other aquatic invertebrates, prepared or preserved	S
1702 50 00	Chemically pure fructose	S
1702 90 10	Chemically pure maltose	S
1704 ⁽⁴⁾	Sugar confectionery (including white chocolate), not containing cocoa	S
Chapter 18	Cocoa and cocoa preparations	S

CN code	Description	Sensitive/non-sensitive
ex Chapter 19	Preparations of cereals, flour, starch or milk; pastrycooks' products, except for products under subheadings 1901 20 00 and 1901 90 91	S
1901 20 00	Mixes and doughs for the preparation of bakers' wares of heading 1905	NS
1901 90 91	Other, containing no milk fats, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milk fat, 5 % sucrose (including invert sugar) or isoglucose, 5 % glucose or starch, excluding food preparations in powder form of goods of headings 0401 to 0404	NS
ex Chapter 20	Preparations of vegetables, fruit, nuts or other parts of plants, except for products under heading 2002 and subheadings 2005 80 00, 2008 20 19, 2008 20 39, ex 2008 40 and ex 2008 70	S
2002 ⁽¹⁾	Tomatoes, prepared or preserved otherwise than by vinegar or acetic acid	S
2005 80 00 ⁽³⁾	Sweetcorn (<i>Zea mays</i> var. <i>saccharata</i>), prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products under heading 2006	S
2008 20 19 2008 20 39	Pineapples, otherwise prepared or preserved, containing added spirit, not elsewhere specified or included	NS
ex 2008 40 ⁽³⁾	Pears, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included (except for products under subheadings 2008 40 11, 2008 40 21, 2008 40 29 and 2008 40 39, to which the footnote shall not apply)	S
ex 2008 70 ⁽³⁾	Peaches, including nectarines, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included (except for products under subheadings 2008 70 11, 2008 70 31, 2008 70 39 and 2008 70 59, to which the footnote shall not apply)	S
ex Chapter 21	Miscellaneous edible preparations, except for products under subheadings 2101 20 and 2102 20 19, and excluding products under subheadings 2106 10, 2106 90 30, 2106 90 51, 2106 90 55 and 2106 90 59	S
2101 20	Extracts, essences and concentrates, of tea or maté, and preparations with a basis of these extracts, essences or concentrates, or with a basis of tea or maté	NS
2102 20 19	Other inactive yeasts	NS
ex Chapter 22	Beverages, spirits and vinegar, except for products under heading 2207, and excluding products under subheadings 2204 10 11 to 2204 30 10 and subheading 2208 40	S
2207 ⁽¹⁾	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol or higher; ethyl alcohol and other spirits, denatured, of any strength	S
2302 50 00	Residues and wastes of a similar kind, whether or not in the form of pellets, resulting from the grinding or other working of leguminous plants	S
2307 00 19	Other wine lees	S
2308 00 19	Other grape marc	S
2308 00 90	Other vegetable materials and vegetable waste, vegetable residues and by-products, whether or not in the form of pellets, of a kind used in animal feeding, not elsewhere specified or included	NS
2309 10 90	Other dog or cat food put up for retail sale, other than containing starch or glucose, glucose syrup, maltodextrine or maltodextrine syrup of subheadings 1702 30 50 to 1702 30 90, 1702 40 90, 1702 90 50 and 2106 90 55 or milk products	S
2309 90 10	Fish or marine mammal solubles, of a kind used in animal feeding	NS
2309 90 91	Beetpulp with added molasses, of a kind used in animal feeding	S
2309 90 95 2309 90 99	Other preparations of a kind used in animal feeding, whether or not containing by weight 49 % or more of choline chloride on an organic or inorganic base	S

CN code	Description	Sensitive/non-sensitive
Chapter 24	Tobacco and manufactured tobacco substitutes	S
2519 90 10	Magnesium oxide, other than calcined natural magnesium carbonate	NS
2522	Quicklime, slaked lime and hydraulic lime, other than calcium oxide and hydroxide of heading 2825	NS
2523	Portland cement, aluminous cement, slag cement, supersulphate cement and similar hydraulic cements, whether or not coloured or in the form of clinkers	NS
Chapter 27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	NS
2801	Fluorine, chlorine, bromine and iodine	NS
2802 00 00	Sulphur, sublimed or precipitated; colloidal sulphur	NS
ex 2804	Hydrogen, rare gases and other non-metals, excluding products under subheading 2804 69 00	NS
2806	Hydrogen chloride (hydrochloric acid); chlorosulphuric acid	NS
2807 00	Sulphuric acid; oleum	NS
2808 00 00	Nitric acid; sulphonitric acids	NS
2809	Diphosphorus pentoxide; phosphoric acid; polyphosphoric acids, whether or not chemically defined	NS
2810 00 90	Oxides of boron, other than diboron trioxide; boric acids	NS
2811	Other inorganic acids and other inorganic oxygen compounds of non-metals	NS
2812	Halides and halide oxides of non-metals	NS
2813	Sulphides of non-metals; commercial phosphorus trisulphide	NS
2814	Ammonia, anhydrous or in aqueous solution	S
2815	Sodium hydroxide (caustic soda); potassium hydroxide (caustic potash); peroxide of sodium or potassium	S
2816	Hydroxide and peroxide of magnesium; oxides, hydroxides and peroxides, of strontium or barium	NS
2817 00 00	Zinc oxide; zinc peroxide	S
2818 10	Artificial corundum, whether or not chemically defined	S
2819	Chromium oxides and hydroxides	S
2820	Manganese oxides	S
2821	Iron oxides and hydroxides; earth colours containing by weight 70 % or more of combined iron evaluated as Fe_2O_3	NS
2822 00 00	Cobalt oxides and hydroxides; commercial cobalt oxides	NS
2823 00 00	Titanium oxides	S
2824	Lead oxides; red lead and orange lead	NS
ex 2825	Hydrazine and hydroxylamine and their inorganic salts; other inorganic bases; other metal oxides, hydroxides and peroxides, except for products under subheadings 2825 10 00 and 2825 80 00	NS
2825 10 00	Hydrazine and hydroxylamine and their inorganic salts	S
2825 80 00	Antimony oxides	S
2826	Fluorides; fluorosilicates, fluoroaluminates and other complex fluorine salts	NS
ex 2827	Chlorides, chloride oxides and chloride hydroxides, except for products under subheadings 2827 10 00 and 2827 32 00; bromides and bromide oxides; iodides and iodide oxides	NS
2827 10 00	Ammonium chloride	S
2827 32 00	Aluminium chloride	S

CN code	Description	Sensitive/non-sensitive
2828	Hypochlorites; commercial calcium hypochlorite; chlorites; hypobromites	NS
2829	Chlorates and perchlorates; bromates and perbromates; iodates and periodates	NS
ex 2830	Sulphides, except for products under subheading 2830 10 00; polysulphides, whether or not chemically defined	NS
2830 10 00	Sodium sulphides	S
2831	Dithionites and sulphyxylates	NS
2832	Sulphites; thiosulphates	NS
2833	Sulphates; alums; peroxosulphates (persulphates)	NS
2834 10 00	Nitrites	S
2834 21 00 2834 29	Nitrates	NS
2835	Phosphinates (hypophosphites), phosphonates (phosphites) and phosphates; polyphosphates, whether or not chemically defined	S
ex 2836	Carbonates, except for products under subheadings 2836 20 00, 2836 40 00 and 2836 60 00; peroxocarbonates (percarbonates); commercial ammonium carbonate containing ammonium carbamate	NS
2836 20 00	Disodium carbonate	S
2836 40 00	Potassium carbonates	S
2836 60 00	Barium carbonate	S
2837	Cyanides, cyanide oxides and complex cyanides	NS
2839	Silicates; commercial alkali metal silicates	NS
2840	Borates; peroxoborates (perborates)	NS
ex 2841	Salts of oxometallic or peroxometallic acids, except for the product of subheading 2841 61 00	NS
2841 61 00	Potassium permanganate	S
2842	Other salts of inorganic acids or peroxyacids (including aluminosilicates, whether or not chemically defined), other than azides	NS
2843	Colloidal precious metals; inorganic or organic compounds of precious metals, whether or not chemically defined; amalgams of precious metals	NS
ex 2844 30 11	Cermets containing uranium depleted in U-235 or compounds of this product, other than unwrought	NS
ex 2844 30 51	Cermets containing thorium or compounds of thorium, other than unwrought	NS
2845 90 90	Isotopes other than those of heading 2844, and compounds, inorganic or organic, of such isotopes, whether or not chemically defined, other than deuterium and compounds thereof, hydrogen and compounds thereof enriched in deuterium or mixtures and solutions containing these products	NS
2846	Compounds, inorganic or organic, of rare-earth metals, of yttrium or of scandium or of mixtures of these metals	NS
2847 00 00	Hydrogen peroxide, whether or not solidified with urea	NS
2848 00 00	Phosphides, whether or not chemically defined, excluding ferrophosphorus	NS
ex 2849	Carbides, whether or not chemically defined, except for products under subheadings 2849 20 00 and 2849 90 30	NS
2849 20 00	Silicon carbide, whether or not chemically defined	S
2849 90 30	Carbides of tungsten, whether or not chemically defined	S

CN code	Description	Sensitive/non-sensitive
ex 2850 00	Hydrides, nitrides, azides, silicides and borides, whether or not chemically defined, other than compounds which are also carbides of heading 2849, except for products under subheading 2850 00 70	NS
2850 00 70	Silicides, whether or not chemically defined	S
2852 00 00	Compounds, inorganic or organic, of mercury, excluding amalgams	NS
2853 00	Other inorganic compounds (including distilled or conductivity water and water of similar purity); liquid air (whether or not rare gases have been removed); compressed air; amalgams, other than amalgams of precious metals	NS
2903	Halogenated derivatives of hydrocarbons	S
ex 2904	Sulphonated, nitrated or nitrosated derivatives of hydrocarbons, whether or not halogenated, except for products under subheading 2904 20 00	NS
2904 20 00	Derivatives containing only nitro or only nitroso groups	S
ex 2905	Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives, except for the product of subheading 2905 45 00, and excluding products under subheadings 2905 43 00 and 2905 44	S
2905 45 00	Glycerol	NS
2906	Cyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives	NS
ex 2907	Phenols, except for products under subheadings 2907 15 90 and ex 2907 22 00; phenol-alcohols	NS
2907 15 90	Naphthols and their salts, other than 1-naphthol	S
ex 2907 22 00	Hydroquinone (quinol)	S
2908	Halogenated, sulphonated, nitrated or nitrosated derivatives of phenols or phenol-alcohols	NS
2909	Ethers, ether-alcohols, ether-phenols, ether-alcohol-phenols, alcohol peroxides, ether peroxides, ketone peroxides (whether or not chemically defined), and their halogenated, sulphonated, nitrated or nitrosated derivatives	S
2910	Epoxides, epoxyalcohols, epoxyphenols and epoxyethers, with a three-membered ring, and their halogenated, sulphonated, nitrated or nitrosated derivatives	NS
2911 00 00	Acetals and hemiacetals, whether or not with other oxygen function, and their halogenated, sulphonated, nitrated or nitrosated derivatives	NS
ex 2912	Aldehydes, whether or not with other oxygen function; cyclic polymers of aldehydes; paraformaldehyde, except for the product of subheading 2912 41 00	NS
2912 41 00	Vanillin (4-hydroxy-3-methoxybenzaldehyde)	S
2913 00 00	Halogenated, sulphonated, nitrated or nitrosated derivatives of products under heading 2912	NS
ex 2914	Ketones and quinones, whether or not with other oxygen function, and their halogenated, sulphonated, nitrated or nitrosated derivatives, except for products under subheadings 2914 11 00, 2914 21 00 and 2914 22 00	NS
2914 11 00	Acetone	S
2914 21 00	Camphor	S
2914 22 00	Cyclohexanone and methylcyclohexanones	S
2915	Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives	S
ex 2916	Unsaturated acyclic monocarboxylic acids, cyclic monocarboxylic acids, their anhydrides, halides, peroxides and peroxyacids, and their halogenated, sulphonated, nitrated or nitrosated derivatives, except for products under subheadings ex 2916 11 00, 2916 12 and 2916 14	NS

CN code	Description	Sensitive/non-sensitive
ex 2916 11 00	Acrylic acid	S
2916 12	Esters of acrylic acid	S
2916 14	Esters of methacrylic acid	S
ex 2917	Polycarboxylic acids, their anhydrides, halides, peroxides and peroxyacids and their halogenated, sulphonated, nitrated or nitrosated derivatives, except for products under subheadings 2917 11 00, 2917 12 10, 2917 14 00, 2917 32 00, 2917 35 00 and 2917 36 00	NS
2917 11 00	Oxalic acid, its salts and esters	S
2917 12 10	Adipic acid and its salts	S
2917 14 00	Maleic anhydride	S
2917 32 00	Diethyl orthophthalates	S
2917 35 00	Phthalic anhydride	S
2917 36 00	Terephthalic acid and its salts	S
ex 2918	Carboxylic acids with additional oxygen function and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives, except for products under subheadings 2918 14 00, 2918 15 00, 2918 21 00, 2918 22 00 and 2918 29 10	NS
2918 14 00	Citric acid	S
2918 15 00	Salts and esters of citric acid	S
2918 21 00	Salicylic acid and its salts	S
2918 22 00	o-Acetylsalicylic acid, its salts and esters	S
2918 29 10	Sulphosalicylic acids, hydroxynaphthoic acids; their salts and esters	S
2919	Phosphoric esters and their salts, including lactophosphates; their halogenated, sulphonated, nitrated or nitrosated derivatives	NS
2920	Esters of other inorganic acids of non-metals (excluding esters of hydrogen halides) and their salts; their halogenated, sulphonated, nitrated or nitrosated derivatives	NS
2921	Amine-function compounds	S
2922	Oxygen-function amino-compounds	S
2923	Quaternary ammonium salts and hydroxides; lecithins and other phosphoaminolipids, whether or not chemically defined	NS
ex 2924	Carboxamide-function compounds and amide-function compounds of carbonic acid, except for products under subheading 2924 23 00	S
2924 23 00	2-Acetamidobenzoic acid (N-acetylanthranilic acid) and its salts	NS
2925	Carboxyimide-function compounds (including saccharin and its salts) and imine-function compounds	NS
ex 2926	Nitrile-function compounds, except for the product of subheading 2926 10 00	NS
2926 10 00	Acrylonitrile	S
2927 00 00	Diazo-, azo- or azoxy-compounds	S
2928 00 90	Other organic derivatives of hydrazine or of hydroxylamine	NS
2929 10	Isocyanates	S
2929 90 00	Other compounds with other nitrogen function	NS
2930 20 00 2930 30 00	Thiocarbamates and dithiocarbamates, and thiuram mono-, di- or tetrasulphides; dithiocarbonates (xanthates)	NS
ex 2930 90 85		

CN code	Description	Sensitive/non-sensitive
2930 40 90 2930 50 00 2930 90 13 2930 90 16 2930 90 20 ex 2930 90 85	Methionine, captafol (ISO), methamidophos (ISO), and other organo-sulphur compounds other than dithiocarbonates (xanthates)	S
2931 00	Other organo-inorganic compounds	NS
ex 2932	Heterocyclic compounds with oxygen hetero-atom(s) only, except for products under subheadings 2932 12 00, 2932 13 00 and 2932 21 00	NS
2932 12 00	2-Furaldehyde (furfuraldehyde)	S
2932 13 00	Furfuryl alcohol and tetrahydrofurfuryl alcohol	S
2932 21 00	Coumarin, methylcoumarins and ethylcoumarins	S
ex 2933	Heterocyclic compounds with nitrogen hetero-atom(s) only, except for the product of subheading 2933 61 00	NS
2933 61 00	Melamine	S
2934	Nucleic acids and their salts, whether or not chemically defined; other heterocyclic compounds	NS
2935 00 90	Other sulphonamides	S
2938	Glycosides, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives	NS
ex 2940 00 00	Sugars, chemically pure, other than sucrose, lactose, maltose, glucose and fructose, and except for rhamnose, raffinose and mannose; sugar ethers, sugar acetals and sugar esters, and their salts, other than products under heading 2937, 2938 or 2939	S
ex 2940 00 00	Rhamnose, raffinose and mannose	NS
2941 20 30	Dihydrostreptomycin, its salts, esters and hydrates	NS
2942 00 00	Other organic compounds	NS
3102 (1)	Mineral or chemical fertilisers, nitrogenous	S
3103 10	Superphosphates	S
3105	Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of Chapter 31 in tablets or similar forms or in packages of a gross weight not exceeding 10 kg	S
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 products under headings 3204 and 3206, and excluding products under subheadings 3201 20 00, 3201 90 20, ex 3201 90 90 (tanning extracts of eucalyptus), ex 3201 90 90 (tanning extracts derived from gambier and myrobalan fruits) and ex 3201 90 90 (other tanning extracts of vegetable origin)	NS
3204	Synthetic organic colouring matter, whether or not chemically defined; preparations as specified in note 3 to Chapter 32 based on synthetic organic colouring matter; synthetic organic products of a kind used as fluorescent brightening agents or as luminophores, whether or not chemically defined	S
3206	Other colouring matter; preparations as specified in note 3 to Chapter 32, other than those of heading 3203, 3204 or 3205; inorganic products of a kind used as luminophores, whether or not chemically defined	S
Chapter 33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	NS

CN code	Description	Sensitive/non-sensitive
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	NS
3501	Casein, caseinates and other casein derivatives; casein glues	S
3502 90 90	Albuminates and other albumin derivatives	NS
3503 00	Gelatin (including gelatin in rectangular (including square) sheets, whether or not surface-worked or coloured) and gelatin derivatives; isinglass; other glues of animal origin, excluding casein glues of heading 3501	NS
3504 00 00	Peptones and their derivatives; other protein substances and their derivatives, not elsewhere specified or included; hide powder, whether or not chromed	NS
3505 10 50	Starches, esterified or etherified	NS
3506	Prepared glues and other prepared adhesives, not elsewhere specified or included; products suitable for use as glues or adhesives, put up for retail sale as glues or adhesives, not exceeding a net weight of 1 kg	NS
3507	Enzymes; prepared enzymes not elsewhere specified or included	S
Chapter 36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	NS
Chapter 37	Photographic or cinematographic goods	NS
ex Chapter 38	Miscellaneous chemical products, except for products under headings 3802 and 3817 00, subheadings 3823 12 00 and 3823 70 00, and heading 3825, and excluding the products under subheadings 3809 10 and 3824 60	NS
3802	Activated carbon; activated natural mineral products; animal black, including spent animal black	S
3817 00	Mixed alkylbenzenes and mixed alkylnaphthalenes, other than those of heading 2707 or 2902	S
3823 12 00	Oleic acid	S
3823 70 00	Industrial fatty alcohols	S
3825	Residual products of the chemical or allied industries, not elsewhere specified or included; municipal waste; sewage sludge; other wastes specified in note 6 to Chapter 38	S
ex Chapter 39	Plastics and articles thereof, except for products under headings 3901, 3902, 3903 and 3904, subheadings 3906 10 00, 3907 10 00, 3907 60 and 3907 99, headings 3908 and 3920, and subheadings 3921 90 19 and 3923 21 00	NS
3901	Polymers of ethylene, in primary forms	S
3902	Polymers of propylene or of other olefins, in primary forms	S
3903	Polymers of styrene, in primary forms	S
3904	Polymers of vinyl chloride or of other halogenated olefins, in primary forms	S
3906 10 00	Poly(methyl methacrylate)	S
3907 10 00	Polyacetals	S
3907 60	Poly(ethylene terephthalate)	S
3907 99	Other polyesters, other than unsaturated	S
3908	Polyamides in primary forms	S
3920	Other plates, sheets, film, foil and strip, of plastics, non-cellular and not reinforced, laminated, supported or similarly combined with other materials	S

CN code	Description	Sensitive/non-sensitive
3921 90 19	Other plates, sheets, film, foil and strip, of polyesters, other than cellular products and other than corrugated sheets and plates	S
3923 21 00	Sacks and bags (including cones), of polymers of ethylene	S
ex Chapter 40	Rubber and articles thereof, except for products under heading 4010	NS
4010	Conveyor or transmission belts or belting, of vulcanised rubber	S
ex 4104	Tanned or crust hides and skins of bovine (including buffalo) or equine animals, without hair on, whether or not split, but not further prepared, excluding the products under subheadings 4104 41 19 and 4104 49 19	S
ex 4106 31 4106 32	Tanned or crust hides and skins of swine, without hair on, in the wet state (including wet-blue), split but not further prepared, or in the dry state (crust), whether or not split, but not further prepared, excluding the products under subheading 4106 31 10	NS
4107	Leather further prepared after tanning or crusting, including parchment-dressed leather, of bovine (including buffalo) or equine animals, without hair on, whether or not split, other than leather of heading 4114	S
4112 00 00	Leather further prepared after tanning or crusting, including parchment-dressed leather, of sheep or lamb, without wool on, whether or not split, other than leather of heading 4114	S
ex 4113	Leather further prepared after tanning or crusting, including parchment-dressed leather, of other animals, without wool or hair on, whether or not split, other than leather of heading 4114, except for products under subheading 4113 10 00	NS
4113 10 00	Of goats or kids	S
4114	Chamois (including combination chamois) leather; patent leather and patent laminated leather; metallised leather	S
4115 10 00	Composition leather with a basis of leather or leather fibre, in slabs, sheets or strip, whether or not in rolls	S
ex Chapter 42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut); except for products under headings 4202 and 4203	NS
4202	Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels, spectacle cases, binocular cases, camera cases, musical instrument cases, gun cases, holsters and similar containers; travelling-bags, insulated food or beverages bags, toilet bags, rucksacks, handbags, shopping-bags, wallets, purses, map-cases, cigarette-cases, tobacco-pouches, tool bags, sports bags, bottle-cases, jewellery boxes, powder boxes, cutlery cases and similar containers, of leather or of composition leather, of sheeting of plastics, of textile materials, of vulcanised fibre or of paperboard, or wholly or mainly covered with such materials or with paper	S
4203	Articles of apparel and clothing accessories, of leather or of composition leather	S
Chapter 43	Furskins and artificial fur; manufactures thereof	NS
ex Chapter 44	Wood and articles of wood, except for products under headings 4410, 4411, 4412, subheadings 4418 10, 4418 20 10, 4418 71 00, 4420 10 11, 4420 90 10 and 4420 90 91; wood charcoal	NS
4410	Particle board, oriented strand board (OSB) and similar board (for example, waferboard) of wood or other ligneous materials, whether or not agglomerated with resins or other organic binding substances	S
4411	Fibreboard of wood or other ligneous materials, whether or not bonded with resins or other organic substances	S
4412	Plywood, veneered panels and similar laminated wood	S
4418 10	Windows, French windows and their frames, of wood	S

CN code	Description	Sensitive/non-sensitive
4418 20 10	Doors and their frames and thresholds, of tropical wood as specified in additional note 2 to Chapter 44	S
4418 71 00	Assembled flooring panels for mosaic floors, of wood	S
4420 10 11 4420 90 10 4420 90 91	Statuettes and other ornaments, of tropical wood as specified in additional note 2 to Chapter 44; wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, and wooden articles of furniture not falling in Chapter 94, of tropical wood as specified in additional note 2 to Chapter 44	S
ex Chapter 45	Cork and articles of cork, except for products under heading 4503	NS
4503	Articles of natural cork	S
Chapter 46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	S
Chapter 50	Silk	S
ex Chapter 51	Wool, fine or coarse animal hair, excluding the products under heading 5105; horsehair yarn and woven fabric	S
Chapter 52	Cotton	S
Chapter 53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	S
Chapter 54	Man-made filaments; strip and the like of man-made textile materials	S
Chapter 55	Man-made staple fibres	S
Chapter 56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	S
Chapter 57	Carpets and other textile floor coverings	S
Chapter 58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	S
Chapter 59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use	S
Chapter 60	Knitted or crocheted fabrics	S
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted	S
Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted	S
Chapter 63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	S
Chapter 64	Footwear, gaiters and the like; parts of such articles	S
Chapter 65	Headgear and parts thereof	NS
Chapter 66	Umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding-crops and parts thereof	S
Chapter 67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	NS
Chapter 68	Articles of stone, plaster, cement, asbestos, mica or similar materials	NS
Chapter 69	Ceramic products	S
Chapter 70	Glass and glassware	S
ex Chapter 71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin; except for products under heading 7117	NS
7117	Imitation jewellery	S
7202	Ferro-alloys	S
Chapter 73	Articles of iron or steel	NS
Chapter 74	Copper and articles thereof	S

CN code	Description	Sensitive/non-sensitive
7505 12 00	Bars, rods and profiles, of nickel alloys	NS
7505 22 00	Wire, of nickel alloys	NS
7506 20 00	Plates, sheets, strip and foil, of nickel alloys	NS
7507 20 00	Nickel tube or pipe fittings	NS
ex Chapter 76	Aluminium and articles thereof, excluding the products under heading 7601	S
ex Chapter 78	Lead and articles thereof, excluding the products under heading 7801	S
ex Chapter 79	Zinc and articles thereof, excluding the products under headings 7901 and 7903	S
ex Chapter 81	Other base metals; cermets; articles thereof, excluding the products under subheadings 8101 10 00, 8101 94 00, 8102 10 00, 8102 94 00, 8104 11 00, 8104 19 00, 8107 20 00, 8108 20 00, 8108 30 00, 8109 20 00, 8110 10 00, 8112 21 90, 8112 51 00, 8112 59 00, 8112 92 and 8113 00 20	S
Chapter 82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof, of base metal	S
Chapter 83	Miscellaneous articles of base metal	S
ex Chapter 84	Nuclear reactors, boilers, machinery and mechanical appliances, and parts thereof, except for products under subheadings 8401 10 00 and 8407 21 10	NS
8401 10 00	Nuclear reactors	S
8407 21 10	Outboard motors, of a cylinder capacity not exceeding 325 cm ³	S
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 products under subheadings 8516 50 00, 8517 69 39, 8517 70 15, 8517 70 19, 8519 20, 8519 30, 8519 81 11 to 8519 81 45, 8519 81 85, 8519 89 11 to 8519 89 19, headings 8521, 8525 and 8527, subheadings 8528 49, 8528 59 and 8528 69 to 8528 72, heading 8529 and subheadings 8540 11 and 8540 12	NS
8516 50 00	Microwave ovens	S
8517 69 39	Reception apparatus for radio-telephony or radio telegraphy, other than portable receivers for calling, alerting or paging	S
8517 70 15 8517 70 19	Aerials and aerial reflectors of all kinds, other than aerials for radio-telegraphic or radio-telephonic apparatus; parts suitable for use therewith	S
8519 20 8519 30	Apparatus operated by coins, banknotes, bank cards, tokens or by other means of payment; turntables (record-decks)	S
8519 81 11 to 8519 81 45	Sound-reproducing apparatus (including cassette-players), not incorporating a sound-recording device	S
8519 81 85	Other magnetic tape recorders incorporating sound-reproducing apparatus, other than cassette-type	S
8519 89 11 to 8519 89 19	Other sound-reproducing apparatus, not incorporating a sound-recording device	S
8521	Video recording or reproducing apparatus, whether or not incorporating a video tuner	S
8525	Transmission apparatus for radio-broadcasting or television, whether or not incorporating reception apparatus or sound-recording or -reproducing apparatus; television cameras; digital cameras and video camera recorders	S
8527	Reception apparatus for radio-broadcasting, whether or not combined, in the same housing, with sound-recording or -reproducing apparatus or a clock	S

CN code	Description	Sensitive/non-sensitive
8528 49 8528 59 8528 69 to 8528 72	Monitors and projectors, not incorporating television-reception apparatus, other than of a kind used solely or principally in an automatic data-processing system of heading 8471; reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound- or video-recording or -reproducing apparatus	S
8529	Parts suitable for use solely or principally with the apparatus of headings 8525 to 8528	S
8540 11 8540 12 00	Cathode ray television picture tubes, including video monitor cathode ray tubes, colour, or black-and-white or other monochrome	S
Chapter 86	Railway or tramway locomotives, rolling stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electromechanical) traffic-signalling equipment of all kinds	NS
ex Chapter 87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof, except for products under headings 8702, 8703, 8704, 8705, 8706 00, 8707, 8708, 8709, 8711, 8712 00 and 8714	NS
8702	Motor vehicles for the transport of ten or more persons, including the driver	S
8703	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 8702), including station wagons and racing cars	S
8704	Motor vehicles for the transport of goods	S
8705	Special-purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire-fighting vehicles, concrete-mixer lorries, road-sweeper lorries, spraying lorries, mobile workshops, mobile radiological units)	S
8706 00	Chassis fitted with engines, for the motor vehicles of headings 8701 to 8705	S
8707	Bodies (including cabs), for the motor vehicles of headings 8701 to 8705	S
8708	Parts and accessories of the motor vehicles of headings 8701 to 8705	S
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	S
8711	Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without sidecars; sidecars	S
8712 00	Bicycles and other cycles (including delivery tricycles), not motorised	S
8714	Parts and accessories of vehicles of headings 8711 to 8713	S
Chapter 88	Aircraft, spacecraft, and parts thereof	NS
Chapter 89	Ships, boats and floating structures	NS
Chapter 90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	S
Chapter 91	Clocks and watches and parts thereof	S
Chapter 92	Musical instruments; parts and accessories of such articles	NS
ex Chapter 94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated nameplates and the like; prefabricated buildings, except for products under heading 9405	NS

CN code	Description	Sensitive/non-sensitive
9405	Lamps and lighting fittings including searchlights and spotlights and parts thereof, not elsewhere specified or included; illuminated signs, illuminated nameplates and the like, having a permanently fixed light source, and parts thereof not elsewhere specified or included	S
ex Chapter 95	Toys, games and sports requisites; parts and accessories thereof; except for products under subheadings 9503 00 30 to 9503 00 99	NS
9503 00 30 to 9503 00 99	Other toys; reduced-size (scale) models and similar recreational models, working or not; puzzles of all kinds	S
Chapter 96	Miscellaneous manufactured articles	NS

(¹) The arrangement referred to in Section 1 of Chapter II shall not apply to the products under this heading.

(²) For the products under subheading 0306 13, the duty shall be 3,6 % under the arrangement referred to in Section 2 of Chapter II.

(³) The arrangement referred to in Section 1 of Chapter II shall not apply to the product of this subheading.

(⁴) For the products under subheading 1704 10 90, the specific duty shall be limited to 16 % of the customs value, under the arrangement referred to in Section 2 of Chapter II.

ANNEX III

CONVENTIONS REFERRED TO IN ARTICLE 8

PART A

Core human and labour rights UN/ILO Conventions

1. International Covenant on Civil and Political Rights
2. International Covenant on Economic, Social and Cultural Rights
3. International Convention on the Elimination of All Forms of Racial Discrimination
4. Convention on the Elimination of All Forms of Discrimination Against Women
5. Convention Against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment
6. Convention on the Rights of the Child
7. Convention on the Prevention and Punishment of the Crime of Genocide
8. Convention concerning Minimum Age for Admission to Employment (No 138)
9. Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (No 182)
10. Convention concerning the Abolition of Forced Labour (No 105)
11. Convention concerning Forced or Compulsory Labour (No 29)
12. Convention concerning Equal Remuneration for Men and Women Workers for Work of Equal Value (No 100)
13. Convention concerning Discrimination in Respect of Employment and Occupation (No 111)
14. Convention concerning Freedom of Association and Protection of the Right to Organise (No 87)
15. Convention concerning the Application of the Principles of the Right to Organise and to Bargain Collectively (No 98)
16. International Convention on the Suppression and Punishment of the Crime of Apartheid.

PART B

Conventions related to the environment and to governance principles

17. Montreal Protocol on Substances that Deplete the Ozone Layer
18. Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
19. Stockholm Convention on Persistent Organic Pollutants
20. Convention on International Trade in Endangered Species of Wild Fauna and Flora
21. Convention on Biological Diversity
22. Cartagena Protocol on Biosafety

23. Kyoto Protocol to the United Nations Framework Convention on Climate Change
 24. United Nations Single Convention on Narcotic Drugs (1961)
 25. United Nations Convention on Psychotropic Substances (1971)
 26. United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988)
 27. United Nations Convention against Corruption (Mexico).
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APPENDIX II

Commission Regulation (EC) No 881/2003 of 21 May 2003
amending Regulation (EEC) No 2454/93 laying down provisions for
the implementation of Council Regulation (EEC) No 2913/92
establishing the Community Customs Code

I

(Acts whose publication is obligatory)

COMMISSION REGULATION (EC) No 881/2003

of 21 May 2003

amending Regulation (EEC) No 2454/93 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code

(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽¹⁾, as last amended by Regulation (EC) No 2700/2000 of the European Parliament and of the Council ⁽²⁾, and in particular Article 247 thereof,

Whereas:

- (1) Council Regulation (EC) No 2501/2001 of 10 December 2001 applying a scheme of generalised tariff preferences for the period from 1 January 2002 to 31 December 2004 ⁽³⁾ incorporates the 'Everything But Arms' principle laid down in Council Regulation (EC) No 2820/98 of 21 December 1998 applying a multiannual scheme of generalised tariff preferences for the period 1 July 1999 to 31 December 2001 ⁽⁴⁾, as amended by Regulation (EC) No 416/2001 ⁽⁵⁾, so as to extend duty-free access without any quantitative restrictions to products originating in the least developed countries.
- (2) In order to ensure that such access benefits only the least developed countries and to avoid diversions of trade through certain of those countries in the framework of regional cumulation of origin, certain minimal, low value-added operations in the rice and sugar sectors that currently suffice to confer the status of originating product for the purposes of the scheme of generalised tariff preferences in accordance with Article 70 of Commission Regulation (EEC) No 2454/93 ⁽⁶⁾, as last amended by Regulation (EC) No 444/2002 ⁽⁷⁾, should no longer be considered as sufficient working or processing to confer the status of originating product.

- (3) Consequently, the list set out in Article 70 of Regulation (EEC) No 2454/93 of operations considered as insufficient working or processing should be amended accordingly. Moreover, in the interests of consistency, the same amendments should be made to Article 101 of that Regulation, which concerns the countries or territories to which preferential tariff measures adopted unilaterally by the Community apply.
- (4) The amendments to the harmonised system nomenclature entered into effect on 1 January 2002. The list of working or processing required to be carried out on non-originating products to confer originating status should be updated to take account of those changes, as should its introductory notes. Certain corrections are also required. In the interests of clarity, those texts should be republished in their entirety.
- (5) The Andean Community and the Central American Common Market, which, pursuant to Article 72 of Regulation (EEC) No 2454/93, have benefited separately from regional cumulation of origin within the framework of the generalised system of preferences, have requested that, in order to foster industrial development in those regions, they be allowed to benefit jointly from the regional cumulation provisions. They have formed a common secretariat for this purpose, the Andean Community – Central American Common Market and Panama Permanent Joint Committee on Origin. All the countries of this new group have met the requirements of Article 72b of Regulation (EEC) No 2454/93, in particular as regards the submission of undertakings to comply with the rules in force and to provide the necessary administrative cooperation. It should therefore be made possible for that group to benefit from the regional cumulation provisions.

⁽¹⁾ OJ L 302, 19.10.1992, p. 1.
⁽²⁾ OJ L 311, 12.12.2000, p. 17.
⁽³⁾ OJ L 346, 31.12.2001, p. 1
⁽⁴⁾ OJ L 357, 30.12.1998, p. 1.
⁽⁵⁾ OJ L 60, 1.3.2001, p. 43.
⁽⁶⁾ OJ L 253, 11.10.1993, p. 1.
⁽⁷⁾ OJ L 68, 12.3.2002, p. 11.

(6) Proofs of origin issued under the arrangements previously applicable for the Andean Community and the Central American Common Market should continue to be accepted within the limits of their validity.

- (7) In order to avoid confusion, given that entitlement to regional cumulation does not always coincide with membership of regional groups, the names of regional groups should no longer be used to indicate the countries which may benefit from regional cumulation.
- (8) The opportunity should be taken to make a correction in Article 76 of Regulation (EEC) No 2454/93.
- (9) The time-limits for the production of a document showing that goods covered by an incomplete declaration qualify for a reduced or zero rate of import duty should be made more flexible.
- (10) The management system for tariff quotas provides, as a measure to reduce the administrative burden and costs at importation and to promote uniformity of treatment, that certain tariff quotas are to be considered as critical. Experience with the system has demonstrated that the criteria used in determining the critical status can be further relaxed without a risk for the Community's own resources.
- (11) The system of surveillance of preferential imports has proved to be suitable also for the surveillance of non-preferential imports and should therefore be extended to those imports.
- (12) The state of implementation of the computerised transit system no longer justifies allowing traders to use the loading list as the descriptive part of transit declarations lodged by means of a data processing technique. That possibility should therefore be removed.
- (13) It is appropriate to introduce provisions designed to develop, supplement and, where necessary, update the existing rules so that the provisions resulting from the recent reform of the Community/common transit procedure, and in particular those concerning termination of the operation, alternative proof and the enquiry procedure, can be used in conjunction with the TIR procedure.
- (14) Regulation (EEC) No 2454/93 should also be aligned with the TIR Convention.
- (15) With a view to improving the effectiveness and transparency of the procedure, provision should be made for the recovery procedure also to apply when the TIR carnet is used.
- (16) The maximum amount that the guaranteeing associations in the Community are required to pay when they incur liability should be expressed in euro and set at EUR 60 000 per TIR carnet.
- (17) In order to uphold the financial interests of the Community and of its Member States, provision should be made for a non-discharge notification, issued validly within a year by the competent customs administration to a guaranteeing association established in the Community, to be legally enforceable against other guaranteeing associations established in the Community if it transpires that they are liable under the first or second indent of Article 215(1) of Regulation (EEC) No 2913/92, hereinafter 'the Code'.
- (18) Although there is no change in the rules laid down for the ATA procedure, the relevant provisions should be adapted in consequence of the amendment of the TIR rules.
- (19) In accordance with Article 551(3) of Regulation (EEC) No 2454/93, for the purposes of determining the customs value of processed products declared for free circulation, the declarant may choose the customs value of the import goods plus the processing costs. In order to ensure that the import duties are levied in a uniform manner, the notion of processing costs should be clarified.
- (20) Article 841 of that Regulation should be amended in order to allow the formalities for re-exportation to be carried out at the office of exit where goods are moved by ATA carnet under the temporary importation arrangements.
- (21) Pursuant to Article 222(2) of the Code, it is appropriate, in cases where a customs debt is incurred by the removal of goods from customs supervision and there is more than one debtor, to lay down the conditions in which the obligation of certain debtors to pay duty is to be suspended. The duration of the suspension should be limited to one year but it should be possible to extend it in particular where debtors who are not benefiting from the suspension have contested the customs debt before the competent judicial authorities.
- (22) Article 890 of Regulation (EEC) No 2454/93 provides that duties are to be repaid or remitted on imports eligible for Community treatment or preferential tariff treatment where a customs debt has been incurred as a result of release for free circulation of the goods and where the importer can produce a post-clearance document showing entitlement to such treatments at the time of the release for free circulation. That possibility should be extended to cases where a document showing entitlement to a favourable tariff treatment by reason of the nature of goods is produced after clearance. Indeed, the obligation to pay duty in such cases, where no deception or obvious negligence is involved, is

- disproportionate to the need for protection which the Common Customs Tariff is intended to provide.
- (23) To avoid problems with interpretation, Article 900(2) and (3) of Regulation (EEC) No 2454/93 should be re-drafted. The new version should also be adapted to the current economic climate of vigorous competition. Accordingly, Article 900(2) should not automatically require the re-export of goods entitled to repayment or remission under Article 900(1) and should permit the goods to be destroyed or to be placed under the Community external transit procedure or the customs warehousing procedure or in a free zone or free warehouse, instead of being re-exported.
- (24) Annex 25 to Regulation (EEC) No 2454/93, laying down the percentages of air transport costs to be included in the customs value, should be simplified and adjusted to take account of the enlarged customs territory of the Community following the accession of the new Member States.
- (25) Annex 38 to Regulation (EEC) No 2454/93 contains in box 36 of the Single Administrative Document (SAD) the codes for the Tariff arrangements under which products are placed for free circulation.
- (26) In the interests of clarity, it is necessary to add a specific code to be used for the temporary suspension on goods destined for civil aircraft and in respect of which an airworthiness certificate has been issued.
- (27) Annex 67 to Regulation (EEC) No 2454/93 should be adapted to reflect the amendments to Annex 70.
- (28) Annex 70 to Regulation (EEC) No 2454/93 should be amended in order to allow the use of an existing system for communication of information concerning processed agricultural products. Furthermore, the benefits resulting from the simplification of the 'Information system – processing procedures (ISPP)' should be extended to those products. Finally, a specific economic reason code should be introduced for applications for inward processing authorisation involving non-sensitive goods.
- (29) It is desirable to simplify the use of the customs procedure 'processing under customs control' in the case of import goods which are processed into products which may benefit from the autonomous suspension of import duties on certain weapons and military equipment.
- (30) Regulation (EEC) No 2454/93 should therefore be amended accordingly.
- (31) The measures provided for in this Regulation are in accordance with the opinion of the Customs Code Committee,
- HAS ADOPTED THIS REGULATION:
- Article 1*
- Regulation (EEC) No 2454/93 is amended as follows:
- (1) In Article 70, paragraph 1 is replaced by the following:
- '1. Without prejudice to paragraph 2, the following operations shall be considered as insufficient working or processing to confer the status of originating products, whether or not the requirements of Article 69 are satisfied:
- (a) preserving operations to ensure that the products remain in good condition during transport and storage;
 - (b) breaking-up and assembly of packages;
 - (c) washing, cleaning; removal of dust, oxide, oil, paint or other coverings;
 - (d) ironing or pressing of textiles;
 - (e) simple painting and polishing operations;
 - (f) husking, partial or total milling, polishing and glazing of cereals and rice;
 - (g) operations to colour sugar or form sugar lumps; partial or total milling of sugar;
 - (h) peeling, stoning and shelling, of fruits, nuts and vegetables;
 - (i) sharpening, simple grinding or simple cutting;
 - (j) sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles);
 - (k) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
 - (l) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;

- (m) simple mixing of products, whether or not of different kinds, where one or more components of the mixtures do not meet the conditions laid down in this section to enable them to be considered as originating in a beneficiary country or in the Community;
- (n) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;
- (o) a combination of two or more of the operations specified in points (a) to (n);
- (p) slaughter of animals.'
- (2) In Article 72, paragraphs 3 and 4 are replaced by the following:
- '3. Regional cumulation shall apply to three separate regional groups of beneficiary countries benefiting from the generalised system of preferences:
- (a) Group I: Brunei-Darussalam, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam;
- (b) Group II: Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Peru, Venezuela;
- (c) Group III: Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka.
4. The expression 'regional group' shall be taken to mean Group I, Group II or Group III, as the case may be.'
- (3) In Article 72b(1)(b), the second and third subparagraphs are replaced by the following:
- 'This undertaking shall be transmitted to the Commission through the following Secretariats, as the case may be:
- (i) Group I: the General Secretariat of the Association of South-East Asian Nations (ASEAN);
- (ii) Group II: the Andean Community — Central American Common Market and Panama Permanent Joint Committee on Origin (Comité Conjunto Permanente de Origen Comunidad Andina – Mercado Común Centroamericano y Panamá);
- (iii) Group III: the Secretariat of the South Asian Association for Regional Cooperation (SAARC).'
- (4) In Article 76(4), the second sentence is replaced by the following:
- 'It shall be decided on in accordance with the committee procedure.'
- (5) In Article 101, paragraph 1 is replaced by the following:
- '1. Without prejudice to paragraph 2, the following operations shall be considered as insufficient working or processing to confer the status of originating products, whether or not the requirements of Article 100 are satisfied:
- (a) preserving operations to ensure that the products remain in good condition during transport and storage;
- (b) breaking-up and assembly of packages;
- (c) washing, cleaning; removal of dust, oxide, oil, paint or other coverings;
- (d) ironing or pressing of textiles;
- (e) simple painting and polishing operations;
- (f) husking, partial or total milling, polishing and glazing of cereals and rice;
- (g) operations to colour sugar or form sugar lumps; partial or total milling of sugar;
- (h) peeling, stoning and shelling, of fruits, nuts and vegetables;
- (i) sharpening, simple grinding or simple cutting;
- (j) sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles);
- (k) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
- (l) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;
- (m) simple mixing of products, whether or not of different kinds, where one or more components of the mixtures do not meet the conditions laid down in this section to enable them to be considered as originating in a beneficiary country or territory or in the Community;
- (n) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;
- (o) a combination of two or more of the operations specified in points (a) to (n);
- (p) slaughter of animals.'
- (6) In Article 256(1), the second subparagraph is replaced by the following:

'In the case of a document required for the application of a reduced or zero rate of import duty, where the customs authorities have good reason to believe that the goods covered by the incomplete declaration may qualify for such reduced or zero rate of duty, a period longer than that provided for in the first subparagraph may, at the declarant's request, be granted for the production of the document, if justified in the circumstances. That period may not exceed four months from the date of acceptance of the declaration. It cannot be extended.'

- (7) Article 308c is replaced by the following:

'Article 308c

1. A tariff quota shall be considered as critical as soon as 75 % of the initial volume has been used, or at the discretion of the competent authorities.

2. By way of derogation from paragraph 1, a tariff quota shall be considered from the date of its opening as critical in any of the following cases:

- (a) it is opened for less than three months;
- (b) tariff quotas having the same product coverage and origin and an equivalent quota period as the tariff quota in question (equivalent tariff quotas) have not been opened in the previous two years;
- (c) an equivalent tariff quota opened in the previous two years had been exhausted on or before the last day of the third month of its quota period or had a higher initial volume than the tariff quota in question.

3. A tariff quota whose sole purpose is the application, under the rules of the WTO, of either a safeguard measure or a retaliatory measure shall be considered as critical as soon as 75 % of the initial volume has been used irrespective of whether or not equivalent tariff quotas were opened in the previous two years.'

- (8) In Part II, Title I, Chapter 3, the title of Section 2 is replaced by the following:

'Surveillance of imports'

- (9) In Article 308d, paragraphs 1 and 2 are replaced by the following:

'1. Where Community surveillance of imports is to be made, the Member States shall provide surveillance reports to the Commission at least once each month containing details of the quantities of products put into free circulation. At the Commission's request, Member States shall confine this data to imports with the benefit of preferential tariff arrangements.

2. The surveillance reports of the Member States shall indicate the quantities put into free circulation since the first day of the period concerned.'

- (10) In Article 353, paragraph 2 is deleted.
- (11) In Article 358, paragraph 2 is replaced by the following:

'2. Where appropriate, the transit accompanying document shall be supplemented by a list of items corresponding to the specimen and notes in Annex 45b. This list shall form an integral part of the transit accompanying document.'

- (12) In Part II, Title II, the title of Chapter 9 is replaced by the following:

'Transport under the TIR or ATA procedure'

- (13) In Article 451, paragraph 1 is replaced by the following:

'1. Where goods are transported from one point in the customs territory of the Community to another under the procedure for the international transport of goods under cover of TIR carnets (TIR Convention) or under cover of ATA carnets (ATA Convention), the customs territory of the Community shall, for the purposes of the rules governing the use of the TIR or ATA carnets for such transport, be considered to form a single territory.'

- (14) In Article 453(2), 'Articles 314 to 324' is replaced by 'Articles 314b to 324f'.

- (15) After Article 453, the following text is inserted:

Section 2

The TIR procedure'

- (16) Articles 454 and 455 are replaced by the following:

'Article 454

The provisions of this section apply to the transport of goods under cover of TIR carnets where import duties or other charges within the Community are involved.

Article 455

1. The customs authorities of the Member State of destination or exit shall return the appropriate part of Voucher No 2 of the TIR carnet to the customs authorities of the Member State of entry or departure without delay and at most within one month of the date when the TIR operation was terminated.

2. If the appropriate part of Voucher No 2 of the TIR carnet is not returned to the customs authorities of the Member State of entry or departure within two months of the date of acceptance of the TIR carnet, those authorities shall inform the guaranteeing association concerned, without prejudice to the notification to be made in accordance with Article 11(1) of the TIR Convention.

They shall also inform the holder of the TIR carnet, and shall invite both the latter and the guaranteeing association concerned to furnish proof that the TIR operation has been terminated.

3. The proof referred to in the second subparagraph of paragraph 2 may be furnished to the satisfaction of the customs authorities in the form of a document certified by the customs authorities of the Member State of destination or exit identifying the goods and establishing that they have been presented at the customs office of destination or exit.

4. The TIR operation shall also be considered as having been terminated where the holder of the TIR carnet/guaranteeing association concerned presents, to the satisfaction of the customs authorities, a customs document issued in a third country entering the goods for a customs-approved treatment or use, or a copy or photocopy thereof, identifying the goods. Copies or photocopies must be certified as being true copies by the body which certified the original documents, by the authorities of the third countries concerned or by the authorities of one of the Member States.

Article 455a

1. Where the customs authorities of the Member State of entry or departure have not received proof within four months of the date of the acceptance of the TIR carnet that the TIR operation has been terminated, they shall initiate the enquiry procedure immediately in order to obtain the information needed to discharge the TIR operation or, where this is not possible, to establish whether a customs debt has been incurred, identify the debtor and determine the customs authorities responsible for entry in the accounts.

If the customs authorities receive information earlier that the TIR operation has not been terminated, or suspect that to be the case, they shall initiate the enquiry procedure forthwith.

2. The enquiry procedure shall also be initiated if it transpires subsequently that proof of the termination of the TIR operation was falsified and the enquiry procedure is necessary to achieve the objectives of paragraph 1.

3. To initiate the enquiry procedure, the customs authorities of the Member State of entry or departure

shall send the customs authorities of the Member State of destination or exit a request together with all the necessary information.

4. The customs authorities of the Member State of destination or exit shall respond without delay.

5. Where an enquiry establishes that the TIR operation was terminated correctly, the customs authorities of the Member State of entry or departure shall immediately inform the guaranteeing association and the holder of the TIR carnet and, where appropriate, any customs authorities that may have initiated a recovery procedure in accordance with Articles 217 to 232 of the Code.'

(17) In Part II, Title II, Chapter 9, 'Section 2' and the title of the section are deleted.

(18) Articles 456 and 457 are replaced by the following:

'Article 456

1. When an offence or irregularity under the TIR Convention gives rise to a customs debt in the Community, the provisions of this section shall apply *mutatis mutandis* to the other charges mentioned in Article 91(1)(a) of the Code.

2. Articles 450a, 450b and 450d shall apply *mutatis mutandis* to the recovery procedure relating to the use of the TIR carnet.

Article 457

1. For the purposes of Article 8(4) of the TIR Convention, when a TIR operation is carried out on the customs territory of the Community, any guaranteeing association established in the Community may become liable for the payment of the secured amount of the customs debt relating to the goods concerned in the TIR operation up to a limit per TIR carnet of EUR 60 000 or the national currency equivalent thereof.

2. The guaranteeing association established in the Member State competent for recovery under Article 215 of the Code shall be liable for payment of the secured amount of the customs debt.

3. A valid notification of non-discharge of a TIR operation made by the customs authorities of one Member State, identified as competent for recovery under the third indent of Article 215(1) of the Code, to the guaranteeing association authorised by those authorities shall also be valid where the customs authorities of another Member State, identified as competent under the first or second indent of Article 215(1) of the Code, later

proceed with recovery from the guaranteeing association authorised by those latter authorities.'

- (19) In Part II, Title II, Chapter 9, the title of Section 3 is replaced by:

'The ATA procedure'

- (20) The following Articles 457c and 457d are inserted:

'Article 457c

1. This Article shall apply without prejudice to the specific provisions of the ATA Convention concerning the liability of the guaranteeing associations when an ATA carnet is being used.

2. Where it is found that, in the course of or in connection with a transit operation carried out under cover of an ATA carnet, an offence or irregularity has been committed in a particular Member State, the recovery of duties and other charges which may be payable shall be effected by that Member State in accordance with Community or national provisions, without prejudice to the institution of criminal proceedings.

3. Where it is not possible to determine in which territory the offence or irregularity was committed, such offence or irregularity shall be deemed to have been committed in the Member State where it was detected unless, within the period referred to in Article 457d(2), proof of the regularity of the operation or of the place where the offence or irregularity was actually committed is furnished to the satisfaction of the customs authorities.

Where no such proof is furnished and the said offence or irregularity is thus deemed to have been committed in the Member State in which it was detected, the duties and other charges relating to the goods concerned shall be levied by that Member State in accordance with Community or national provisions.

If the Member State where the said offence or irregularity was actually committed is subsequently determined, the duties and other charges (apart from those levied, pursuant to the second subparagraph, as own resources of the Community) to which the goods are liable in that Member State shall be returned to it by the Member State which had originally recovered them. In that case, any overpayment shall be repaid to the person who had originally paid the charges.

Where the amount of the duties and other charges originally levied and returned by the Member State which had recovered them is smaller than that of the duties and other charges due in the Member State where the offence or irregularity was actually committed, that Member State shall levy the difference in accordance with Community or national provisions.

The customs administrations of the Member States shall take the necessary measures to deal with any offence or irregularity and to impose effective penalties.

Article 457d

1. Where an offence or irregularity is found to have been committed in the course of or in connection with a transit operation carried out under cover of an ATA carnet, the customs authorities shall notify the holder of the ATA carnet and the guaranteeing association within the period prescribed in Article 6(4) of the ATA Convention.

2. Proof of the regularity of the operation carried out under cover of an ATA carnet within the meaning of the first subparagraph of Article 457c(3) shall be furnished within the period prescribed in Article 7(1) and (2) of the ATA Convention.

3. The proof referred to in paragraph 2 shall be furnished to the satisfaction of the customs authorities using one of the following methods:

- (a) by production of a customs or commercial document certified by the customs authorities establishing that the goods in question have been presented at the office of destination;
- (b) by the production of a customs document showing entry for a customs procedure in a third country, or a copy or photocopy thereof, certified as a true copy either by the body which endorsed the original document, or by the authorities of the third country concerned, or by the authorities of one of the Member States;
- (c) by the evidence referred to in Article 8 of the ATA Convention.

The documents referred to in points (a) and (b) of the first subparagraph shall include information enabling the goods in question to be identified.'

- (21) In Articles 458(2), 461(4) and 462(4), 'Article 454(3)' is replaced by 'Article 457c(3)'.

- (22) In Article 551(3), the following sentence is added:

'Processing costs means all costs incurred in making the processed products, including overheads and the value of any Community goods used.'

- (23) Article 841 is replaced by the following:

'Article 841

Where re-exportation is subject to a customs declaration, the provisions of Articles 788 to 796 shall apply *mutatis mutandis*, without prejudice to particular provisions which may apply when the previous customs procedure with economic impact is discharged.

Where an ATA carnet is used for re-exportation of goods under temporary importation, the customs declaration may be lodged at a customs office other than that referred to in the first sentence of Article 161(5) of the Code.'

(24) In Article 876a, the following paragraph 3 is added:

'3. Where a customs debt is incurred under Article 203 of the Code, the customs authorities shall suspend the obligation of the person referred to in the fourth indent of paragraph 3 of that Article to pay the duties where at least one other debtor has been identified and the amount of the duties has also been communicated to him in accordance with Article 221 of the Code.

The suspension may be granted only on the condition that the person referred to in the fourth indent of Article 203(3) of the Code is not also covered by one of the other indents of the said paragraph and has not been obviously negligent in fulfilling his obligations.

The duration of the suspension shall be limited to one year. However, this period may be extended by the customs authorities for duly justified reasons.

The suspension shall be conditional on the lodging by the person for whose benefit it is granted of a valid security for the amount of the duties at stake, except where such a security covering the whole amount of duties at stake already exists and the guarantor has not been released from his undertakings. Such security need not be required where such a requirement would be likely, owing to the debtor's circumstances, to cause serious economic or social difficulties.'

(25) In Article 890, the first paragraph is replaced by the following:

'The decision-making customs authority shall grant repayment or remission when:

- (a) the request is accompanied with a certificate of origin, a movement certificate, a certificate of authenticity, an internal Community transit document or with any other appropriate document, indicating that the imported goods were eligible, at the time of acceptance of the declaration for free circulation, for Community treatment, preferential tariff treatment or favourable tariff treatment by reason of the nature of goods;
- (b) the document thus produced refers specifically to the goods in question;
- (c) all the conditions relating to acceptance of the said document are fulfilled;

(d) all the other conditions for the granting of the Community treatment, a preferential tariff treatment or of a favourable tariff treatment by reason of the nature of goods are fulfilled.'

(26) Article 900 is amended as follows:

(a) Paragraph 2 is replaced by the following:

'2. Repayment or remission of import duties in the cases referred to in paragraph 1(c) and (f) to (n) shall, except where the goods are destroyed by order of a public authority or delivered free of charge to charities carrying out their activities in the Community, be conditional upon their re-export from the customs territory of the Community under the supervision of the customs authorities.

If requested, the decision-making authority shall permit re-export of the goods to be replaced by their destruction or by placing them under the external Community transit procedure, under the customs warehousing arrangements, or in a free zone or free warehouse.

Goods to be assigned one of these treatments shall be considered to be non-Community goods.

In this case, the customs authorities shall take all requisite measures to ensure that the goods placed in a customs warehouse, in a free zone or in a free warehouse may later be recognised as non-Community goods.'

(b) Paragraph 3 is deleted.

(27) Annex 14 is replaced by the text set out in Annex I to this Regulation.

(28) Annex 15 is replaced by the text set out in Annex II to this Regulation.

(29) Annex 25 is replaced by the text set out in Annex III to this Regulation.

(30) Annex 37a is amended in accordance with Annex IV to this Regulation.

(31) Annex 38 is amended in accordance with Annex V to this Regulation.

(32) Annex 44a is amended in accordance with Annex VI to this Regulation.

(33) Annex 45a is amended in accordance with Annex VII to this Regulation.

(34) Annex 67 is amended in accordance with Annex VIII to this Regulation.

(35) Annex 70 is amended in accordance with Annex IX to this Regulation.

(36) Annex 76 is amended in accordance with Annex X to this Regulation.

Article 2

The Commission shall, before 1 July 2004, evaluate the degree of implementation of the computerised transit system by traders. That evaluation shall be based on a report drawn up from information contributed by the Member States.

Article 3

1. This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.
of 21 May 2003

Done at Brussels, 21 May 2003.

For the Commission
Frédéric BOLKESTEIN
Member of the Commission

2. Points (2) and (3) of Article 1 shall apply from 1 June 2003.

Proofs of origin issued in accordance with the provisions applicable before 1 June 2003 shall continue to be accepted after that date within the limits of their validity.

3. Points (10), (11), (30), (32) and (33) of Article 1 shall apply from 1 January 2005.

However, on the basis of the evaluation provided for in Article 2, that date may be deferred by decision adopted in accordance with the committee procedure.

4. Points (12) to (21) of Article 1 shall apply from 1 September 2003.

5. Point (29) of Article 1 shall apply from 1 May 2004.

ANNEX I

'ANNEX 14

INTRODUCTORY NOTES TO THE LIST IN ANNEX 15

Note 1:

The list sets out the conditions required for all products to be considered as sufficiently worked or processed within the meaning of Articles 69 and 100.

Note 2:

- 2.1. The first two columns in the list describe the product obtained. The first column gives the heading number or chapter number used in the Harmonised System and the second column gives the description of goods used in that system for that heading or chapter. For each entry in the first two columns, a rule is specified in column 3 or 4. Where, in some cases, the entry in the first column is preceded by an "ex", this signifies that the rules in column 3 or 4 apply only to the part of that heading as described in column 2.
- 2.2. Where several heading numbers are grouped together in column 1 or a chapter number is given and the description of products in column 2 is therefore given in general terms, the adjacent rules in column 3 or 4 apply to all products which, under the Harmonised System, are classified in headings of the chapter or in any of the headings grouped together in column 1.
- 2.3. Where there are different rules in the list applying to different products within a heading, each indent contains the description of that part of the heading covered by the adjacent rules in column 3 or 4.
- 2.4. Where, for an entry in the first two columns, a rule is specified in both columns 3 and 4, the exporter may opt, as an alternative, to apply either the rule set out in column 3 or that set out in column 4. If no origin rule is given in column 4, the rule set out in column 3 is to be applied.

Note 3:

- 3.1. The provisions of Articles 69 and 100, concerning products having acquired originating status which are used in the manufacture of other products, shall apply, regardless of whether this status has been acquired inside the factory where these products are used or in another factory in the beneficiary country or republic or in the Community.

Example:

An engine of heading 8407, for which the rule states that the value of the non originating materials which may be incorporated may not exceed 40 % of the ex works price, is made from "other alloy steel roughly shaped by forging" of heading ex 7224.

If this forging has been forged in the beneficiary country or republic from a non originating ingot, it has already acquired originating status by virtue of the rule for heading ex 7224 in the list. The forging can then count as originating in the value-calculation for the engine, regardless of whether it was produced in the same factory or in another factory in the beneficiary country or republic. The value of the non-originating ingot is thus not taken into account when adding up the value of the non-originating materials used.

- 3.2. The rule in the list represents the minimum amount of working or processing required, and the carrying-out of more working or processing also confers originating status; conversely, the carrying-out of less working or processing cannot confer originating status. Thus, if a rule provides that non-originating material, at a certain level of manufacture, may be used, the use of such material at an earlier stage of manufacture is allowed, and the use of such material at a later stage is not.

- 3.3. Without prejudice to Note 3.2, where a rule uses the expression "Manufacture from materials of any heading", then materials of any heading(s) (even materials of the same description and heading as the product) may be used, subject, however, to any specific limitations which may also be contained in the rule.

However, the expression "Manufacture from materials of any heading, including other materials of heading ..." or "Manufacture from materials of any heading, including other materials of the same heading as the product" means that materials of any heading(s) may be used, except those of the same description as the product as given in column 2 of the list.

- 3.4. When a rule in the list specifies that a product may be manufactured from more than one material, this means that one or more materials may be used. It does not require that all be used.

Example:

The rule for fabrics of headings 5208 to 5212 provides that natural fibres may be used and that chemical materials, among other materials, may also be used. This does not mean that both have to be used; it is possible to use one or the other, or both.

- 3.5. Where a rule in the list specifies that a product must be manufactured from a particular material, the condition obviously does not prevent the use of other materials which, because of their inherent nature, cannot satisfy the rule. (See also Note 6.2 below in relation to textiles.)

Example:

The rule for prepared foods of heading 1904, which specifically excludes the use of cereals and their derivatives, does not prevent the use of mineral salts, chemicals and other additives which are not products from cereals.

However, this does not apply to products which, although they cannot be manufactured from the particular materials specified in the list, can be produced from a material of the same nature at an earlier stage of manufacture.

Example:

In the case of an article of apparel of ex Chapter 62 made from non-woven materials, if the use of only non-originating yarn is allowed for this class of article, it is not possible to start from non-woven cloth – even if non-woven cloths cannot normally be made from yarn. In such cases, the starting material would normally be at the stage before yarn – that is, the fibre stage.

- 3.6. Where, in a rule in the list, two percentages are given for the maximum value of non originating materials that can be used, then these percentages may not be added together. In other words, the maximum value of all the non-originating materials used may never exceed the higher of the percentages given. Furthermore, the individual percentages must not be exceeded, in relation to the particular materials to which they apply.

Note 4:

- 4.1. The term "natural fibres" is used in the list to refer to fibres other than artificial or synthetic fibres. It is restricted to the stages before spinning takes place, including waste, and, unless otherwise specified, includes fibres which have been carded, combed or otherwise processed, but not spun.
- 4.2. The term "natural fibres" includes horsehair of heading 0503, silk of headings 5002 and 5003, as well as wool-fibres and fine or coarse animal hair of headings 5101 to 5105, cotton fibres of headings 5201 to 5203, and other vegetable fibres of headings 5301 to 5305.

- 4.3. The terms "textile pulp", "chemical materials" and "paper-making materials" are used in the list to describe the materials, not classified in Chapters 50 to 63, which can be used to manufacture artificial, synthetic or paper fibres or yarns.
- 4.4. The term "man-made staple fibres" is used in the list to refer to synthetic or artificial filament tow, staple fibres or waste, of headings 5501 to 5507.

Note 5:

- 5.1. Where, for a given product in the list, reference is made to this Note, the conditions set out in column 3 shall not be applied to any basic textile materials used in the manufacture of this product and which, taken together, represent 10 % or less of the total weight of all the basic textile materials used. (See also Notes 5.3 and 5.4 below.)
- 5.2. However, the tolerance mentioned in Note 5.1 may be applied only to mixed products which have been made from two or more basic textile materials.

The following are the basic textile materials:

- silk;
- wool;
- coarse animal hair;
- fine animal hair;
- horsehair;
- cotton;
- paper-making materials and paper;
- flax;
- true hemp;
- jute and other textile bast fibres;
- sisal and other textile fibres of the genus Agave;
- coconut, abaca, ramie and other vegetable textile fibres;
- synthetic man-made filaments;
- artificial man-made filaments;
- current-conducting filaments;
- synthetic man-made staple fibres of polypropylene;
- synthetic man-made staple fibres of polyester;
- synthetic man-made staple fibres of polyamide;

- synthetic man-made staple fibres of polyacrylonitrile;
- synthetic man-made staple fibres of polyimide;
- synthetic man-made staple fibres of polytetrafluoroethylene;
- synthetic man-made staple fibres of poly(phenylene sulphide);
- synthetic man-made staple fibres of poly(vinyl chloride);
- other synthetic man-made staple fibres;
- artificial man-made staple fibres of viscose;
- other artificial man-made staple fibres;
- yarn made of polyurethane segmented with flexible segments of polyether, whether or not gimped;
- yarn made of polyurethane segmented with flexible segments of polyester, whether or not gimped;
- products of heading 5605 (metallised yarn) incorporating strip consisting of a core of aluminium foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of a transparent or coloured adhesive between two layers of plastic film;
- other products of heading 5605.

Example:

A yarn, of heading 5205, made from cotton fibres of heading 5203 and synthetic staple fibres of heading 5506, is a mixed yarn. Therefore, non-originating synthetic staple fibres which do not satisfy the origin-rules (which require manufacture from chemical materials or textile pulp) may be used, provided that their total weight does not exceed 10 % of the weight of the yarn.

Example:

A woollen fabric, of heading 5112, made from woollen yarn of heading 5107 and synthetic yarn of staple fibres of heading 5509, is a mixed fabric. Therefore, synthetic yarn which does not satisfy the origin-rules (which require manufacture from chemical materials or textile pulp), or woollen yarn which does not satisfy the origin-rules (which require manufacture from natural fibres, not carded or combed or otherwise prepared for spinning), or a combination of the two, may be used, provided that their total weight does not exceed 10 % of the weight of the fabric.

Example:

Tufted textile fabric, of heading 5802, made from cotton yarn of heading 5205 and cotton fabric of heading 5210, is a only mixed product if the cotton fabric is itself a mixed fabric made from yarns classified in two separate headings, or if the cotton yarns used are themselves mixtures.

Example:

If the tufted textile fabric concerned had been made from cotton yarn of heading 5205 and synthetic fabric of heading 5407, then, obviously, the yarns used are two separate basic textile materials and the tufted textile fabric is, accordingly, a mixed product.

- 5.3. In the case of products incorporating "yarn made of polyurethane segmented with flexible segments of polyether, whether or not gimped", this tolerance is 20 % in respect of this yarn.

- 5.4. In the case of products incorporating "strip consisting of a core of aluminium foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of a transparent or coloured adhesive between two layers of plastic film", this tolerance is 30 % in respect of this strip.

Note 6:

- 6.1. Where, in the list, reference is made to this Note, textile materials (with the exception of linings and interlinings), which do not satisfy the rule set out in the list in column 3 for the made-up product concerned, may be used, provided that they are classified in a heading other than that of the product and that their value does not exceed 8 % of the ex-works price of the product.
- 6.2. Without prejudice to Note 6.3, materials, which are not classified within Chapters 50 to 63, may be used freely in the manufacture of textile products, whether or not they contain textiles.

Example:

If a rule in the list provides that, for a particular textile item (such as trousers), yarn must be used, this does not prevent the use of metal items, such as buttons, because buttons are not classified within Chapters 50 to 63. For the same reason, it does not prevent the use of slide-fasteners, even though slide-fasteners normally contain textiles.

- 6.3. Where a percentage-rule applies, the value of materials which are not classified within Chapters 50 to 63 must be taken into account when calculating the value of the non-originating materials incorporated.

Note 7:

- 7.1. For the purposes of headings 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 ⁽¹⁾;
 - (c) cracking;
 - (d) reforming;
 - (e) extraction by means of selective solvents;
 - (f) the process comprising all of the following operations: processing with concentrated sulphuric acid, oleum or sulphuric anhydride; neutralisation with alkaline agents; decolourisation and purification with naturally-active earth, activated earth, activated charcoal or bauxite;
 - (g) polymerisation;
 - (h) alkylation;
 - (i) isomerisation.

⁽¹⁾ See additional explanatory Note 4(b) to Chapter 27 of the Combined Nomenclature.

- 7.2. For the purposes of headings 2710, 2711 and 2712, the "specific processes" are the following:
- (a) vacuum-distillation;
 - (b) redistillation by a very thorough fractionation-process ⁽¹⁾;
 - (c) cracking;
 - (d) reforming;
 - (e) extraction by means of selective solvents;
 - (f) the process comprising all of the following operations: processing with concentrated sulphuric acid, oleum or sulphuric anhydride; neutralisation with alkaline agents; decolourisation and purification with naturally-active earth, activated earth, activated charcoal or bauxite;
 - (g) polymerisation;
 - (h) alkylation;
 - (ij) isomerisation;
 - (k) in respect of heavy oils of heading ex 2710 only, desulphurisation with hydrogen, resulting in a reduction of at least 85 % of the sulphur-content of the products processed (ASTM D 1266-59 T method);
 - (l) in respect of products of heading 2710 only, deparaffining by a process other than filtering;
 - (m) in respect of heavy oils of heading 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 desulphurisation, when the hydrogen constitutes an active element in a chemical reaction. The further treatment, with hydrogen, of lubricating oils of heading ex 2710 (e.g. hydrofinishing or decolourisation), 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 of heading ex 2710 only, atmospheric distillation, on condition that less than 30 % 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 of heading ex 2710 only, treatment by means of a high-frequency electrical brush-discharge.
 - (p) in respect of crude products (other than petroleum jelly, ozokerite, lignite wax or peat wax, paraffin wax containing by weight less than 0,75 % of oil) of heading ex 2712 only, de-oiling by fractional crystallisation.
- 7.3. For the purposes of headings 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, or any combination of these operations or like operations, do not confer origin.'

⁽¹⁾ See additional explanatory Note 4(b) to Chapter 27 of the Combined Nomenclature.

ANNEX II

'ANNEX 15

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	Description of product	Working or processing, carried out on non-originating materials, which confers originating status	
(1)	(2)	(3) or (4)	
Chapter 1	Live animals	All the animals of Chapter 1 shall be wholly obtained	
Chapter 2	Meat and edible meat offal	Manufacture in which all the materials of Chapters 1 and 2 used are wholly obtained	
Chapter 3	Fish and crustaceans, molluscs and other aquatic invertebrates	Manufacture in which all the materials of Chapter 3 used are wholly obtained	
ex Chapter 4	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 are 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: <ul style="list-style-type: none"> – all the materials of Chapter 4 used are wholly obtained, – all the fruit juice (except that of pineapple, lime or grapefruit) of heading 2009 used is originating, and – the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product 	
ex Chapter 5	Products of animal origin, not elsewhere specified or included; except for:	Manufacture in which all the materials of Chapter 5 used are wholly obtained	
ex 0502	Prepared pigs', hogs' or boars' bristles and hair	Cleaning, disinfecting, sorting and straightening of bristles and hair	
Chapter 6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	Manufacture in which: <ul style="list-style-type: none"> – all the materials of Chapter 6 used are wholly obtained, and – the value of all the materials used does not exceed 50 % of the ex-works price of the product 	

(1)	(2)	(3) or (4)	
Chapter 7	Edible vegetables and certain roots and tubers	Manufacture in which all the materials of Chapter 7 used are wholly obtained	
Chapter 8	Edible fruit and nuts; peel of citrus fruits or melons	Manufacture in which: <ul style="list-style-type: none"> – all the fruit and nuts used are wholly obtained, and – the value of all the materials of Chapter 17 used does not exceed 30 % of the value of the ex-works price of the product 	
ex Chapter 9	Coffee, tea, maté and spices; except for:	Manufacture in which all the materials of Chapter 9 used are 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 are 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 0714 or fruit used are wholly obtained	
ex 1106	Flour, meal and powder of the dried, shelled leguminous vegetables of heading 0713	Drying and milling of leguminous vegetables of heading 0708	
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 are wholly obtained	
1301	Lac; natural gums, resins, gum-resins and oleoresins (for example; balsams)	Manufacture in which the value of all the materials of heading 1301 used does not exceed 50 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
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 – Other	Manufacture from non-modified mucilages and thickeners 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 are wholly obtained	
ex Chapter 15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes; except for: 1501 Pig fat (including lard) and poultry fat, other than that of heading 0209 or 1503: – Fats from bones or waste – Other 1502 Fats of bovine animals, sheep or goats, other than those of heading 1503 – Fats from bones or waste – Other	Manufacture from materials of any heading, except that of the product Manufacture from materials of any heading, except those of heading 0203, 0206 or 0207 or bones of heading 0506 Manufacture from meat or edible offal of swine of heading 0203 or 0206 or of meat and edible offal of poultry of heading 0207 Manufacture from materials of any heading, except those of heading 0201, 0202, 0204 or 0206 or bones of heading 0506 Manufacture in which all the materials of Chapter 2 used are wholly obtained	

(1)	(2)	(3) or (4)	
1504	Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified: – Solid fractions – Other	Manufacture from materials of any heading, including other materials of heading 1504	
ex 1505	Refined lanolin	Manufacture from crude wool grease of heading 1505	
1506	Other animal fats and oils and their fractions, whether or not refined, but not chemically modified: – Solid fractions – Other	Manufacture from materials of any heading, including other materials of heading 1506	Manufacture in which all the materials of Chapter 2 used are 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 – Solid fractions, except for that of jojoba oil – Other	Manufacture from materials of any heading, except that of the product	Manufacture from other materials of headings 1507 to 1515
		Manufacture in which all the vegetable materials used are wholly obtained	
1516	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared	Manufacture in which: – all the materials of Chapter 2 used are wholly obtained, and – all the vegetable materials used are wholly obtained. However, materials of headings 1507, 1508, 1511 and 1513 may be used	

(1)	(2)	(3) or (4)	
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 1516	Manufacture in which: <ul style="list-style-type: none"> – all the materials of Chapters 2 and 4 used are wholly obtained, and – all the vegetable materials used are wholly obtained. However, materials of headings 1507, 1508, 1511 and 1513 may be used 	
Chapter 16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	Manufacture: <ul style="list-style-type: none"> – from animals of Chapter 1, and/or – in which all the materials of Chapter 3 used are wholly obtained 	
ex Chapter 17	Sugars and sugar confectionery; except for:	Manufacture from materials of any heading, except that of the product	
ex 1701	Cane or beet sugar and chemically pure sucrose, in solid form, containing added flavouring or colouring matter	Manufacture in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product	
1702	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: <ul style="list-style-type: none"> – Chemically-pure maltose and fructose – Other sugars in solid form, containing added flavouring or colouring matter – Other 	Manufacture from materials of any heading, including other materials of heading 1702 Manufacture in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product Manufacture in which all the materials used are originating	
ex 1703	Molasses resulting from the extraction or refining of sugar, containing added flavouring or colouring matter	Manufacture in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex works price of the product	

(1)	(2)	(3) or (4)	
1704	Sugar confectionery (including white chocolate), not containing cocoa	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product 	
Chapter 18	Cocoa and cocoa preparations	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product 	
1901	Malt extract; food preparations of flour, groats, 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 headings 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: <ul style="list-style-type: none"> – Malt extract – Other 	Manufacture from cereals of Chapter 10 Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of the materials of each of Chapters 4 and 17 used does not exceed 30 % of the ex-works price of the product 	
1902	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: <ul style="list-style-type: none"> – Containing 20 % or less by weight of meat, meat offal, fish, crustaceans or molluscs 	Manufacture in which all the cereals and derivatives (except durum wheat and its derivatives) used are wholly obtained	

(1)	(2)	(3) or (4)
1902 (cont'd)	– Containing more than 20 % by weight of meat, meat offal, fish, crustaceans or molluscs	Manufacture in which: <ul style="list-style-type: none"> – all the cereals and their derivatives (except durum wheat and its derivatives) used are wholly obtained, and all the materials of Chapters 2 and 3 used are wholly obtained – all the materials of Chapters 2 and 3 used are wholly obtained
1903	Tapioca and substitutes therefor prepared from starch, in the form of flakes, grains, pearls, siftings or similar forms	Manufacture from materials of any heading, except potato starch of heading 1108
1904	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, groats and meal), pre-cooked or otherwise prepared, not elsewhere specified or included	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except those of heading 1806, – in which all the cereals and flour (except durum wheat and <i>Zea indurata</i> maize, and their derivatives) used are wholly obtained, and – in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product
1905	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	Manufacture from materials of any heading, except those of Chapter 11
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 are 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 from materials of any heading, except 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 from materials of any heading, except that of the product
2006	Vegetables, fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallised)	Manufacture in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
2007	Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, obtained by cooking, whether or not containing added sugar or other sweetening matter	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product 	
ex 2008	<ul style="list-style-type: none"> – Nuts, not containing added sugar or spirits – Peanut butter; mixtures based on cereals; palm hearts; maize (corn) – Other except for fruit and nuts cooked otherwise than by steaming or boiling in water, not containing added sugar, frozen 	Manufacture in which the value of all the originating nuts and oil seeds of headings 0801, 0802 and 1202 to 1207 used exceeds 60 % of the ex-works price of the product Manufacture from materials of any heading, except that of the product Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product 	
2009	Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product 	
ex Chapter 21	Miscellaneous edible preparations, except for:	Manufacture from materials of any heading, except that of the product	
2101	Extracts, essences and concentrates, of coffee, tea or maté and preparations with a basis of these products or with a basis of coffee, tea or maté; roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which all the chicory used is wholly obtained 	

(1)	(2)	(3) or (4)	
2103	<p>Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard:</p> <p>– Sauces and preparations therefor; mixed condiments and mixed seasonings</p> <p>– Mustard flour and meal and prepared mustard</p>	<p>Manufacture from materials of any heading, except that of the product. However, mustard flour or meal or prepared mustard may be used</p> <p>Manufacture from materials of any heading</p>	
ex 2104	Soups and broths and preparations therefor	Manufacture from materials of any heading, except prepared or preserved vegetables of headings 2002 to 2005	
2106	Food preparations not elsewhere specified or included	<p>Manufacture:</p> <p>– from materials of any heading, except that of the product, and</p> <p>– in which the value of the materials of each of Chapters 4 and 17 used does not exceed 30 % of the ex-works price of the product</p>	
ex Chapter 22	Beverages, spirits and vinegar; except for:	<p>Manufacture:</p> <p>– from materials of any heading, except that of the product, and</p> <p>– in which all the grapes or materials derived from grapes used are wholly obtained</p>	
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 2009	<p>Manufacture:</p> <p>– from materials of any heading, except that of the product,</p> <p>– in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product, and</p> <p>– in which all the fruit juice used (except that of pineapple, lime or grapefruit) is originating</p>	

(1)	(2)	(3) or (4)	
2207	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol or higher; ethyl alcohol and other spirits, denatured, of any strength	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except heading 2207 or 2208, and – in which all the grapes or materials derived from grapes used are wholly obtained or, if all the other materials used are already originating, arrack may be used up to a limit of 5 % by volume 	
2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other spirituous beverages	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except heading 2207 or 2208, and – in which all the grapes or materials derived from grapes used are wholly obtained or, if all the other materials used are already originating, arrack may be used up to a limit of 5 % by volume 	
ex Chapter 23	Residues and waste from the food industries; prepared animal fodder; except for:	Manufacture from materials of any heading, except 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 are 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 is 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 are wholly obtained	
2309	Preparations of a kind used in animal feeding	Manufacture in which: <ul style="list-style-type: none"> – all the cereals, sugar or molasses, meat or milk used are originating, and – all the materials of Chapter 3 used are wholly obtained 	

(1)	(2)	(3) or (4)
ex Chapter 24	Tobacco and manufactured tobacco substitutes; except for:	Manufacture in which all the materials of Chapter 24 used are 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 2401 used is originating
ex 2403	Smoking tobacco	Manufacture in which at least 70 % by weight of the unmanufactured tobacco or tobacco refuse of heading 2401 used is originating
ex Chapter 25	Salt; sulphur; earths and stone; plastering materials, lime and cement; except for:	Manufacture from materials of any heading, except that of the product
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 or 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 stone (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 from materials of any heading, except 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
ex 2524	Natural asbestos fibres	Manufacture from asbestos concentrate
ex 2525	Mica powder	Grinding of mica or mica waste

(1)	(2)	(3) or (4)	
ex 2530	Earth colours, calcined or powdered	Calcination or grinding of earth colours	
Chapter 26	Ores, slag and ash	Manufacture from materials of any heading, except that of the product	
ex Chapter 27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes; except for:	Manufacture from materials of any heading, except that of the product	
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	<p>Operations of refining and/or one or more specific process(es) ⁽¹⁾</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 of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product</p>	
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; waste oils	<p>Operations of refining and/or one or more specific process(es) ⁽²⁾</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 of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product</p>	
2711	Petroleum gases and other gaseous hydrocarbons	<p>Operations of refining and/or one or more specific process(es) ⁽²⁾</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 of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product</p>	

(1)	(2)	(3) or (4)	
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	Operations of refining and/or one or more specific process(es) ⁽²⁾ or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product	
2713	Petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous materials	Operations of refining and/or one or more specific process(es) ⁽¹⁾ or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product	
2714	Bitumen and asphalt, natural; bituminous or oil shale and tar sands; asphaltites and asphaltic rocks	Operations of refining and/or one or more specific process(es) ⁽¹⁾ or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product	
2715	Bituminous mixtures based on natural asphalt, on natural bitumen, on petroleum bitumen, on mineral tar or on mineral tar pitch (for example; bituminous mastics, cut-backs)	Operations of refining and/or one or more specific process(es) ⁽¹⁾ or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
ex Chapter 28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 2805	"Mischmetall"	Manufacture by electrolytic or thermal treatment in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
ex 2811	Sulphur trioxide	Manufacture from sulphur dioxide	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
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 2840	Sodium perborate	Manufacture from disodium tetraborate pentahydrate	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex Chapter 29	Organic chemicals; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 2901	Acyclic hydrocarbons for use as power or heating fuels	Operations of refining and/or one or more specific process(es) ⁽¹⁾ or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
ex 2902	Cyclanes and cyclenes (other than azulenes), benzene, toluene, xylenes, for use as power or heating fuels	<p>Operations of refining and/or one or more specific process(es) ⁽¹⁾</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 of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product</p>	
ex 2905	Metal alcoholates of alcohols of this heading and of ethanol	Manufacture from materials of any heading, including other materials of heading 2905. However, metal alcoholates of this heading may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % 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 2915 and 2916 used shall not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 2932	– Internal ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives	Manufacture from materials of any heading. However, the value of all the materials of heading 2909 used shall not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
	– Cyclic acetals and internal hemiacetals and their halogenated, sulphonated, nitrated or nitrosated derivatives	Manufacture from materials of any heading	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
2933	Heterocyclic compounds with nitrogen hetero-atom(s) only	Manufacture from materials of any heading. However, the value of all the materials of headings 2932 and 2933 used shall not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
2934	Nucleic acids and their salts, whether or not chemically defined; other heterocyclic compounds	Manufacture from materials of any heading. However, the value of all the materials of headings 2932, 2933 and 2934 used shall not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 2939	Concentrates of poppy straw containing not less than 50 % by weight of alkaloids	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
ex Chapter 30	Pharmaceutical products; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	
3002	<p>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:</p> <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, blood globulins and serum globulins</p>	<p>Manufacture from materials of any heading, including other materials of heading 3002. However, materials of the same description as the product may be used, provided that their total 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 3002. However, materials of the same description as the product may be used, provided that their total 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 3002. However, materials of the same description as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product</p>	

(1)	(2)	(3) or (4)	
3002 (cont'd)	<p>-- Haemoglobin, blood globulins and serum globulins</p> <p>-- Other</p>	<p>Manufacture from materials of any heading, including other materials of heading 3002. However, materials of the same description as the product may be used, provided that their total 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 3002. However, materials of the same description as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product</p>	
3003 and 3004	<p>Medicaments (excluding goods of heading 3002, 3005 or 3006):</p> <p>- Obtained from amikacin of heading 2941</p> <p>- Other</p>	<p>Manufacture from materials of any heading, except that of the product. However, materials of headings 3003 and 3004 may be used, provided that their total value does not exceed 20 % of the ex-works price of the product</p> <p>Manufacture:</p> <p>- from materials of any heading, except that of the product. However, materials of headings 3003 and 3004 may be used, provided that their total value does not exceed 20 % of the ex-works price of the product, and</p> <p>- in which the value of all the materials used does not exceed 50 % of the ex-works price of the product</p>	
ex 3006	Waste pharmaceuticals specified in note 4(k) to Chapter 30	The origin of the product in its original classification shall be retained	
ex Chapter 31	Fertilizers; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
ex 3105	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorous 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: <ul style="list-style-type: none"> – sodium nitrate – calcium cyanamide – potassium sulphate – magnesium potassium sulphate 	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
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:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 3201	Tannins and their salts, ethers, esters and other derivatives	Manufacture from tanning extracts of vegetable origin	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
3205	Colour lakes; preparations as specified in note 3 to this Chapter based on colour lakes ⁽³⁾	Manufacture from materials of any heading, except headings 3203, 3204 and 3205. However, materials of heading 3205 may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex Chapter 33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
3301	Essential oils (terpeneless or not), including concretes and absolutes; resinoids; extracted oleoresins; 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' ⁽⁴⁾ in this heading. However, materials of the same group as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
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:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 3403	Lubricating preparations containing less than 70 % by weight of petroleum oils or oils obtained from bituminous minerals	Operations of refining and/or one or more specific process(es) ⁽¹⁾ or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product	
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 from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total 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 1516, – fatty acids not chemically defined or industrial fatty alcohols having the character of waxes of heading 3823, and – materials of heading 3404 However, these materials may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
ex Chapter 35	<p>Albuminoidal substances; modified starches; glues; enzymes; except for:</p> <p>3505 Dextrins and other modified starches (for example, pregelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches:</p> <p>– Starch ethers and esters</p> <p>– Other</p>	<p>Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total 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 3505</p> <p>Manufacture from materials of any heading, except those of heading 1108</p>	<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 40 % of the ex-works price of the product</p> <p>Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product</p>
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 from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex Chapter 37	Photographic or cinematographic goods; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
3701	<p>Photographic plates and film in the flat, sensitised, unexposed, of any material other than paper, paperboard or textiles; instant print film in the flat, sensitised, unexposed, whether or not in packs:</p> <p>– Instant print film for colour photography, in packs</p> <p>– Other</p>	<p>Manufacture from materials of any heading, except those of headings 3701 and 3702. However, materials of heading 3702 may be used, provided that their total value does not exceed 30 % of the ex-works price of the product</p> <p>Manufacture from materials of any heading, except those of headings 3701 and 3702. However, materials of headings 3701 and 3702 may be used, provided that their total value does not exceed 20 % of the ex-works price of the product</p>	<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 40 % of the ex-works price of the product</p>
3702	Photographic film in rolls, sensitised, unexposed, of any material other than paper, paperboard or textiles; instant print film in rolls, sensitised, unexposed	Manufacture from materials of any heading, except those of headings 3701 and 3702	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
3704	Photographic plates, film paper, paperboard and textiles, exposed but not developed	Manufacture from materials of any heading, except those of headings 3701 to 3704	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex Chapter 38	Miscellaneous chemical products; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 3801	<p>– Colloidal graphite in suspension in oil and semi-colloidal graphite; carbonaceous pastes for electrodes</p> <p>– Graphite in paste form, being a mixture of more than 30 % by weight of graphite with mineral oils</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> <p>Manufacture in which the value of all the materials of heading 3403 used does not exceed 20 % of the ex-works price of the product</p>	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 3803	Refined tall oil	Refining of crude tall oil	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
ex 3805	Spirits of sulphate turpentine, purified	Purification by distillation or refining of raw spirits of sulphate turpentine	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 3806	Ester gums	Manufacture from resin acids	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 3807	Wood pitch (wood tar pitch)	Distillation of wood tar	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
3808	Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products and plant-growth regulators, disinfectants and similar products, put up in forms or packings for retail sale or as preparations or articles (for example, sulphur-treated bands, wicks and candles, and fly-papers)	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
3809	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries, 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	
3810	Pickling preparations for metal surfaces; fluxes and other auxiliary preparations for soldering, brazing or welding; soldering, brazing or welding powders and pastes consisting of metal and other materials; preparations of a kind used as cores or coatings for welding electrodes or rods	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
3811	Anti-knock preparations, oxidation inhibitors, gum inhibitors, viscosity improvers, anti-corrosive preparations and other prepared additives, for mineral oils (including gasoline) or for other liquids used for the same purposes as mineral oils:		
	– 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 3811 used does not exceed 50 % of the ex-works price of the product	
	– Other	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
3812	Prepared rubber accelerators; compound plasticisers for rubber or plastics, not elsewhere specified or included; anti-oxidising preparations and other compound stabilisers for 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	
3813	Preparations and charges for fire-extinguishers; charged fire-extinguishing grenades	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
3814	Organic composite solvents and thinners, not elsewhere specified or included; prepared paint or varnish removers	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
3818	Chemical elements doped for use in electronics, in the form of discs, wafers or similar forms; chemical compounds doped for use in electronics	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
3819	Hydraulic brake fluids and other prepared liquids for hydraulic transmission, not containing or containing less than 70 % by weight of petroleum oils or oils obtained from bituminous minerals	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
3820	Anti-freezing preparations and prepared de-icing fluids	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
3822	Diagnostic or laboratory reagents on a backing, prepared diagnostic or laboratory reagents whether or not on a backing, other than those of heading 3002 or 3006; certified reference materials	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
3823	Industrial monocarboxylic fatty acids; acid oils from refining; industrial fatty alcohols:		
	– Industrial monocarboxylic fatty acids, acid oils from refining	Manufacture from materials of any heading, except that of the product	
	– Industrial fatty alcohols	Manufacture from materials of any heading, including other materials of heading 3823	

(1)	(2)	(3) or (4)	
3824	<p>Prepared binders for foundry moulds or cores; chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included:</p> <p>– The following of this heading:</p> <p>-- Prepared binders for foundry moulds or cores based on natural resinous products</p> <p>-- Naphthenic acids, their water-insoluble salts and their esters</p> <p>-- Sorbitol other than that of heading 2905</p> <p>-- 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</p> <p>-- Ion exchangers</p> <p>-- Getters for vacuum tubes</p> <p>-- Alkaline iron oxide for the purification of gas</p> <p>-- Ammoniacal gas liquors and spent oxide produced in coal gas purification</p> <p>-- Sulphonaphthenic acids, their water-insoluble salts and their esters</p> <p>-- Fusel oil and Dippel's oil</p> <p>-- Mixtures of salts having different anions</p> <p>-- Copying pastes with a basis of gelatin, whether or not on a paper or textile backing</p> <p>– Other</p>	<p>Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % 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>	<p>Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product</p>

(1)	(2)	(3) or (4)	
3901 to 3915	<p>Plastics in primary forms, waste, parings and scrap, of plastic; except for headings ex 3907 and 3912 for which the rules are set out below:</p> <p>– Addition homopolymerisation products in which a single monomer contributes more than 99 % by weight to the total polymer content</p> <p>– Other</p>	<p>Manufacture in which:</p> <p>– the value of all the materials used does not exceed 50 % of the ex-works price of the product, and</p> <p>– within the above limit, the value of all the materials of Chapter 39 used does not exceed 20 % of the ex-works price of the product ⁽⁵⁾</p> <p>Manufacture in which the value of all the materials of Chapter 39 used does not exceed 20 % of the ex-works price of the product ⁽⁵⁾</p>	<p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p> <p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p>
ex 3907	<p>– Copolymer, made from polycarbonate and acrylonitrile-butadiene-styrene copolymer (ABS)</p> <p>– Polyester</p>	<p>Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product ⁽⁵⁾</p> <p>Manufacture in which the value of all the materials of Chapter 39 used does not exceed 20 % of the ex works price of the product and/or manufacture from polycarbonate of tetrabromo-(bisphenol A)</p>	
3912	Cellulose and its chemical derivatives, not elsewhere specified or included, in primary forms	Manufacture in which the value of all the materials of the same heading as the product used does not exceed 20 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
3916 to 3921	<p>Semi-manufactures and articles of plastics; except for headings ex 3916, ex 3917, ex 3920 and ex 3921, for which the rules are set out below:</p> <p>– Flat products, further worked than only surface-worked or cut into forms other than rectangular (including square); other products, further worked than only surface-worked</p> <p>– Other:</p> <p>-- Addition homopolymerisation products in which a single monomer contributes more than 99 % by weight to the total polymer content</p> <p>-- Other</p>	<p>Manufacture in which the value of all the materials of Chapter 39 used does not exceed 50 % of the ex-works price of the product</p> <p>Manufacture in which:</p> <p>– the value of all the materials used does not exceed 50 % of the ex-works price of the product, and</p> <p>– within the above limit, the value of all the materials of Chapter 39 used does not exceed 20 % of the ex-works price of the product ⁽²⁾</p> <p>Manufacture in which the value of all the materials of Chapter 39 used does not exceed 20 % of the ex-works price of the product ⁽²⁾</p>	<p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p> <p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p> <p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p>
ex 3916 and ex 3917	Profile shapes and tubes	<p>Manufacture in which:</p> <p>– the value of all the materials used does not exceed 50 % of the ex-works price of the product, and</p> <p>– within the above limit, the value of all the materials of the same heading as the product used does not exceed 20 % of the ex-works price of the product</p>	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
ex 3920	<p>– Ionomer sheet or film</p> <p>– Sheets of regenerated cellulose, polyamides or polyethylene</p>	<p>Manufacture from a thermoplastic partial salt which is a copolymer of ethylene and metacrylic acid partly neutralised with metal ions, mainly zinc and sodium</p> <p>Manufacture in which the value of all the materials of the same heading as the product used does not exceed 20 % of the ex-works price of the product</p>	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
ex 3921	Foil of plastic, metallised	Manufacture from highly-transparent polyester-foils with a thickness of less than 23 micron ⁽⁶⁾	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
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 Chapter 40	Rubber and articles thereof; except for:	Manufacture from materials of any heading, except that of the product	
ex 4001	Laminated slabs of crepe rubber for shoes	Lamination of sheets of natural rubber	
4005	Compounded rubber, unvulcanised, 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, tyre treads and tyre flaps, of rubber:		
	– Retreaded pneumatic, solid or cushion tyres, of rubber	Retreading of used tyres	
	– Other	Manufacture from materials of any heading, except those of headings 4011 and 4012	
ex 4017	Articles of hard rubber	Manufacture from hard rubber	
ex Chapter 41	Raw hides and skins (other than furskins) and leather; except for:	Manufacture from materials of any heading, except that of the product	
ex 4102	Raw skins of sheep or lambs, without wool on	Removal of wool from sheep or lamb skins, with wool on	
4104 to 4106	Tanned or crust hides and skins, without wool or hair on, whether or not split, but not further prepared	Retanning of tanned leather or Manufacture from materials of any heading, except that of the product	
4107, 4112 and 4113	Leather further prepared after tanning or crusting, including parchment-dressed leather, without wool or hair on, whether or not split, other than leather of heading 4114	Manufacture from materials of any heading, except headings 4104 to 4113	

(1)	(2)	(3) or (4)	
ex 4114	Patent leather and patent laminated leather; metallised leather	Manufacture from materials of headings 4104 to 4106, 4107, 4112 or 4113, provided that their total value does not exceed 50 % of the ex-works price of the product	
Chapter 42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk worm gut)	Manufacture from materials of any heading, except that of the product	
ex Chapter 43	Furskins and artificial fur; manufactures thereof; except for:	Manufacture from materials of any heading, except that 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 furskin	Manufacture from non-assembled tanned or dressed furskins of heading 4302	
ex Chapter 44	Wood and articles of wood; wood charcoal; except for:	Manufacture from materials of any heading, except that of the product	
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 end-jointed	Planing, sanding or end-jointing	
ex 4408	Sheets for veneering (including those obtained by slicing laminated wood) and 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 end-jointed	Splicing, planing, sanding or end-jointing	

(1)	(2)	(3) or (4)	
ex 4409	Wood continuously shaped along any of its edges, ends or faces, whether or not planed, sanded or end-jointed: – Sanded or end-jointed – Beadings and mouldings	Sanding or end-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 cooper's 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 from materials of any heading, except 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 4409	
ex Chapter 45	Cork and articles of cork; except for:	Manufacture from materials of any heading, except that of the product	
4503	Articles of natural cork	Manufacture from cork of heading 4501	
Chapter 46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	Manufacture from materials of any heading, except that of the product	

(1)	(2)	(3) or (4)	
Chapter 47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	Manufacture from materials of any heading, except that of the product	
ex Chapter 48	Paper and paperboard; articles of paper pulp, of paper or of paperboard; except for:	Manufacture from materials of any heading, except that of the product	
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 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	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which 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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which 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	

(1)	(2)	(3) or (4)	
ex Chapter 49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans; except for:	Manufacture from materials of any heading, except that of the product	
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 of any heading, except those of headings 4909 and 4911	
4910	<p>Calendars of any kind, printed, including calendar blocks:</p> <p>– Calendars of the “perpetual” type or with replaceable blocks mounted on bases other than paper or paperboard</p> <p>– Other</p>	<p>Manufacture:</p> <p>– from materials of any heading, except that of the product, and</p> <p>– in which the value of all the materials used does not exceed 50 % of the ex-works price of the product</p> <p>Manufacture from materials of any heading, except those of headings 4909 and 4911</p>	
ex Chapter 50	Silk; except for:	Manufacture from materials of any heading, except that of the product	
ex 5003	Silk waste (including cocoons unsuitable for reeling, yarn waste and garnetted stock), carded or combed	Carding or combing of silk waste	
5004 to ex 5006	Silk yarn and yarn spun from silk waste	<p>Manufacture from (7):</p> <p>– raw silk or silk waste, carded or combed or otherwise prepared for spinning,</p> <p>– other natural fibres, not carded or combed or otherwise prepared for spinning,</p> <p>– chemical materials or textile pulp, or</p> <p>– paper-making materials</p>	

(1)	(2)	(3) or (4)	
5007	<p>Woven fabrics of silk or of silk waste:</p> <p>– Incorporating rubber thread</p> <p>– Other</p>	<p>Manufacture from single yarn (7)</p> <p>Manufacture from (7):</p> <ul style="list-style-type: none"> – coir yarn, – natural fibres, – man-made staple fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper <p>or</p> <p>Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product</p>	
ex Chapter 51 5106 to 5110	<p>Wool, fine or coarse animal hair; horsehair yarn and woven fabric; except for:</p> <p>Yarn of wool, of fine or coarse animal hair or of horsehair</p>	<p>Manufacture from materials of any heading, except that of the product</p> <p>Manufacture from (7):</p> <ul style="list-style-type: none"> – raw silk or silk waste, carded or combed or otherwise prepared for spinning, – natural fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper-making materials 	

(1)	(2)	(3) or (4)	
5111 to 5113	Woven fabrics of wool, of fine or coarse animal hair or of horsehair: – Incorporating rubber thread – Other	Manufacture from single yarn (7) Manufacture from (7): – coir yarn, – natural fibres, – man-made staple fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product	
ex Chapter 52 5204 to 5207	Cotton; except for: Yarn and thread of cotton	Manufacture from materials of any heading, except that of the product Manufacture from (7): – raw silk or silk waste, carded or combed or otherwise prepared for spinning, – natural fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper-making materials	

(1)	(2)	(3) or (4)	
5208 to 5212	<p>Woven fabrics of cotton:</p> <p>– Incorporating rubber thread</p> <p>– Other</p>	<p>Manufacture from single yarn (7)</p> <p>Manufacture from (7):</p> <ul style="list-style-type: none"> – coir yarn, – natural fibres, – man-made staple fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper <p>or</p> <p>Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product</p>	
ex Chapter 53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn; except for:	Manufacture from materials of any heading, except that of the product	
5306 to 5308	Yarn of other vegetable textile fibres; paper yarn	<p>Manufacture from (7):</p> <ul style="list-style-type: none"> – raw silk or silk waste, carded or combed or otherwise prepared for spinning, – natural fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper-making materials 	

(1)	(2)	(3) or (4)	
5309 to 5311	<p>Woven fabrics of other vegetable textile fibres; woven fabrics of paper yarn:</p> <p>– Incorporating rubber thread</p> <p>– Other</p>	<p>Manufacture from single yarn ⁽⁷⁾</p>	
5401 to 5406	Yarn, monofilament and thread of man-made filaments	<p>Manufacture from ⁽⁷⁾:</p> <ul style="list-style-type: none"> – raw silk or silk waste, carded or combed or otherwise prepared for spinning, – natural fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper-making materials 	<p>Manufacture from ⁽⁷⁾:</p> <ul style="list-style-type: none"> – coir yarn, – natural fibres, – man-made staple fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper <p>or</p> <p>Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product</p>

(1)	(2)	(3) or (4)	
5407 and 5408	Woven fabrics of man-made filament yarn: – Incorporating rubber thread – Other	Manufacture from single yarn (7) Manufacture from (7): – coir yarn, – natural fibres, – man-made staple fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product	
5501 to 5507	Man-made staple fibres	Manufacture from chemical materials or textile pulp	
5508 to 5511	Yarn and sewing thread of man-made staple fibres	Manufacture from (7): – raw silk or silk waste, carded or combed or otherwise prepared for spinning, – natural fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper-making materials	

(1)	(2)	(3) or (4)	
5512 to 5516	<p>Woven fabrics of man-made staple fibres:</p> <p>– Incorporating rubber thread</p> <p>– Other</p>	<p>Manufacture from single yarn ⁽⁷⁾</p> <p>Manufacture from ⁽⁷⁾:</p> <ul style="list-style-type: none"> – coir yarn, – natural fibres, – man-made staple fibres, not carded or combed or otherwise prepared for spinning, – chemical materials or textile pulp, or – paper <p>or</p> <p>Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling), provided that 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:	<p>Manufacture from ⁽⁷⁾:</p> <ul style="list-style-type: none"> – coir yarn, – natural fibres, – chemical materials or textile pulp, or – paper-making materials 	
5602	Felt, whether or not impregnated, coated, covered or laminated:		

(1)	(2)	(3) or (4)	
5605	Metallised yarn, whether or not gimped, being textile yarn, or strip or the like of heading 5404 or 5405, combined with metal in the form of thread, strip or powder or covered with metal	Manufacture from (7): – natural fibres, – man-made staple fibres, not carded or combed or otherwise processed for spinning, – chemical materials or textile pulp, or – paper-making materials	
5606	Gimped yarn, and strip and the like of heading 5404 or 5405, gimped (other than those of heading 5605 and gimped horsehair yarn); chenille yarn (including flock chenille yarn); loop wale-yarn	Manufacture from (7): – natural fibres, – man-made staple fibres, not carded or combed or otherwise processed for spinning, – chemical materials or textile pulp, or – paper-making materials	
Chapter 57	Carpets and other textile floor coverings: – Of needleloom felt	Manufacture from (7): – natural fibres, or – chemical materials or textile pulp However: – polypropylene filament of heading 5402, – polypropylene fibres of heading 5503 or 5506, or – polypropylene filament tow of heading 5501, of which the denomination in all cases of a single filament or fibre is less than 9 decitex, may be used, provided that their total value does not exceed 40 % of the ex-works price of the product Jute fabric may be used as a backing	

(1)	(2)	(3) or (4)	
5805	Hand-woven tapestries of the types Gobelins, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries (for example, petit point, cross stitch), whether or not made up	Manufacture from materials of any heading, except that of the product	
5810	Embroidery in the piece, in strips or in motifs	Manufacture: <ul style="list-style-type: none"> <li data-bbox="678 593 1061 645">– from materials of any heading, except that of the product, and <li data-bbox="678 678 1061 757">– 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	Manufacture from yarn	
	– Other	Manufacture from chemical materials or textile pulp	
5903	Textile fabrics impregnated, coated, covered or laminated with plastics, other than those of heading 5902	Manufacture from yarn or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, rasing, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
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 (7)	
5905	Textile wall coverings: – Impregnated, coated, covered or laminated with rubber, plastics or other materials – Other	Manufacture from yarn Manufacture from (7): – 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 two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product	
5906	Rubberised textile fabrics, other than those of heading 5902: – Knitted or crocheted fabrics	Manufacture from (7): – natural fibres, – man-made staple fibres, not carded or combed or otherwise processed for spinning, or – chemical materials or textile pulp	

(1)	(2)	(3) or (4)	
5906 (cont'd)	<p>– Other fabrics made of synthetic filament yarn, containing more than 90 % by weight of textile materials</p> <p>– Other</p>	<p>Manufacture from chemical materials</p> <p>Manufacture from yarn</p>	
5907	Textile fabrics otherwise impregnated, coated or covered; painted canvas being theatrical scenery, studio back-cloths or the like	<p>Manufacture from yarn</p> <p>or</p> <p>Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, rasing, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product</p>	
5908	<p>Textile wicks, woven, plaited or knitted, for lamps, stoves, lighters, candles or the like; incandescent gas mantles and tubular knitted gas mantle fabric therefor, whether or not impregnated:</p> <p>– Incandescent gas mantles, impregnated</p> <p>– Other</p>	<p>Manufacture from tubular knitted gas-mantle fabric</p> <p>Manufacture from materials of any heading, except that of the product</p>	
5909 to 5911	<p>Textile articles of a kind suitable for industrial use:</p> <p>– Polishing discs or rings other than of felt of heading 5911</p>	<p>Manufacture from yarn or waste fabrics or rags of heading 6310</p>	

(1)	(2)	(3) or (4)	
5909 to 5911 (cont'd)	<p>– Woven fabrics, of a kind commonly used in papermaking or other technical uses, felted or not, whether or not impregnated or coated, tubular or endless with single or multiple warp and/or weft, or flat woven with multiple warp and/or weft of heading 5911</p> <p>– Other</p>	<p>Manufacture from (7):</p> <ul style="list-style-type: none"> – coir yarn, – the following materials: <ul style="list-style-type: none"> – – yarn of polytetrafluoroethylene (8), – – yarn, multiple, of polyamide, coated impregnated or covered with a phenolic resin, – – yarn of synthetic textile fibres of aromatic polyamides, obtained by polycondensation of <i>m</i>-phenylenediamine and isophthalic acid, – – monofil of polytetrafluoroethylene (8), – – yarn of synthetic textile fibres of poly(<i>p</i>-phenylene terephthalamide), – – glass fibre yarn, coated with phenol resin and gimped with acrylic yarn (8), – – copolyester monofilaments of a polyester and a resin of terephthalic acid and 1,4 cyclohexanediethanol and isophthalic acid, – – natural fibres, – – man-made staple fibres not carded or combed or otherwise processed for spinning, or – – chemical materials or textile pulp 	<p>Manufacture from (7):</p> <ul style="list-style-type: none"> – coir yarn, – natural fibres, – man-made staple fibres, not carded or combed or otherwise processed for spinning, or – chemical materials or textile pulp

(1)	(2)	(3) or (4)	
Chapter 60	Knitted or crocheted fabrics	Manufacture from (7): – 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 (7) (9) Manufacture from (7): – 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:	Manufacture from yarn (7) (9)	
ex 6202, ex 6204, ex 6206, ex 6209 and ex 6211	Women's, girls' and babies' clothing and clothing accessories for babies, embroidered	Manufacture from yarn (9) or Manufacture from unembroidered fabric, provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product (9)	
ex 6210 and ex 6216	Fire-resistant equipment of fabric covered with foil of aluminised polyester	Manufacture from yarn (9) or Manufacture from uncoated fabric, provided that the value of the uncoated fabric used does not exceed 40 % of the ex-works price of the product (9)	

(1)	(2)	(3) or (4)	
6213 and 6214	<p>Handkerchiefs, shawls, scarves, mufflers, mantillas, veils and the like:</p> <p>– Embroidered</p> <p>– Other</p>	<p>Manufacture from unbleached single yarn ⁽⁷⁾ ⁽⁹⁾</p> <p>or</p> <p>Manufacture from unembroidered fabric, provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product ⁽⁹⁾</p> <p>Manufacture from unbleached single yarn ⁽⁷⁾ ⁽⁹⁾</p> <p>or</p> <p>Making up, followed by printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of all the unprinted goods of headings 6213 and 6214 used does not exceed 47,5 % of the ex-works price of the product</p>	
6217	<p>Other made up clothing accessories; parts of garments or of clothing accessories, other than those of heading 6212:</p> <p>– Embroidered</p> <p>– Fire-resistant equipment of fabric covered with foil of aluminised polyester</p>	<p>Manufacture from yarn ⁽⁹⁾</p> <p>or</p> <p>Manufacture from unembroidered fabric, provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product ⁽⁹⁾</p> <p>Manufacture from yarn ⁽⁹⁾</p> <p>or</p> <p>Manufacture from uncoated fabric, provided that the value of the uncoated fabric used does not exceed 40 % of the ex-works price of the product ⁽⁹⁾</p>	

(1)	(2)	(3) or (4)	
6217 (cont'd)	<p>– Interlinings for collars and cuffs, cut out</p> <p>– Other</p>	<p>Manufacture:</p> <p>– from materials of any heading, except that of the product, and</p> <p>– in which the value of all the materials used does not exceed 40 % of the ex-works price of the product</p> <p>Manufacture from yarn ⁽⁹⁾</p>	
ex Chapter 63	<p>Other made-up textile articles; sets; worn clothing and worn textile articles; rags; except for:</p> <p>6301 to 6304</p> <p>Blankets, travelling rugs, bed linen etc.; curtains etc.; other furnishing articles:</p> <p>– Of felt, of nonwovens</p> <p>– Other:</p> <p>– – Embroidered</p> <p>– – Other</p> <p>6305</p> <p>Sacks and bags, of a kind used for the packing of goods</p>	<p>Manufacture from materials of any heading, except that of the product</p> <p>Manufacture from ⁽⁷⁾:</p> <p>– natural fibres, or</p> <p>– chemical materials or textile pulp</p> <p>Manufacture from unbleached single yarn ⁽⁹⁾ ⁽¹⁰⁾</p> <p>or</p> <p>Manufacture from unembroidered fabric (other than knitted or crocheted), provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product</p> <p>Manufacture from unbleached single yarn ⁽⁹⁾ ⁽¹⁰⁾</p> <p>Manufacture from ⁽⁷⁾:</p> <p>– natural fibres,</p> <p>– man-made staple fibres, not carded or combed or otherwise processed for spinning, or</p> <p>– chemical materials or textile pulp</p>	

(1)	(2)	(3) or (4)	
6306	<p>Tarpaulins, awnings and sunblinds; tents; sails for boats, sailboards or landcraft; camping goods:</p> <p>– Of nonwovens</p> <p>– Other</p>	<p>Manufacture from ⁽⁷⁾ ⁽⁹⁾:</p> <p>– natural fibres, or</p> <p>– chemical materials or textile pulp</p> <p>Manufacture from unbleached single yarn ⁽⁷⁾ ⁽⁹⁾</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 that their total value does not exceed 15 % of the ex-works price of the set	
ex Chapter 64	Footwear, gaiters and the like; parts of such articles; except for:	Manufacture from materials of any heading, except from assemblies of uppers affixed to inner soles or to other sole components of heading 6406	
6406	Parts of footwear (including uppers whether or not attached to soles other than outer soles); removable in-soles, heel cushions and similar articles; gaiters, leggings and similar articles, and parts thereof	Manufacture from materials of any heading, except that of the product	
ex Chapter 65	Headgear and parts thereof; except for:	Manufacture from materials of any heading, except that of the product	
6503	Felt hats and other felt headgear, made from the hat bodies, hoods or plateaux of heading 6501, whether or not lined or trimmed	Manufacture from yarn or textile fibres ⁽⁹⁾	
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 ⁽⁹⁾	

(1)	(2)	(3) or (4)	
ex Chapter 66	Umbrellas, sun umbrellas, walking-sticks, seat-sticks, whips, riding-crops, and parts thereof; except for:	Manufacture from materials of any heading, except that of the product	
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	
Chapter 67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	Manufacture from materials of any heading, except that of the product	
ex Chapter 68	Articles of stone, plaster, cement, asbestos, mica or similar materials; except for:	Manufacture from materials of any heading, except that of the product	
ex 6803	Articles of slate or of agglomerated slate	Manufacture from worked slate	
ex 6812	Articles of asbestos; articles of mixtures with a basis of asbestos or of mixtures with a basis of asbestos and magnesium carbonate	Manufacture from materials of any heading	
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)	
Chapter 69	Ceramic products	Manufacture from materials of any heading, except that of the product	
ex Chapter 70	Glass and glassware; except for:	Manufacture from materials of any heading, except that of the product	
ex 7003, ex 7004 and ex 7005	Glass with a non-reflecting layer	Manufacture from materials of heading 7001	
7006	Glass of heading 7003, 7004 or 7005, bent, edge-worked, engraved, drilled, enamelled or otherwise worked, but not framed or fitted with other materials:	Manufacture from non-coated glass-plate substrate of heading 7006	
	– Glass-plate substrates, coated with a dielectric thin film, and of a semiconductor grade in accordance with SEMII-standards ⁽¹⁾	Manufacture from non-coated glass-plate substrate of heading 7006	
	– Other	Manufacture from materials of heading 7001	

(1)	(2)	(3) or (4)	
7007	Safety glass, consisting of toughened (tempered) or laminated glass	Manufacture from materials of heading 7001	
7008	Multiple-walled insulating units of glass	Manufacture from materials of heading 7001	
7009	Glass mirrors, whether or not framed, including rear-view mirrors	Manufacture from materials of heading 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	Manufacture from materials of any heading, except that of the producer or Cutting of glassware, provided that the total value of the uncut glassware used does not exceed 50 % of the ex-works price of the product	
7013	Glassware of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes (other than that of heading 7010 or 7018)	Manufacture from materials of any heading, except that of the product or Cutting of glassware, provided that the total value of the uncut glassware used does not exceed 50 % of the ex-works price of the product or Hand-decoration (except silk-screen printing) of hand-blown glassware, provided that the total value of the hand-blown glassware used does not exceed 50 % of the ex-works price of the product	
ex 7019	Articles (other than yarn) of glass fibres	Manufacture from: – uncoloured slivers, rovings, yarn or chopped strands, or – glass wool	
ex Chapter 71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin; except for:	Manufacture from materials of any heading, except that of the product	
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	

(1)	(2)	(3) or (4)
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 of any heading, except those of headings 7106, 7108 and 7110 or Electrolytic, thermal or chemical separation of precious metals of heading 7106, 7108 or 7110 or Alloying of precious metals of heading 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 from materials of any heading, except that of the product or Manufacture from base metal parts, not plated or covered with precious metals, provided that the value of all the materials used does not exceed 50 % of the ex-works price of the product
ex Chapter 72	Iron and steel; except for:	Manufacture from materials of any heading, except that of the product
7207	Semi-finished products of iron or non-alloy steel	Manufacture from materials of heading 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 7206

(1)	(2)	(3) or (4)	
7217	Wire of iron or non-alloy steel	Manufacture from semi-finished materials of heading 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 7218	
7223	Wire of stainless steel	Manufacture from semi-finished materials of heading 7218	
ex 7224, 7225 to 7228	Semi-finished products, flat-rolled products, hot-rolled bars and rods, in irregularly wound coils; 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 7206, 7218 or 7224	
7229	Wire of other alloy steel	Manufacture from semi-finished materials of heading 7224	
ex Chapter 73	Articles of iron or steel; except for:	Manufacture from materials of any heading, except that of the product	
ex 7301	Sheet piling	Manufacture from materials of heading 7206	
7302	Railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish-plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialised for jointing or fixing rails	Manufacture from materials of heading 7206	
7304, 7305 and 7306	Tubes, pipes and hollow profiles, of iron (other than cast iron) or steel	Manufacture from materials of heading 7206, 7207, 7218 or 7224	
ex 7307	Tube or pipe fittings of stainless steel (ISO No X5CrNiMo 1712), consisting of several parts	Turning, drilling, reaming, threading, deburring and sandblasting of forged blanks, provided that the total value of the forged blanks used does not exceed 35 % of the ex-works price of the product	
7308	Structures (excluding prefabricated buildings of heading 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 from materials of any heading, except that of the product. However, welded angles, shapes and sections of heading 7301 may not be used	

(1)	(2)	(3) or (4)	
ex 7315	Skid chain	Manufacture in which the value of all the materials of heading 7315 used does not exceed 50 % of the ex-works price of the product	
ex Chapter 74	Copper and articles thereof; except for:	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	
7401	Copper mattes; cement copper (precipitated copper)	Manufacture from materials of any heading, except that of the product	
7402	Unrefined copper; copper anodes for electrolytic refining	Manufacture from materials of any heading, except that of the product	
7403	Refined copper and copper alloys, unwrought:		
	– Refined copper	Manufacture from materials of any heading, except that of the product	
	– Copper alloys and refined copper containing other elements	Manufacture from refined copper, unwrought, or waste and scrap of copper	
7404	Copper waste and scrap	Manufacture from materials of any heading, except that of the product	
7405	Master alloys of copper	Manufacture from materials of any heading, except that of the product	
ex Chapter 75	Nickel and articles thereof; except for:	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	

(1)	(2)	(3) or (4)	
7501 to 7503	Nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy; unwrought nickel; nickel waste and scrap	Manufacture from materials of any heading, except that of the product	
ex Chapter 76	Aluminium and articles thereof; except for:	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	
7601	Unwrought aluminium	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product <p>or</p> <p>Manufacture by thermal or electrolytic treatment from unalloyed aluminium or waste and scrap of aluminium</p>	
7602	Aluminium waste or scrap	Manufacture from materials of any heading, except that of the product	
ex 7616	Aluminium articles other than gauze, cloth, grill, netting, fencing, reinforcing fabric and similar materials (including endless bands) of aluminium wire, and expanded metal of aluminium	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product. However, gauze, cloth, grill, netting, fencing, reinforcing fabric and similar materials (including endless bands) of aluminium wire, or expanded metal of aluminium may be used; and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	

(1)	(2)	(3) or (4)	
Chapter 77	Reserved for possible future use in the HS		
ex Chapter 78	Lead and articles thereof; except for:	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	
7801	<p>Unwrought lead:</p> <ul style="list-style-type: none"> – Refined lead – Other 	<p>Manufacture from “bullion” or “work” lead</p> <p>Manufacture from materials of any heading, except that of the product. However, waste and scrap of heading 7802 may not be used</p>	
7802	Lead waste and scrap	Manufacture from materials of any heading, except that of the product	
ex Chapter 79	Zinc and articles thereof; except for:	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	
7901	Unwrought zinc	Manufacture from materials of any heading, except that of the product. However, waste and scrap of heading 7902 may not be used	
7902	Zinc waste and scrap	Manufacture from materials of any heading, except that of the product	

(1)	(2)	(3) or (4)	
ex Chapter 80	Tin and articles thereof, except for:	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	
8001	Unwrought tin	Manufacture from materials of any heading, except that of the product. However, waste and scrap of heading 8002 may not be used	
8002 and 8007	Tin waste and scrap; other articles of tin	Manufacture from materials of any heading, except that of the product	
Chapter 81	<p>Other base metals; cermets; articles thereof:</p> <ul style="list-style-type: none"> – Other base metals, wrought; articles thereof – Other 	<p>Manufacture in which the value of all the materials of the same heading as the product used does not exceed 50 % of the ex-works price of the product</p> <p>Manufacture from materials of any heading, except that of the product</p>	
ex Chapter 82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal; except for:	Manufacture from materials of any heading, except that of the product	
8206	Tools of two or more of the headings 8202 to 8205, put up in sets for retail sale	Manufacture from materials of any heading, except those of headings 8202 to 8205. However, tools of headings 8202 to 8205 may be incorporated into the set, provided that their total value does not exceed 15 % of the ex-works price of the set	

(1)	(2)	(3) or (4)	
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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which 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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which 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 8208	Manufacture from materials of any heading, except 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 from materials of any heading, except 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 from materials of any heading, except that of the product. However, handles of base metal may be used	
ex Chapter 83	Miscellaneous articles of base metal; except for:	Manufacture from materials of any heading, except that of the product	

(1)	(2)	(3) or (4)	
ex 8302	Other mountings, fittings and similar articles suitable for buildings, and automatic door closers	Manufacture from materials of any heading, except that of the product. However, other materials of heading 8302 may be used, provided that their total value does not exceed 20 % of the ex-works price of the product	
ex 8306	Statuettes and other ornaments, of base metal	Manufacture from materials of any heading, except that of the product. However, other materials of heading 8306 may be used, provided that their total 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:	Manufacture: – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	
ex 8401	Nuclear fuel elements	Manufacture from materials of any heading, except that of the product ⁽¹²⁾	
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: – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	
8403 and ex 8404	Central heating boilers other than those of heading 8402 and auxiliary plant for central heating boilers	Manufacture from materials of any heading, except those of headings 8403 and 8404	
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	

(1)	(2)	(3) or (4)	
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 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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 25 % 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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
ex 8414	Industrial fans, blowers and the like	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
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	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
8418	Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 8415	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – in which the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
ex 8419	Machines for wood, paper pulp, paper and paperboard industries	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of the same heading as the product used does not exceed 25 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8420	Calendering or other rolling machines, other than for metals or glass, and cylinders therefor	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of the same heading as the product used does not exceed 25 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
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	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
8425 to 8428	Lifting, handling, loading or unloading machinery	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of heading 8431 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8429	Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers: – Road rollers – Other	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of heading 8431 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
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	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of heading 8431 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
ex 8431	Parts suitable for use solely or principally with road rollers	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
8439	Machinery for making pulp of fibrous cellulosic material or for making or finishing paper or paperboard	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of the same heading as the product used does not exceed 25 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8441	Other machinery for making up paper pulp, paper or paperboard, including cutting machines of all kinds	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of the same heading as the product used does not exceed 25 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
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 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	Sewing machines, other than book-sewing machines of heading 8440; furniture, bases and covers specially designed for sewing machines; sewing machine needles: <ul style="list-style-type: none"> – Sewing machines (lock stitch only) with heads of a weight not exceeding 16 kg without motor or 17 kg with motor 	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, – the value of all the non-originating materials used in assembling the head (without motor) does not exceed the value of all the originating materials used, and – the thread-tension, crochet and zigzag mechanisms used are originating 	

(1)	(2)	(3) or (4)	
8452 (cont'd)	– Other	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	
8456 to 8466	Machine-tools and machines and their parts and accessories of headings 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	
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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
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	

(1)	(2)	(3) or (4)	
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:	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8501	Electric motors and generators (excluding generating sets)	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of heading 8503 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8502	Electric generating sets and rotary converters	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of headings 8501 and 8503 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
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 8518	Microphones and stands therefor; loudspeakers, whether or not mounted in their enclosures; audio-frequency electric amplifiers; electric sound amplifier sets	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
8519	Turntables (record-decks), record-players, cassette-players and other sound reproducing apparatus, not incorporating a sound recording device	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8520	Magnetic tape recorders and other sound recording apparatus, whether or not incorporating a sound reproducing device	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8521	Video recording or reproducing apparatus, whether or not incorporating a video tuner	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8522	Parts and accessories suitable for use solely or principally with the apparatus of headings 8519 to 8521	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:		

(1)	(2)	(3) or (4)	
8524 (cont'd)	<p>– Matrices and masters for the production of records</p> <p>– Other</p>	<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:</p> <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of heading 8523 used does not exceed 10 % of the ex-works price of the product 	<p>Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product</p>
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; still image video cameras and other video camera recorders; digital cameras	<p>Manufacture in which:</p> <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	<p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p>
8526	Radar apparatus, radio navigational aid apparatus and radio remote control apparatus	<p>Manufacture in which:</p> <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	<p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p>
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 in which:</p> <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	<p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p>

(1)	(2)	(3) or (4)	
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	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
8529	Parts suitable for use solely or principally with the apparatus of headings 8525 to 8528: – Suitable for use solely or principally with video recording or reproducing apparatus – Other	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
8535 and 8536	Electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of heading 8538 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8537	Boards, panels, consoles, desks, cabinets and other bases, equipped with two or more apparatus of heading 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 8517	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of heading 8538 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
ex 8541	Diodes, transistors and similar semi-conductor devices, except wafers not yet cut into chips	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
8542	Electronic integrated circuits and microassemblies:	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of headings 8541 and 8542 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
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	
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 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	

(1)	(2)	(3) or (4)	
8548	Waste and scrap of primary cells, primary batteries and electric accumulators; spent primary cells, spent primary batteries and spent electric accumulators; 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	
ex Chapter 86	Railway or tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds; except for:	Manufacture in which the value of all the 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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	
ex Chapter 87	Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof; except for:	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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	
8710	Tanks and other armoured fighting vehicles, motorised, whether or not fitted with weapons, and parts of such vehicles	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	
		Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product	
		Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product	
		Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product	
		Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product	

(1)	(2)	(3) or (4)	
8711	<p>Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars:</p> <p>– With reciprocating internal combustion piston engine of a cylinder capacity:</p> <p>– – Not exceeding 50 cm³</p> <p>– – Exceeding 50 cm³</p> <p>– Other</p>	<p>Manufacture in which:</p> <p>– the value of all the materials used does not exceed 40 % of the ex-works price of the product, and</p> <p>– the value of all the non-originating materials used does not exceed the value of all the originating materials used</p> <p>Manufacture in which:</p> <p>– the value of all the materials used does not exceed 40 % of the ex-works price of the product, and</p> <p>– the value of all the non-originating materials used does not exceed the value of all the originating materials used</p> <p>Manufacture in which:</p> <p>– the value of all the materials used does not exceed 40 % of the ex-works price of the product, and</p> <p>– the value of all the non-originating materials used does not exceed the value of all the originating materials used</p>	<p>Manufacture in which the value of all the materials used does not exceed 20 % of the ex-works price of the product</p> <p>Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product</p> <p>Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product</p>
ex 8712	Bicycles without ball bearings	Manufacture from materials of any heading, except those of heading 8714	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
8715	Baby carriages and parts thereof	<p>Manufacture:</p> <p>– from materials of any heading, except that of the product, and</p> <p>– in which the value of all the materials used does not exceed 40 % of the ex-works price of the product</p>	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
8716	Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
ex Chapter 88	Aircraft, spacecraft, and parts thereof; except for:	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex 8804	Rotochutes	Manufacture from materials of any heading, including other materials of heading 8804	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
8805	Aircraft launching gear; deck-arrestor or similar gear; ground flying trainers; parts of the foregoing articles	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
Chapter 89	Ships, boats and floating structures	Manufacture from materials of any heading, except that of the product. However, hulls of heading 8906 may not be used	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
ex Chapter 90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof; except for:	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
9001	Optical fibres and optical fibre bundles; optical fibre cables other than those of heading 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	

(1)	(2)	(3) or (4)	
9002	Lenses, prisms, mirrors and other optical elements, of any material, 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	
ex 9005	Binoculars, monoculars, other optical telescopes, and mountings therefor, except for astronomical refracting telescopes and mountings therefor	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product; and – in which the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
ex 9006	Photographic (other than cinematographic) cameras; photographic flashlight apparatus and flashbulbs other than electrically ignited flashbulbs	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – in which the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
9007	Cinematographic cameras and projectors, whether or not incorporating sound recording or reproducing apparatus	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – in which the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
9011	Compound optical microscopes, including those for photomicrography, cinephotomicrography or micro-projection	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – in which the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
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	
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	
9018	Instruments and appliances used in medical, surgical, dental or veterinary sciences, including scintigraphic apparatus, other electro-medical apparatus and sight-testing instruments:		
	– Dentists' chairs incorporating dental appliances or dentists' spittoons	Manufacture from materials of any heading, including other materials of heading 9018	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
9018 (cont'd)	– Other	Manufacture: – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
9019	Mechano-therapy appliances; massage apparatus; psychological aptitude-testing apparatus; ozone therapy, oxygen therapy, aerosol therapy, artificial respiration or other therapeutic respiration apparatus	Manufacture: – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
9020	Other breathing appliances and gas masks, excluding protective masks having neither mechanical parts nor replaceable filters	Manufacture: – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product
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	
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 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	

(1)	(2)	(3) or (4)	
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: – Parts and accessories – Other	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product Manufacture in which: – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
9029	Revolution counters, production counters, taximeters, mileometers, pedometers and the like; speed indicators and tachometers, other than those of heading 9014 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	
9030	Oscilloscopes, spectrum analysers and other instruments and apparatus for measuring or checking electrical quantities, excluding meters of heading 9028; instruments and apparatus for measuring or detecting alpha, beta, gamma, X-ray, cosmic or other ionising 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	

(1)	(2)	(3) or (4)	
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:	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	
9105	Other clocks	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
9109	Clock movements, complete and assembled	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – the value of all the non-originating materials used does not exceed the value of all the originating materials used 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
9110	Complete watch or clock movements, unassembled or partly assembled (movement sets); incomplete watch or clock movements, assembled; rough watch or clock movements	Manufacture in which: <ul style="list-style-type: none"> – the value of all the materials used does not exceed 40 % of the ex-works price of the product, and – within the above limit, the value of all the materials of heading 9114 used does not exceed 10 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

(1)	(2)	(3) or (4)	
9111	Watch cases and parts thereof	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
9112	Clock cases and cases of a similar type for other goods of this Chapter, and parts thereof	Manufacture: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 40 % of the ex-works price of the product 	Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product
9113	Watch straps, watch bands and watch bracelets, and parts thereof: <ul style="list-style-type: none"> – Of base metal, whether or not gold- or silver-plated, or of metal clad with precious metal – Other 	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
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	

(1)	(2)	(3) or (4)	
ex Chapter 94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings; except for:	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 40 % 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 ² or less	<p>Manufacture from materials of any heading, except that of the product</p> <p>or</p> <p>Manufacture from cotton cloth already made up in a form ready for use with materials of heading 9401 or 9403, provided that:</p> <ul style="list-style-type: none"> – the value of the cloth does not exceed 25 % of the ex-works price of the product, and – all the other materials used are originating and are classified in a heading other than heading 9401 or 9403 	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
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	
ex Chapter 95	Toys, games and sports requisites; parts and accessories thereof; except for:	Manufacture from materials of any heading, except that of the product	
9503	Other toys; reduced-size ("scale") models and similar recreational models, working or not; puzzles of all kinds	<p>Manufacture:</p> <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	

(1)	(2)	(3) or (4)	
ex 9506	Golf clubs and parts thereof	Manufacture from materials of any heading, except that of the product. However, roughly-shaped blocks for making golf-club heads may be used	
ex Chapter 96	Miscellaneous manufactured articles; except for:	Manufacture from materials of any heading, except that 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 as the product	
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 motorised, 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	
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 that 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: <ul style="list-style-type: none"> – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product 	
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 9609	Manufacture from materials of any heading, except that of the product. However, nibs or nib-points of the same heading as the product may be used	

(1)	(2)	(3) or (4)	
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: – from materials of any heading, except that of the product, and – in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	
ex 9613	Lighters with piezo-igniter	Manufacture in which the value of all the materials of heading 9613 used does not exceed 30 % of the ex-works price of the product	
ex 9614	Smoking pipes and pipe bowls	Manufacture from roughly-shaped blocks	
Chapter 97	Works of art, collectors' pieces and antiques	Manufacture from materials of any heading, except that of the product	

⁽¹⁾ For the special conditions relating to "specific processes", see Introductory Notes 7.1 and 7.3.

⁽²⁾ For the special conditions relating to "specific processes", see Introductory Note 7.2.

⁽³⁾ 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 manufacture of colouring preparations, provided that they are not classified in another heading in Chapter 32.

⁽⁴⁾ A "group" is regarded as any part of the heading separated from the rest by a semicolon.

⁽⁵⁾ In the case of the products composed of materials classified within both headings 3901 to 3906, on the one hand, and within headings 3907 to 3911, on the other hand, this restriction only applies to that group of materials which predominates by weight in the product.

⁽⁶⁾ The following foils shall be considered as highly transparent: foils, the optical dimming of which, measured according to ASTM-D 1003-16 by Gardner Hazemeter (i.e. Hazefactor), is less than 2 %.

⁽⁷⁾ For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

⁽⁸⁾ The use of this material is restricted to the manufacture of woven fabrics of a kind used in paper-making machinery.

⁽⁹⁾ See Introductory Note 6.

⁽¹⁰⁾ For knitted or crocheted articles, not elastic or rubberised, obtained by sewing or assembling pieces of knitted or crocheted fabrics (cut out or knitted directly to shape), see Introductory Note 6.

⁽¹¹⁾ SEMII – Semiconductor Equipment and Materials Institute Incorporated.

⁽¹²⁾ This rule shall apply until 31.12.2005.'

ANNEX III

ANNEX 25

AIR TRANSPORT COSTS TO BE INCLUDED IN THE CUSTOMS VALUE

1. The following table shows:
 - (a) third countries listed by continents and zones ⁽¹⁾ (column 1).
 - (b) the percentages which represent the part of the air transport costs from a given third country to the EC to be included in the customs value (column 2).
2. When goods are shipped from countries or from airports not included in the following table, other than the airports referred to in paragraph 3, the percentage given for the airport nearest to that of departure shall be taken.
3. As regards the French overseas departments of Guadeloupe, Guyana, Martinique and Reunion, of which territories the airports are not included in the table, the following rules shall apply:
 - (a) for goods shipped direct to those departments from third countries, the whole of the air transport cost is to be included in the customs value;
 - (b) for goods shipped to the European part of the Community from third countries and transhipped or unloaded in one of those departments, only the air transport costs which would have been incurred for carrying the goods only as far as the place of transhipment or unloading are to be included in the customs value;
 - (c) for goods shipped to those departments from third countries and transhipped or unloaded in an airport in the European part of the Community, the air transport costs to be included in the customs value are those which result from the application of the percentages given in the following table to the costs which would have been incurred for carrying the goods from the airport of departure to the airport of transhipment or unloading.

The transhipment or unloading shall be certified by an appropriate endorsement by the customs authorities on the air waybill or other air transport document, with the official stamp of the office concerned; failing this certification the provisions of the last subparagraph of Article 163(6) of this Regulation shall apply.

1	2
Zone (country) of departure (third country)	Percentages of the air transport costs to be included in the customs value for zone of arrival EC
America	
Zone A	70
Canada:	
Gander, Halifax, Moncton, Montreal, Ottawa, Quebec, Toronto, (other airports see zone B)	
Greenland	

⁽¹⁾ The percentages are valid for all airports in a given country unless specific airports of departure are indicated.

1	2
Zone (country) of departure (third country)	Percentages of the air transport costs to be included in the customs value for zone of arrival EC
<p>United States of America:</p> <p>Akron, Albany, Atlanta, Baltimore, Boston, Buffalo, Charleston, Chicago, Cincinnati, Columbus, Detroit, Indianapolis, Jacksonville, Kansas City, Lexington, Louisville, Memphis, Milwaukee, Minneapolis, Nashville, New Orleans, New York, Philadelphia, Pittsburgh, St Louis, Washington DC, (other airports see zones B and C)</p>	
<p><i>Zone B</i></p> <p>Canada:</p> <p>Edmonton, Vancouver, Winnipeg, (other airports see zone A)</p> <p>United States of America:</p> <p>Albuquerque, Austin, Billings, Dallas, Denver, Houston, Las Vegas, Los Angeles, Miami, Oklahoma, Phoenix, Portland, Puerto Rico, Salt Lake City, San Francisco, Seattle, (other airports see zones A and C)</p> <p>Central America (all countries)</p> <p>South America (all countries)</p>	78
<p><i>Zone C</i></p> <p>United States of America:</p> <p>Anchorage, Fairbanks, Honolulu, Juneau, (other airports see zones A and B)</p>	89
<p>Africa</p>	
<p><i>Zone D</i></p> <p>Algeria, Egypt, Libya, Morocco, Tunisia</p>	33
<p><i>Zone E</i></p> <p>Benin, Burkina Faso, Cameroon, Cape Verde, Central African Republic, Chad, Côte d'Ivoire, Djibouti, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Sudan, Togo</p>	50
<p><i>Zone F</i></p> <p>Burundi, Democratic Republic of Congo, Congo (Brazzaville), Equatorial Guinea, Gabon, Kenya, Rwanda, São Tomé and Príncipe, Seychelles, Somalia, St. Helena, Tanzania, Uganda</p>	61
<p><i>Zone G</i></p> <p>Angola, Botswana, Comoros, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Republic of South Africa, Swaziland, Zambia, Zimbabwe</p>	74

1	2
Zone (country) of departure (third country)	Percentages of the air transport costs to be included in the customs value for zone of arrival EC
Asia	
<i>Zone H</i> Armenia, Azerbaijan, Georgia, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Syria	27
<i>Zone I</i> Bahrain, Muscat and Oman, Qatar, Saudi Arabia, United Arab Emirates, Yemen (Arab Republic)	43
<i>Zone J</i> Afghanistan, Bangladesh, Bhutan, India, Nepal, Pakistan.	46
<i>Zone K</i> Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan, Russia: Novosibirsk, Omsk, Perm, Sverdlovsk, (other airports see zones L, M, and O)	57
<i>Zone L</i> Brunei, China, Indonesia, Kampuchea, Laos, Macao, Malaysia, Maldives, Mongolia, Myanmar, Philippines, Singapore, Sri Lanka, Taiwan, Thailand, Vietnam Russia: Irkutsk, Kirensk, Krasnoyarsk, (other airports see zones K, M and O)	70
<i>Zone M</i> Japan, Korea (North), Korea (South) Russia: Khabarovsk, Vladivostok, (other airports see zones K, L and O)	83
Australia and Oceania	
<i>Zone N</i> Australia and Oceania	79

1	2
Zone (country) of departure (third country)	Percentages of the air transport costs to be included in the customs value for zone of arrival EC
Europe	
<i>Zone O</i> Iceland, Russia: Gorky, Kuibishev, Moscow, Orel, Rostov, Volgograd, Voronej, (other airports see zones K, L and M), Ukraine	30
<i>Zone P</i> Albania, Belarus, Bosnia-Herzegovina, Bulgaria, Faroe Islands, Former Yugoslav Republic of Macedonia, Moldova, Norway, Romania, Serbia and Montenegro, Turkey	15
<i>Zone Q</i> Croatia, Switzerland	5'

ANNEX IV

Annex 37a, Title II, point B is amended as follows:

1. The attribute 'Number of loading lists' and the explanatory text are deleted.
2. The explanatory text of the attribute 'Total number of packages' is replaced by the following:

'Type/Length: n ..7

The use of the attribute is optional. The total number of packages is equal to the sum of all "Number of packages", all "Number of pieces" and a value of "1" for each declared "bulk".'

3. The explanatory text of the data group 'GOODS ITEM' is replaced by the following:

'Number: 999

The data group shall be used.'

ANNEX V

Annex 38 is amended as follows:

In the section concerning box 36, the following code is inserted in the subsection: '2. next two digits' behind code 18:

'19 temporary suspension on goods imported with airworthiness certificate. (*)'

ANNEX VI

Annex 44a is amended as follows:

1. Title III, point 3, the second subparagraph is deleted.

(*) Council Regulation (EC) No 1147/2002 of 25 June 2002 temporarily suspending the autonomous Common Customs Tariff duties on certain goods imported with airworthiness certificates (OJ L 170, 29.6.2002, p. 8).

ANNEX VII

Annex 45a is amended as follows:

1. Chapter I is replaced by the following text:

‘Chapter I — Specimen of transit accompanying document

EUROPEAN COMMUNITY

MRN

A	2 Consignor/Exporter	No	1 REGIME		TRANSIT - ACCOMPANYING DOCUMENT
			3 Forms		
			5 Items	6 Total packages	
	8 Consignee	No	Return copy has to be sent to the Office:		
		15 Country of dispatch/export			17 Country of destination
	18 Identity and nationality of means of transport at departure		56 Other incidents during carriage Details and measures taken		G CERTIFICATION BY COMPETENT AUTHORITIES
A					

31 Packages and description of goods	Marks and numbers – Container No(s) – Number and kind	32 Item	<input type="checkbox"/> No	33 Commodity Code
				35 Gross mass (kg)
				38 Net mass (kg)
				40 Summary declaration/Previous document
44 Additional information/ Documents produced/ Certificates and authorisations				

55 Transshipments	Place and country:	Place and country:
	Ident. and nat. new means transp.:	Ident. and nat. new means transp.:
	Ctr. <input type="checkbox"/> (1) Identity of new container:	Ctr. <input type="checkbox"/> (1) Identity of new container:
	(1) Enter 1 if YES or 0 if NO.	(1) Enter 1 if YES or 0 if NO.

F CERTIFICATION BY COMPETENT AUTHORITIES	New seals: Number: identity:	New seals: Number: identity:
	Signature: Stamp:	Signature: Stamp:
	<input type="checkbox"/> Data already recorded into the System	<input type="checkbox"/> Data already recorded into the System

51 Intended offices of transit (and country)	50 Principal No	C OFFICE OF DEPARTURE
52 Guarantee not valid for	Code	53 Office of destination (and country)

D CONTROL BY OFFICE OF DEPARTURE	I CONTROL BY OFFICE OF DESTINATION
Result:	Date of arrival:
Seals affixed: Number:	Examination of seals:
identity:	Remarks:
Time limit (date):	Return Copy sent on after registration under No
	Signature: Stamp:

EUROPEAN COMMUNITY

MRN

B
TRANSIT – RETURN COPY
B

2 Conignor/*Exporter* No

1 REGIME

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3 Forms

--

5 Items **6** Total packages

--	--

8 Consignee No

Return copy has to be sent to the Office:

15 Country of dispatch/*export*

17 Country of destination

18 Identity and nationality of means of transport at departure

56 Other incidents during carriage
Details and measures taken

**G CERTIFICATION BY
COMPETENT AUTHORITIES**

31 Packages and description of goods

Marks and numbers – Container No(s) – Number and kind

32 Item No

33 Commodity Code

35 Gross mass (kg)

38 Net mass (kg)

40 Summary declaration/Previous document

44 Additional information/ Documents produced/ Certificates and authorisations

55 Transshipments

Place and country:
Ident. and nat. new means transp.:
Ctr. (1) Identity of new container:
(1) Enter 1 if YES or 0 if NO.

Place and country:
Ident. and nat. new means transp.:
Ctr. (1) Identity of new container:
(1) Enter 1 if YES or 0 if NO.

**F CERTIFICATION BY
COMPETENT
AUTHORITIES**

New seals: Number: identity:
Signature: Stamp:
 Data already recorded into the System

New seals: Number: identity:
Signature: Stamp:
 Data already recorded into the System

51 Intended offices of transit (and country)

50 Principal No

C OFFICE OF DEPARTURE

52 Guarantee not valid for

Code

53 Office of destination (and country)

D CONTROL BY OFFICE OF DEPARTURE

Result:
Seals affixed: Number:
identity:
Time limit (date):

I CONTROL BY OFFICE OF DESTINATION

Date of arrival:
Examination of seals:
Remarks:

Return Copy sent on after registration under No
Signature: Stamp:

2. Chapter II is amended as follows:

(a) Point B is replaced by the following:

B. Explanatory notes for printing

The following possibilities exist for the printing of the transit accompanying document:

1. the declared office of destination is linked to the computerised transit system:

— print only copy A (Accompanying Document);

2. the declared office of destination is not linked to the computerised transit system:

— print copy A (Accompanying Document), and

— print copy B (Return Copy).'

(b) Point C is replaced by the following:

C. Explanatory notes for the return of the control results from the office of destination

The following possibilities exist for the return of the control results from the office of destination:

1. the actual office of destination is the declared one and it is linked to the computerised transit system:

— the control results shall be sent to the office of departure by electronic means;

2. the actual office of destination is the declared one and it is not linked to the computerised transit system:

— the control results shall be sent to the office of departure using return copy B of the transit accompanying document (including list of items, if any);

3. the declared office of destination is linked to the computerised transit system but the actual office of destination is not linked to the computerised transit system (change of office of destination):

— the control results shall be sent to the office of departure using a photocopy of the transit accompanying document, copy A (including list of items, if any);

4. the declared office of destination is not linked to the computerised transit system but the actual office of destination is linked to the computerised transit system (change of office of destination):

— the control results shall be sent to the office of departure by electronic means.'

(c) The point D is deleted.

—

ANNEX VIII

Annex 67 is amended as follows:

In the Explanatory notes, Title I, Box 7, note on inward and outward processing, first paragraph, the third and fourth indents are replaced by the following:

- '— the economic conditions are identified by codes 01, 10, 11, 31 or 99,
- milk and milk products referred to in Article 1 of Council Regulation (EC) No 1255/1999 are concerned and code 30 is used in relation with the situations referred to under subdivisions 2, 5 and 7 of this code, or'.

ANNEX IX

Annex 70 is amended as follows:

- (a) In Part B, after 'Codes and detailed criteria', the following code is inserted:
- '01: Where import goods not mentioned in Annex 73 are concerned and Code 30 does not apply.'
- (b) In Part B, code 30, after point (7), the word 'or' is inserted.
- (c) In Part B, code 30, point (8) is replaced by the following:
- '8. building, modification or conversion of civil aircraft or satellites or parts of them.'
- (d) In Part B, code 30, point (9) is deleted.
- (e) In Part B, after code 30, the following code is inserted:
- '31: Where, according to Article 11 of Council Regulation (EC) No 3448/93, import goods referred to under part A of Annex 73 are concerned and the applicant presents a document issued by a competent authority permitting the entry for the arrangements for those goods, in the limits of a quantity determined with the aid of a supply balance.'
- (f) In Part B, after code 99, the following note is inserted:
- 'Note: The Codes 10, 11, 12, 31 and 99 may be used only, where goods mentioned in Annex 73 are concerned.'
- (g) In point C.1, the first and the second paragraph after 'Cases in which information is mandatory' are replaced by the following:
- 'Where the economic conditions are identified by codes 01, 10, 11, 31 or 99.
- For milk and milk products referred to in Article 1 of Council Regulation (EC) No 1255/1999 information is also mandatory where code 30 is used in relation with the situations referred to under subdivisions 2, 5 and 7 of this code.'
- (h) In the Appendix, column (3) the words 'estimated value' are replaced by 'value'
- (i) In the Appendix, column (4), the words 'estimated quantity' are replaced by 'quantity'.
- (j) In the Appendix, footnote (d) is replaced by the following:
- '(d) Quantity: UN/CEFACT codes, for ex. (a) weight in tonnes (TNE), (b) number of articles (NAR), (c) volume in hectolitre (HLT), (d) length in metre (MTR).'
-

ANNEX X

In Annex 76, Part A the following item is inserted:

Column 1		Column 2
Order No	Goods	Processing
'8a	Goods of any kind	Processing into products which may benefit from the autonomous suspension of import duties on certain weapons and military equipment'

APPENDIX III

Commission Regulations (EC) No 1614/2000; No 1807/2006;
No 1613/2000; No 1806/2006; No 1615/2000 and No 1808/2006 applicable to
Cambodia, Lao and Nepal in respect of rules of origin

**COMMISSION REGULATION (EC) No 1614/2000
of 24 July 2000**

derogating from Regulation (EEC) No 2454/93 in respect of the definition of the concept of originating products used for the purposes of the scheme of generalised preferences to take account of the special situation of Cambodia regarding certain exports of textiles to the Community

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽¹⁾, as last amended by Regulation (EC) No 955/1999 of the European Parliament and of the Council ⁽²⁾, and in particular Article 249 thereof,

Having regard to Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code ⁽³⁾, as last amended by Regulation (EC) No 1662/1999 ⁽⁴⁾, and in particular Article 76 thereof,

Whereas:

- (1) By Council Regulation (EC) No 2820/98 of 21 December 1998 applying a multiannual scheme of generalised tariff preferences for the period 1 July 1999 to 31 December 2001 ⁽⁵⁾, as last amended by Commission Regulation (EC) No 1310/2000 ⁽⁶⁾, the Community gave such preferences to Cambodia.
- (2) Articles 67 to 97 of Regulation (EEC) No 2454/93 establish the definition of the concept of originating products to be used for the purposes of generalised tariff preferences. Article 76 of that Regulation provides, however, for derogations to those provisions in favour of least-developed GSP-beneficiary countries which submit an appropriate request to that effect to the Community.
- (3) By Commission Regulation (EC) No 1538/1999 ⁽⁷⁾, Cambodia obtained such a derogation for certain textiles, for the period from 15 July 1999 to 14 July 2000.
- (4) The request submitted by Cambodia satisfies the requirements of Article 76 of Regulation (EEC) No 2454/93. In particular the introduction of quantitative conditions (on an annual basis) reflecting the Community market's capacity to absorb the Cambodian products, Cambodia's export-capacity and actual recorded trade flows, is such as to prevent injury to the corresponding branches of

Community industry. The derogation should be adapted, however, with reference to the economic needs.

- (5) In order to encourage regional cooperation among beneficiary countries, it is desirable to provide that the raw materials to be used in Cambodia in the context of this derogation should originate in countries belonging to the Association of South-East Asian Nations (ASEAN) (except Myanmar), to the South Asian Association for Regional Cooperation (SAARC) or to the ACP-EC Partnership Agreement.
- (6) The open and effective administration of these measures should be ensured by applying the relevant provisions, for the management of tariff quotas, laid down in Regulation (EEC) No 2454/93, as amended by Regulation (EC) No 1427/97 ⁽⁸⁾.
- (7) Any demand to extend application of the derogation beyond the quantities provided for must be considered in consultation with the Cambodian authorities.
- (8) To be fully effective, the derogation should be granted for a reasonable length of time, that is, until 31 December 2001 when Regulation (EC) No 2820/98 expires.
- (9) The measures provided for in this Regulation are in accordance with the opinion of the Customs Code Committee,

HAS ADOPTED THIS REGULATION:

Article 1

1. By way of derogation from Articles 67 to 97 of Regulation (EEC) No 2454/93, products listed in the Annex to this Regulation which are manufactured in Cambodia from woven fabric (woven items) or yarn (knitted items) imported into that country and originating in a country belonging to the Association of South-East Asian Nations (ASEAN) (except Myanmar), to the South Asian Association for Regional Cooperation (SAARC) or to the ACP-EC Partnership Agreement shall be regarded as originating in Cambodia in accordance with the arrangements set out below.

⁽¹⁾ OJ L 302, 19.10.1992, p. 1.

⁽²⁾ OJ L 119, 7.5.1999, p. 1.

⁽³⁾ OJ L 253, 11.10.1993, p. 1.

⁽⁴⁾ OJ L 197, 29.7.1999, p. 25.

⁽⁵⁾ OJ L 357, 30.12.1998, p. 1.

⁽⁶⁾ OJ L 148, 22.6.2000, p. 28.

⁽⁷⁾ OJ L 178, 14.7.1999, p. 34.

⁽⁸⁾ OJ L 196, 24.7.1997, p. 31.

2. For the purposes of paragraph 1, products shall be considered as originating in ASEAN or SAARC when they are obtained in these countries according to the rules of origin provided for in Articles 67 to 97 of Regulation (EEC) No 2454/93, or as originating in the beneficiary countries of the ACP-EC Partnership Agreement when they are obtained in those countries according to the rules of origin provided in Protocol No 1 to the ACP-EC Partnership Agreement ⁽¹⁾.

3. The competent authorities of Cambodia shall undertake to take all of the necessary measures to ensure compliance with the provisions of paragraph 2.

Article 2

The derogation provided for in Article 1 shall apply to products transported directly from Cambodia and imported into the Community during the period from 15 July 2000 to 31 December 2001, up to the annual quantities listed in the Annex against each product.

Article 3

The quantities referred to in Article 2 shall be managed by the Commission, in accordance with the provisions laid down in Articles 308a to 308c of Regulation (EEC) No 2454/93.

Article 4

When drawings under Article 3 account for 80 % of the quantities shown in the Annex, the Commission, in consultation with the Cambodian authorities, shall consider whether it is necessary to extend application of the derogation beyond those quantities.

Article 5

The following shall be entered in box 4 of certificates of origin Form A issued by the competent authorities of Cambodia pursuant to this Regulation:

'Derogation — Regulation (EC) No 1614/2000'

Article 6

In case of doubt, the Member States may demand a copy of the document certifying the origin of the materials used in Cambodia under this derogation. Such a demand may be made at the time of entry into free circulation of the goods benefiting from this Regulation, or within the framework of the administrative cooperation for which provision is made in Article 94 of Regulation (EEC) No 2454/93.

Article 7

This Regulation shall enter into force on the seventh day following that of its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 July 2000.

For the Commission

Frederik BOLKESTEIN

Member of the Commission

⁽¹⁾ Not yet published in the Official Journal.

ANNEX

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8052	6	6203 41 10 6203 41 90 6203 42 31 6203 42 33 6203 42 35 6203 42 90 6203 43 19 6203 43 90 6203 49 19 6203 49 50 6204 61 10 6204 62 31 6204 62 33 6204 62 39 6204 63 18 6204 69 18 6211 32 42 6211 33 42 6211 42 42 6211 43 42	Men's or boys' woven breeches, shorts other than swimwear and trousers (including slacks); women's or girls' woven trousers and slacks, of wool, of cotton or of man-made fibres; lower parts of tracksuits with lining, other than category 16 or 29, of cotton or of man-made fibres	2 746 832 pieces
09.8053	7	6106 10 00 6106 20 00 6106 90 10 6206 20 00 6206 30 00 6206 40 00	Women's or girls' blouses, shirts and shirt-blouses, whether or not knitted or crocheted, of wool, of cotton or of man-made fibres	4 009 804 pieces
09.8054	8	6205 10 00 6205 20 00 6205 30 00	Men's or boys' shirts, other than knitted or crocheted, of wool, of cotton or of man-made fibres	302 566 pieces
09.8055	10	6111 10 10 6111 20 10 6111 30 10 ex 6111 90 00 6116 10 20 6116 10 80 6116 91 00 6116 92 00 6116 93 00 6116 99 00	Gloves, mittens and mitts, knitted or crocheted	2 084 846 pairs
09.8056	12	6115 12 00 6115 19 00 6115 20 11 6115 20 90 6115 91 00 6115 92 00 6115 93 10 6115 93 30 6115 93 99 6115 99 00	Panty-hose and tights, stockings, understockings, socks, ankle-socks, sockettes and the like, knitted or crocheted, other than for babies, including stockings for varicose veins, other than products of category 70	1 100 pairs

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8058	14	6201 11 00 ex 6201 12 10 ex 6201 12 90 ex 6201 13 10 ex 6201 13 90 6210 20 00	Men's or boys' woven overcoats, raincoats and other coats, cloaks and capes, of wool, of cotton or of man-made fibres (other than parkas of category 21)	213 931 pieces
09.8059	15	6202 11 00 ex 6202 12 10 ex 6202 12 90 ex 6202 13 10 ex 6202 13 90 6204 31 00 6204 32 90 6204 33 90 6204 39 19 6210 30 00	Women's or girls' woven overcoats, raincoats and other coats, cloaks and capes; jackets and blazers, of wool, of cotton or of man-made fibres (other than parkas of category 21)	1 684 566 pieces
09.8060	16	6203 11 00 6203 12 00 6203 19 10 6203 19 30 6203 21 00 6203 22 80 6203 23 80 6203 29 18 6211 32 31 6211 33 31	Men's or boys' suits and ensembles, other than knitted or crocheted, of wool, of cotton or of man-made fibres, excluding ski-suits; men's or boys' tracksuits with lining, with an outer shell of a single identical fabric, of cotton or of man-made fibres	85 415 pieces
09.8061	17	6203 31 00 6203 32 90 6203 33 90 6203 39 19	Men's or boys' jackets and blazers, other than knitted or crocheted, of wool, of cotton or of man-made fibres	68 299 pieces
09.8062	18	6207 11 00 6207 19 00 6207 21 00 6207 22 00 6207 29 00 6207 91 10 6207 91 90 6207 92 00 6207 99 00 6208 11 00 6208 19 10 6208 19 90 6208 21 00 6208 22 00 6208 29 00 6208 91 11 6208 91 19 6208 91 90 6208 92 00 6208 99 00 ex 6212 10 10	Men's or boys' singlets and other vests, underpants, briefs, nightshirts, pyjamas, bathrobes, dressing-gowns and similar articles, other than knitted or crocheted Women's or girls' singlets and other vests, slips, petticoats, briefs, panties, nightdresses, pyjamas, negligees, bathrobes, dressing-gowns and similar articles, other than knitted or crocheted	683 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8063	21	ex 6201 12 10 ex 6201 12 90 ex 6201 13 10 ex 6201 13 90 6201 91 00 6201 92 00 6201 93 00 ex 6202 12 10 ex 6202 12 90 ex 6202 13 10 ex 6202 13 90 6202 91 00 6202 92 00 6202 93 00 6211 32 41 6211 33 41 6211 42 41 6211 43 41	Parkas; anoraks, wind-cheaters, waister jackets and the like, other than knitted or crocheted, of wool, of cotton or of man-made fibres; upper parts of tracksuits with lining, other than category 16 or 29, of cotton or of man-made fibres	475 973 pieces
09.8065	26	6104 41 00 6104 42 00 6104 43 00 6104 44 00 6204 41 00 6204 42 00 6204 43 00 6204 44 00	Women's or girls' dresses, of wool, of cotton or of man-made fibres	760 932 pieces
09.8066	27	6104 51 00 6104 52 00 6104 53 00 6104 59 00 6204 51 00 6204 52 00 6204 53 00 6204 59 10	Women's or girls' skirts, including divided skirts	796 790 pieces
09.8068	29	6204 11 00 6204 12 00 6204 13 00 6204 19 10 6204 21 00 6204 22 80 6204 23 80 6204 29 18 6211 42 31 6211 43 31	Women's or girls' suits and ensembles, other than knitted or crocheted, or wool, of cotton or of man-made fibres, excluding ski-suits; women's or girls' tracksuits with lining, with an outer shell of an identical fabric, of cotton or of man-made fibres	620 077 pieces
09.8069	31	ex 6212 10 10 6212 10 90	Brassières, woven, knitted or crocheted	1 632 263 pieces
09.8070	68	6111 10 90 6111 20 90 6111 30 90 ex 6111 90 00 ex 6209 10 00 ex 6209 20 00 ex 6209 30 00 ex 6209 90 00	Babies' garments and clothing accessories, excluding babies' gloves, mittens and mitts of categories 10 and 87, and babies' stockings, socks and sockettes, other than knitted or crocheted, of category 88	177 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8072	72	6112 31 10 6112 31 90 6112 39 10 6112 39 90 6112 41 10 6112 41 90 6112 49 10 6112 49 90 6211 11 00 6211 12 00	Swimwear, of wool, of cotton or of man-made fibres	223 299 pieces
09.8076	76	6203 22 10 6203 23 10 6203 29 11 6203 32 10 6203 33 10 6203 39 11 6203 42 11 6203 42 51 6203 43 11 6203 43 31 6203 49 11 6203 49 31 6211 32 10 6211 33 10 6204 22 10 6204 23 10 6204 29 11 6204 32 10 6204 33 10 6204 39 11 6204 62 11 6204 62 51 6204 63 11 6204 63 31 6204 69 11 6204 69 31 6211 42 10 6211 43 10	Men's or boys' industrial or occupational clothing, other than knitted or crocheted Women's or girls' aprons, smock-overalls and other industrial or occupational clothing, other than knitted or crocheted	562 tonnes
09.8077	78	6203 41 30 6203 42 59 6203 43 39 6203 49 39 6204 61 80 6204 61 90 6204 62 59 6204 62 90 6204 63 39 6204 63 90 6204 69 39 6204 69 50 6210 40 00 6210 50 00 6211 31 00 6211 32 90 6211 33 90 6211 41 00 6211 42 90 6211 43 90	Garments, other than knitted or crocheted, excluding garments of categories 6, 7, 8, 14, 15, 16, 17, 18, 21, 26, 27, 29, 68, 72, 76 and 77	430 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8079	84	6214 20 00 6214 30 00 6214 40 00 6214 90 10	Shawls, scarves, mufflers, mantillas, veils and the like, other than knitted or crocheted, of wool, of cotton or of man-made fibres	1,1 tonnes
09.8080	86	6212 20 00 6212 30 00 6212 90 00	Corsets, corset-belts, suspender-belts, braces, suspenders, garters and the like, and parts thereof, whether or not knitted or crocheted	1 100 pieces
09.8083	159	6204 49 10 6206 10 00 6214 10 00 6215 10 00	Dresses, blouses and shirt-blouses, not knitted or crocheted, of silk-waste Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, of silk or of silk-waste Ties, bow-ties and cravats, of silk or of silk-waste	1,1 tonnes
09.8084	161	6201 19 00 6201 99 00 6202 19 00 6202 99 00 6203 19 90 6203 29 90 6203 39 90 6203 49 90 6204 19 90 6204 29 90 6204 39 90 6204 49 90 6204 59 90 6204 69 90 6205 90 10 6205 90 90 6206 90 10 6206 90 90 ex 6211 20 00 6211 39 00 6211 49 00	Garments, not knitted or crocheted, other than those of categories 1 to 123 and of category 159	64 tonnes
09.8085	20	6302 21 00 6302 22 90 6302 29 90 6302 31 10 6302 31 90 6302 32 90 6302 39 90	Bed linen, other than knitted or crocheted	2 tonnes
09.8086	40	ex 6303 91 00 ex 6303 92 90 ex 6303 99 90 6304 19 10 ex 6304 19 90 6304 92 00 ex 6304 93 00 ex 6304 99 00	Woven curtains (including drapes, interior blinds, curtain and bed valances and other furnishing articles), other than knitted or crocheted, of wool, of cotton or of man-made fibres	24 tonnes
09.8087	91	6306 21 00 6306 22 00 6306 29 00	Tents	826 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8088	109	6306 11 00 6306 12 00 6306 19 00 6306 31 00 6306 39 00	Tarpaulins, sails, awnings and sunblinds	1,1 tonnes
09.8089	110	6306 41 00 6306 49 00	Woven pneumatic mattresses	1,1 tonnes
09.8090	111	6306 91 00 6306 99 00	Camping goods, woven, other than pneumatic mattresses and tents	1,1 tonnes

COMMISSION REGULATION (EC) No 1807/2006

of 7 December 2006

amending Regulation (EC) No 1614/2000 derogating from Regulation (EEC) No 2454/93 in respect of the definition of the concept of originating products used for the purposes of the scheme of generalised preferences to take account of the special situation of Cambodia regarding certain exports of textiles to the Community

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

validity of Regulation (EC) No 1614/2000 has been extended until 31 December 2006.

Having regard to the Treaty establishing the European Community,

(4) By letter dated 29 June 2006 Cambodia submitted a request for prolongation of the derogation in accordance with Article 76 of Regulation (EEC) No 2454/93.

Having regard to Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽¹⁾, and in particular Article 247 thereof,

(5) When the validity of Regulation (EC) No 1614/2000 was extended until 31 December 2006, it was expected that new, simpler and more development-friendly GSP rules of origin would be in force before expiry of the derogation. However the new GSP rules of origin are not expected to be adopted before 31 December 2006.

Having regard to Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code ⁽²⁾, and in particular Article 76 thereof,

(6) Application of the GSP rules of origin currently in force would have an adverse effect on investment, and employment in Cambodia as well as on ability of existing industry in Cambodia to continue its exports to the Community.

Whereas:

(1) By Council Regulation (EC) No 980/2005 of 27 June 2005 applying a scheme of generalised tariff preferences ⁽³⁾, the Community granted generalised tariff preferences to Cambodia.

(7) The prolongation period should take account of the time necessary to adopt and implement new GSP rules of origin. In addition, the interests of traders concluding contracts both in Cambodia and in the Community, as well as the stability of Cambodian industry, require that the derogation should be prolonged for a period sufficient to permit the continuation or conclusion of longer term contracts.

(2) Regulation (EEC) No 2454/93 establishes the definition of the concept of originating products to be used for the purposes of the scheme of generalised tariff preferences. Regulation (EEC) No 2454/93 also provides for derogations from that definition in favour of least developed beneficiary countries benefiting from the generalised system of preferences (GSP) which submit an appropriate request to that effect to the Community.

(8) The derogation should therefore be prolonged until 31 December 2008. However, in order to ensure fair treatment for Cambodia and for other least developed countries, the continuing need for the derogation should be reviewed once new GSP rules of origin are adopted.

(3) Cambodia has benefited from such derogation for certain textiles since 1997, in the last instance by virtue of Commission Regulation (EC) No 1614/2000 ⁽⁴⁾. The

(9) Regulation (EC) No 1614/2000 should therefore be amended accordingly.

⁽¹⁾ OJ L 302, 19.10.1992, p. 1. Regulation as last amended by Regulation (EC) No 648/2005 of the European Parliament and of the Council (OJ L 117, 4.5.2005, p. 13).

⁽²⁾ OJ L 253, 11.10.1993, p. 1. Regulation as last amended by Regulation (EC) No 402/2006 (OJ L 70, 9.3.2006, p. 35).

⁽³⁾ OJ L 169, 30.6.2005, p. 1.

⁽⁴⁾ OJ L 185, 25.7.2000, p. 46. Regulation as last amended by Regulation (EC) No 2187/2004 (OJ L 373, 21.12.2004, p. 16).

(10) The measures provided for in this Regulation are in accordance with the opinion of the Customs Code Committee,

HAS ADOPTED THIS REGULATION:

Article 1

Article 2 of Regulation (EC) No 1614/2000 is amended as follows:

1. In the first paragraph the date '31 December 2006' is replaced by '31 December 2008';
2. The second paragraph is replaced by the following:

'The continuing need for the derogation shall however be reviewed once the new rules of origin of the generalised system of preferences are adopted.'

Article 2

This Regulation shall enter into force on the seventh day following its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2007.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 7 December 2006.

For the Commission
László KOVÁCS
Member of the Commission

**COMMISSION REGULATION (EC) No 1613/2000
of 24 July 2000**

derogating from Regulation (EEC) No 2454/93 in respect of the definition of the concept of originating products used for the purposes of the scheme of generalised preferences to take account of the special situation of Laos regarding certain exports of textiles to the Community

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽¹⁾, as last amended by Regulation (EC) No 955/1999 of the European Parliament and of the Council ⁽²⁾, and in particular Article 249 thereof,

Having regard to Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code ⁽³⁾, as last amended by Regulation (EC) No 1662/1999 ⁽⁴⁾, and in particular Article 76 thereof,

Whereas:

(1) By Council Regulation (EC) No 2820/98 of 21 December 1998 applying a multiannual scheme of generalised tariff preferences for the period 1 July 1999 to 31 December 2001 ⁽⁵⁾, as last amended by Commission Regulation (EC) No 1310/2000 ⁽⁶⁾, the Community gave such preferences to Laos.

(2) Articles 67 to 97 of Regulation (EEC) No 2454/93 establish the definition of the concept of originating products to be used for the purposes of generalised tariff preferences. Article 76 of that Regulation provides, however, for derogations to those provisions in favour of least-developed GSP-beneficiary countries which submit an appropriate request to that effect to the Community.

(3) By Commission Regulation (EC) No 1537/1999 ⁽⁷⁾, Laos obtained such a derogation for certain textiles, for the period from 15 July 1999 to 14 July 2000.

(4) The request submitted by Laos satisfies the requirements of Article 76 of Regulation (EEC) No 2454/93. In particular the introduction of quantitative conditions (on an annual basis) reflecting the Community market's capacity to absorb the Lao products, Laos's export-capacity and actual recorded trade flows, is such as to prevent injury to the corresponding branches of

Community industry. The derogation should be adapted, however, with reference to the economic needs.

(5) In order to encourage regional cooperation among beneficiary countries, it is desirable to provide that the raw materials to be used in Laos in the context of this derogation should originate in countries belonging to the Association of South-East Asian Nations (ASEAN) (except Myanmar), to the South Asian Association for Regional Cooperation (SAARC) or to the ACP-EC Partnership Agreement.

(6) The open and effective administration of these measures should be ensured by applying the relevant provisions, for the management of tariff quotas, laid down in Regulation (EEC) No 2454/93, as amended by Regulation (EC) No 1427/97 ⁽⁸⁾.

(7) Any demand to extend application of the derogation beyond the quantities provided for must be considered in consultation with the Lao authorities.

(8) To be fully effective, the derogation should be granted for a reasonable length of time, that is, until 31 December 2001 when Regulation (EC) No 2820/98 expires.

(9) The measures provided for in this Regulation are in accordance with the opinion of the Customs Code Committee,

HAS ADOPTED THIS REGULATION:

Article 1

1. By way of derogation from Articles 67 to 97 of Regulation (EEC) No 2454/93, products listed in the Annex to this Regulation which are manufactured in Laos from woven fabric (woven items) or yarn (knitted items) imported into that country and originating in a country belonging to the Association of South-East Asian Nations (ASEAN) (except Myanmar), to the South Asian Association for Regional Cooperation (SAARC) or to the ACP-EC Partnership Agreement shall be regarded as originating in Laos in accordance with the arrangements set out below.

⁽¹⁾ OJ L 302, 19.10.1992, p. 1.

⁽²⁾ OJ L 119, 7.5.1999, p. 1.

⁽³⁾ OJ L 253, 11.10.1993, p. 1.

⁽⁴⁾ OJ L 197, 29.7.1999, p. 25.

⁽⁵⁾ OJ L 357, 30.12.1998, p. 1.

⁽⁶⁾ OJ L 148, 22.6.2000, p. 28.

⁽⁷⁾ OJ L 178, 14.7.1999, p. 26.

⁽⁸⁾ OJ L 196, 24.7.1997, p. 31.

2. For the purposes of paragraph 1, products shall be considered as originating in ASEAN or SAARC when they are obtained in these countries according to the rules of origin provided for in Articles 67 to 97 of Regulation (EEC) No 2454/93, or as originating in the beneficiary countries of the ACP-EC Partnership Agreement when they are obtained in those countries according to the rules of origin provided in Protocol No 1 to the ACP-EC Partnership Agreement ⁽¹⁾.

3. The competent authorities of Laos shall undertake to take all of the necessary measures to ensure compliance with the provisions of paragraph 2.

Article 2

The derogation provided for in Article 1 shall apply to products transported directly from Laos and imported into the Community during the period from 15 July 2000 to 31 December 2001, up to the annual quantities listed in the Annex against each product.

Article 3

The quantities referred to in Article 2 shall be managed by the Commission, in accordance with the provisions laid down in Articles 308a to 308c of Regulation (EEC) No 2454/93.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 July 2000.

Article 4

When drawings under Article 3 account for 80 % of the quantities shown in the Annex, the Commission, in consultation with the Lao authorities, shall consider whether it is necessary to extend application of the derogation beyond those quantities.

Article 5

The following shall be entered in box 4 of certificates of origin Form A issued by the competent authorities of Laos pursuant to this Regulation:

'Derogation — Regulation (EC) No 1613/2000'.

Article 6

In case of doubt, the Member States may demand a copy of the document certifying the origin of the materials used in Laos under this derogation. Such a demand may be made at the time of entry into free circulation of the goods benefiting from this Regulation, or within the framework of the administrative cooperation for which provision is made in Article 94 of Regulation (EEC) No 2454/93.

Article 7

This Regulation shall enter into force on the seventh day following that of its publication in the *Official Journal of the European Communities*.

For the Commission

Frederik BOLKESTEIN

Member of the Commission

⁽¹⁾ Not yet published in the Official Journal.

ANNEX

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8003	6	6203 41 10 6203 41 90 6203 42 31 6203 42 33 6203 42 35 6203 42 90 6203 43 19 6203 43 90 6203 49 19 6203 49 50 6204 61 10 6204 62 31 6204 62 33 6204 62 39 6204 63 18 6204 69 18 6211 32 42 6211 33 42 6211 42 42 6211 43 42	Men's or boys' woven breeches, shorts other than swimwear and trousers (including slacks); women's or girls' woven trousers and slacks, of wool, of cotton or of man-made fibres; lower parts of tracksuits with lining, other than category 16 or 29, of cotton or of man-made fibres	4 068 169 pieces
09.8004	7	6106 10 00 6106 20 00 6106 90 10 6206 20 00 6206 30 00 6206 40 00	Women's or girls' blouses, shirts and shirt-blouses, whether or not knitted or crocheted, of wool, of cotton or of man-made fibres	477 193 pieces
09.8005	8	6205 10 00 6205 20 00 6205 30 00	Men's or boys' shirts, other than knitted or crocheted, of wool, of cotton or of man-made fibres	597 073 pieces
09.8006	10	6111 10 10 6111 20 10 6111 30 10 ex 6111 90 00 6116 10 20 6116 10 80 6116 91 00 6116 92 00 6116 93 00 6116 99 00	Gloves, mittens and mitts, knitted or crocheted	1 110 pairs
09.8007	12	6115 12 00 6115 19 00 6115 20 11 6115 20 90 6115 91 00 6115 92 00 6115 93 10 6115 93 30 6115 93 99 6115 99 00	Panty-hose and tights, stockings, understockings, socks, ankle-socks, sockettes and the like, knitted or crocheted, other than for babies, including stockings for varicose veins, other than products of category 70	1 100 pairs

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8009	14	6201 11 00 ex 6201 12 10 ex 6201 12 90 ex 6201 13 10 ex 6201 13 90 6210 20 00	Men's or boys' woven overcoats, raincoats and other coats, cloaks and capes, of wool, of cotton or of man-made fibres (other than parkas of category 21)	26 112 pieces
09.8010	15	6202 11 00 ex 6202 12 10 ex 6202 12 90 ex 6202 13 10 ex 6202 13 90 6204 31 00 6204 32 90 6204 33 90 6204 39 19 6210 30 00	Women's or girls' woven overcoats, raincoats and other coats, cloaks and capes; jackets and blazers, of wool, of cotton or of man-made fibres (other than parkas of category 21)	268 877 pieces
09.8011	16	6203 11 00 6203 12 00 6203 19 10 6203 19 30 6203 21 00 6203 22 80 6203 23 80 6203 29 18 6211 32 31 6211 33 31	Men's or boys' suits and ensembles, other than knitted or crocheted, of wool, of cotton or of man-made fibres, excluding ski-suits; men's or boys' tracksuits with lining, with an outer shell of a single identical fabric, of cotton or of man-made fibres	84 516 pieces
09.8012	17	6203 31 00 6203 32 90 6203 33 90 6203 39 19	Men's or boys' jackets and blazers, other than knitted or crocheted, of wool, of cotton or of man-made fibres	46 016 pieces
09.8013	18	6207 11 00 6207 19 00 6207 21 00 6207 22 00 6207 29 00 6207 91 10 6207 91 90 6207 92 00 6207 99 00 6208 11 00 6208 19 10 6208 19 90 6208 21 00 6208 22 00 6208 29 00 6208 91 11 6208 91 19 6208 91 90 6208 92 00 6208 99 00 ex 6212 10 10	Men's or boys' singlets and other vests, underpants, briefs, nightshirts, pyjamas, bathrobes, dressing-gowns and similar articles, other than knitted or crocheted Women's or girls' singlets and other vests, slips, petticoats, briefs, panties, nightdresses, pyjamas, negligees, bathrobes, dressing-gowns and similar articles, other than knitted or crocheted	54 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8014	21	ex 6201 12 10 ex 6201 12 90 ex 6201 13 10 ex 6201 13 90 6201 91 00 6201 92 00 6201 93 00 ex 6202 12 10 ex 6202 12 90 ex 6202 13 10 ex 6202 13 90 6202 91 00 6202 92 00 6202 93 00 6211 32 41 6211 33 41 6211 42 41 6211 43 41	Parkas; anoraks, wind-cheaters, waister jackets and the like, other than knitted or crocheted, of wool, of cotton or of man-made fibres; upper parts of tracksuits with lining, other than category 16 or 29, of cotton or of man-made fibres	576 236 pieces
09.8016	26	6104 41 00 6104 42 00 6104 43 00 6104 44 00 6204 41 00 6204 42 00 6204 43 00 6204 44 00	Women's or girls' dresses, of wool, of cotton or of man-made fibres	173 262 pieces
09.8017	27	6104 51 00 6104 52 00 6104 53 00 6104 59 00 6204 51 00 6204 52 00 6204 53 00 6204 59 10	Women's or girls' skirts, including divided skirts	355 733 pieces
09.8019	29	6204 11 00 6204 12 00 6204 13 00 6204 19 10 6204 21 00 6204 22 80 6204 23 80 6204 29 18 6211 42 31 6211 43 31	Women's or girls' suits and ensembles, other than knitted or crocheted, of wool, of cotton or of man-made fibres, excluding ski-suits; women's or girls' tracksuits with lining, with an outer shell of an identical fabric, of cotton or of man-made fibres	112 953 pieces
09.8020	31	ex 6212 10 10 6212 10 90	Brassières, woven, knitted or crocheted	1 100 pieces
09.8021	68	6111 10 90 6111 20 90 6111 30 90 ex 6111 90 00 ex 6209 10 00 ex 6209 20 00 ex 6209 30 00 ex 6209 90 00	Babies' garments and clothing accessories, excluding babies' gloves, mittens and mitts of categories 10 and 87, and babies' stockings, socks and sockettes, other than knitted or crocheted, of category 88	443 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8023	72	6112 31 10 6112 31 90 6112 39 10 6112 39 90 6112 41 10 6112 41 90 6112 49 10 6112 49 90 6211 11 00 6211 12 00	Swimwear, of wool, of cotton or of man-made fibres	15 196 pieces
09.8027	76	6203 22 10 6203 23 10 6203 29 11 6203 32 10 6203 33 10 6203 39 11 6203 42 11 6203 42 51 6203 43 11 6203 43 31 6203 49 11 6203 49 31 6211 32 10 6211 33 10 6204 22 10 6204 23 10 6204 29 11 6204 32 10 6204 33 10 6204 39 11 6204 62 11 6204 62 51 6204 63 11 6204 63 31 6204 69 11 6204 69 31 6211 42 10 6211 43 10	Men's or boys' industrial or occupational clothing, other than knitted or crocheted Women's or girls' aprons, smock-overalls and other industrial or occupational clothing, other than knitted or crocheted	41 tonnes
09.8028	78	6203 41 30 6203 42 59 6203 43 39 6203 49 39 6204 61 80 6204 61 90 6204 62 59 6204 62 90 6204 63 39 6204 63 90 6204 69 39 6204 69 50 6210 40 00 6210 50 00 6211 31 00 6211 32 90 6211 33 90 6211 41 00 6211 42 90 6211 43 90	Garments, other than knitted or crocheted, excluding garments of categories 6, 7, 8, 14, 15, 16, 17, 18, 21, 26, 27, 29, 68, 72, 76 and 77	452 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8030	84	6214 20 00 6214 30 00 6214 40 00 6214 90 10	Shawls, scarves, mufflers, mantillas, veils and the like, other than knitted or crocheted, of wool, of cotton or of man-made fibres	1,1 tonnes
09.8031	86	6212 20 00 6212 30 00 6212 90 00	Corsets, corset-belts, suspender-belts, braces, suspenders, garters and the like, and parts thereof, whether or not knitted or crocheted	1 100 pieces
09.8034	159	6204 49 10 6206 10 00 6214 10 00 6215 10 00	Dresses, blouses and shirt-blouses, not knitted or crocheted, of silk-waste Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, of silk or of silk-waste Ties, bow-ties and cravats, of silk or of silk-waste	4 tonnes
09.8035	161	6201 19 00 6201 99 00 6202 19 00 6202 99 00 6203 19 90 6203 29 90 6203 39 90 6203 49 90 6204 19 90 6204 29 90 6204 39 90 6204 49 90 6204 59 90 6204 69 90 6205 90 10 6205 90 90 6206 90 10 6206 90 90 ex 6211 20 00 6211 39 00 6211 49 00	Garments, not knitted or crocheted, other than those of categories 1 to 123 and of category 159	69 tonnes
09.8036	20	6302 21 00 6302 22 90 6302 29 90 6302 31 10 6302 31 90 6302 32 90 6302 39 90	Bed linen, other than knitted or crocheted	1,1 tonnes
09.8037	40	ex 6303 91 00 ex 6303 92 90 ex 6303 99 90 6304 19 10 ex 6304 19 90 6304 92 00 ex 6304 93 00 ex 6304 99 00	Woven curtains (including drapes, interior blinds, curtain and bed valances and other furnishing articles), other than knitted or crocheted, of wool, of cotton or of man-made fibres	1,1 tonnes
09.8038	91	6306 21 00 6306 22 00 6306 29 00	Tents	1,1 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8039	109	6306 11 00 6306 12 00 6306 19 00 6306 31 00 6306 39 00	Tarpaulins, sails, awnings and sunblinds	11 tonnes
09.8040	110	6306 41 00 6306 49 00	Woven pneumatic mattresses	1,1 tonnes
09.8041	111	6306 91 00 6306 99 00	Camping goods, woven, other than pneumatic mattresses and tents	1,1 tonnes

COMMISSION REGULATION (EC) No 1806/2006

of 7 December 2006

amending Regulation (EC) No 1613/2000 derogating from Regulation (EEC) No 2454/93 in respect of the definition of the concept of originating products used for the purposes of the scheme of generalised preferences to take account of the special situation of Laos regarding certain exports of textiles to the Community

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

validity of Regulation (EC) No 1613/2000 has been extended until 31 December 2006.

Having regard to the Treaty establishing the European Community,

(4) By letter dated 22 June 2006 Laos submitted a request for prolongation of the derogation in accordance with Article 76 of Regulation (EEC) No 2454/93.

Having regard to Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽¹⁾, and in particular Article 247 thereof,

(5) When the validity of Regulation (EC) No 1613/2000 was extended until 31 December 2006, it was expected that new, simpler and more development-friendly GSP rules of origin would be in force before expiry of the derogation. However the new GSP rules of origin are not expected to be adopted before 31 December 2006.

Having regard to Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code ⁽²⁾, and in particular Article 76 thereof,

(6) Application of the GSP rules of origin currently in force would have an adverse effect on investment, and employment in Laos as well as on ability of existing industry in Laos to continue its exports to the Community.

Whereas:

(1) By Council Regulation (EC) No 980/2005 of 27 June 2005 applying a scheme of generalised tariff preferences ⁽³⁾, the Community granted generalised tariff preferences to Laos.

(7) The prolongation period should take account of the time necessary to adopt and implement new GSP rules of origin. In addition, the interests of traders concluding contracts both in Laos and in the Community, as well as the stability of Laos industry, require that the derogation should be prolonged for a period sufficient to permit the continuation or conclusion of longer term contracts.

(2) Regulation (EEC) No 2454/93 establishes the definition of the concept of originating products to be used for the purposes of the scheme of generalised tariff preferences. Regulation (EEC) No 2454/93 also provides for derogations from that definition in favour of least developed beneficiary countries benefiting from the generalised system of preferences (GSP) which submit an appropriate request to that effect to the Community.

(8) The derogation should therefore be prolonged until 31 December 2008. However, in order to ensure fair treatment for Laos and for other least developed countries, the continuing need for the derogation should be reviewed once new GSP rules of origin are adopted.

(3) Laos has benefited from such derogation for certain textiles since 1997, in the last instance by virtue of Commission Regulation (EC) No 1613/2000 ⁽⁴⁾. The

(9) Regulation (EC) No 1613/2000 should therefore be amended accordingly.

⁽¹⁾ OJ L 302, 19.10.1992, p. 1. Regulation as last amended by Regulation (EC) No 648/2005 of the European Parliament and of the Council (OJ L 117, 4.5.2005, p. 13).⁽²⁾ OJ L 253, 11.10.1993, p. 1. Regulation as last amended by Regulation (EC) No 402/2006 (OJ L 70, 9.3.2006, p. 35).⁽³⁾ OJ L 169, 30.6.2005, p. 1.⁽⁴⁾ OJ L 185, 25.7.2000, p. 38. Regulation as last amended by Regulation (EC) No 2186/2004 (OJ L 373, 21.12.2004, p. 14).

(10) The measures provided for in this Regulation are in accordance with the opinion of the Customs Code Committee,

HAS ADOPTED THIS REGULATION:

Article 1

Article 2 of Regulation (EC) No 1613/2000 is amended as follows:

1. In the first paragraph the date '31 December 2006' is replaced by '31 December 2008';
2. The second paragraph is replaced by the following:

'The continuing need for the derogation shall however be reviewed once the new rules of origin of the generalised system of preferences are adopted.'

Article 2

This Regulation shall enter into force on the seventh day following its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2007.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 7 December 2006.

For the Commission
László KOVÁCS
Member of the Commission

**COMMISSION REGULATION (EC) No 1615/2000
of 24 July 2000**

derogating from Regulation (EEC) No 2454/93 in respect of the definition of the concept of originating products used for the purposes of the scheme of generalised preferences to take account of the special situation of Nepal regarding certain exports of textiles to the Community

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽¹⁾, as last amended by Regulation (EC) No 955/1999 of the European Parliament and of the Council ⁽²⁾, and in particular Article 249 thereof,

Having regard to Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code ⁽³⁾, as last amended by Regulation (EC) No 1662/1999 ⁽⁴⁾, and in particular Article 76 thereof,

Whereas:

(1) By Council Regulation (EC) No 2820/98 of 21 December 1998 applying a multiannual scheme of generalised tariff preferences for the period 1 July 1999 to 31 December 2001 ⁽⁵⁾, as last amended by Commission Regulation (EC) No 1310/2000 ⁽⁶⁾, the Community gave such preferences to Nepal.

(2) Articles 67 to 97 of Regulation (EEC) No 2454/93 establish the definition of the concept of originating products to be used for the purposes of generalised tariff preferences. Article 76 of that Regulation provides, however, for derogations to those provisions in favour of least-developed GSP-beneficiary countries which submit an appropriate request to that effect to the Community.

(3) By Commission Regulation (EC) No 1539/1999 ⁽⁷⁾, Nepal obtained such a derogation for certain textiles, for the period from 15 July 1999 to 14 July 2000.

(4) The request submitted by Nepal satisfies the requirements of Article 76 of Regulation (EEC) No 2454/93. In particular the introduction of quantitative conditions (on an annual basis) reflecting the Community market's capacity to absorb the Nepalese products, Nepal's export-capacity and actual recorded trade flows, is such as to prevent injury to the corresponding branches of

Community industry. The derogation should be adapted, however, with reference to the economic needs.

(5) In order to encourage regional cooperation among beneficiary countries, it is desirable to provide that the raw materials to be used in Nepal in the context of this derogation should originate in countries belonging to the Association of South-East Asian Nations (ASEAN) (except Myanmar), to the South Asian Association for Regional Cooperation (SAARC) or to the ACP-EC Partnership Agreement.

(6) The open and effective administration of these measures should be ensured by applying the relevant provisions, for the management of tariff quotas, laid down in Regulation (EEC) No 2454/93, as amended by Regulation (EC) No 1427/97 ⁽⁸⁾.

(7) Any demand to extend application of the derogation beyond the quantities provided for must be considered in consultation with the Nepalese authorities.

(8) To be fully effective, the derogation should be granted for a reasonable length of time, that is, until 31 December 2001 when Regulation (EC) No 2820/98 expires.

(9) The measures provided for in this Regulation are in accordance with the opinion of the Customs Code Committee,

HAS ADOPTED THIS REGULATION:

Article 1

1. By way of derogation from Articles 67 to 97 of Regulation (EEC) No 2454/93, products listed in the Annex to this Regulation which are manufactured in Nepal from woven fabric (woven items) or yarn (knitted items) imported into that country and originating in a country belonging to the Association of South-East Asian Nations (ASEAN) (except Myanmar), to the South Asian Association for Regional Cooperation (SAARC) or to the ACP-EC Partnership Agreement shall be regarded as originating in Nepal in accordance with the arrangements set out below.

⁽¹⁾ OJ L 302, 19.10.1992, p. 1.

⁽²⁾ OJ L 119, 7.5.1999, p. 1.

⁽³⁾ OJ L 253, 11.10.1993, p. 1.

⁽⁴⁾ OJ L 197, 29.7.1999, p. 25.

⁽⁵⁾ OJ L 357, 30.12.1998, p. 1.

⁽⁶⁾ OJ L 148, 22.6.2000, p. 28.

⁽⁷⁾ OJ L 178, 14.7.1999, p. 42.

⁽⁸⁾ OJ L 196, 24.7.1997, p. 31.

2. For the purposes of paragraph 1, products shall be considered as originating in ASEAN or SAARC when they are obtained in these countries according to the rules of origin provided for in Articles 67 to 97 of Regulation (EEC) No 2454/93, or as originating in the beneficiary countries of the ACP-EC Partnership Agreement when they are obtained in those countries according to the rules of origin provided in Protocol No 1 to the ACP-EC Partnership Agreement ⁽¹⁾.

3. The competent authorities of Nepal shall undertake to take all of the necessary measures to ensure compliance with the provisions of paragraph 2.

Article 2

The derogation provided for in Article 1 shall apply to products transported directly from Nepal and imported into the Community during the period from 15 July 2000 to 31 December 2001, up to the annual quantities listed in the Annex against each product.

Article 3

The quantities referred to in Article 2 shall be managed by the Commission, in accordance with the provisions laid down in Articles 308a to 308c of Regulation (EEC) No 2454/93.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 July 2000.

Article 4

When drawings under Article 3 account for 80 % of the quantities shown in the Annex, the Commission, in consultation with the Nepalese authorities, shall consider whether it is necessary to extend application of the derogation beyond those quantities.

Article 5

The following shall be entered in box 4 of certificates of origin Form A issued by the competent authorities of Nepal pursuant to this Regulation:

'Derogation — Regulation (EC) No 1615/2000'

Article 6

In case of doubt, the Member States may demand a copy of the document certifying the origin of the materials used in Nepal under this derogation. Such a demand may be made at the time of entry into free circulation of the goods benefiting from this Regulation, or within the framework of the administrative cooperation for which provision is made in Article 94 of Regulation (EEC) No 2454/93.

Article 7

This Regulation shall enter into force on the seventh day following that of its publication in the *Official Journal of the European Communities*.

For the Commission

Frederik BOLKESTEIN

Member of the Commission

⁽¹⁾ Not yet published in the Official Journal.

ANNEX

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8003	6	6203 41 10 6203 41 90 6203 42 31 6203 42 33 6203 42 35 6203 42 90 6203 43 19 6203 43 90 6203 49 19 6203 49 50 6204 61 10 6204 62 31 6204 62 33 6204 62 39 6204 63 18 6204 69 18 6211 32 42 6211 33 42 6211 42 42 6211 43 42	Men's or boys' woven breeches, shorts other than swimwear and trousers (including slacks); women's or girls' woven trousers and slacks, of wool, of cotton or of man-made fibres; lower parts of tracksuits with lining, other than category 16 or 29, of cotton or of man-made fibres	573 674 pieces
09.8004	7	6106 10 00 6106 20 00 6106 90 10 6206 20 00 6206 30 00 6206 40 00	Women's or girls' blouses, shirts and shirt-blouses, whether or not knitted or crocheted, of wool, of cotton or of man-made fibres	445 688 pieces
09.8005	8	6205 10 00 6205 20 00 6205 30 00	Men's or boys' shirts, other than knitted or crocheted, of wool, of cotton or of man-made fibres	97 747 pieces
09.8006	10	6111 10 10 6111 20 10 6111 30 10 ex 6111 90 00 6116 10 20 6116 10 80 6116 91 00 6116 92 00 6116 93 00 6116 99 00	Gloves, mittens and mitts, knitted or crocheted	1 246 351 pairs
09.8007	12	6115 12 00 6115 19 00 6115 20 11 6115 20 90 6115 91 00 6115 92 00 6115 93 10 6115 93 30 6115 93 99 6115 99 00	Panty-hose and tights, stockings, understockings, socks, ankle-socks, sockettes and the like, knitted or crocheted, other than for babies, including stockings for varicose veins, other than products of category 70	553 615 pairs

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8009	14	6201 11 00 ex 6201 12 10 ex 6201 12 90 ex 6201 13 10 ex 6201 13 90 6210 20 00	Men's or boys' woven overcoats, raincoats and other coats, cloaks and capes, of wool, of cotton or of man-made fibres (other than parkas of category 21)	55 003 pieces
09.8010	15	6202 11 00 ex 6202 12 10 ex 6202 12 90 ex 6202 13 10 ex 6202 13 90 6204 31 00 6204 32 90 6204 33 90 6204 39 19 6210 30 00	Women's or girls' woven overcoats, raincoats and other coats, cloaks and capes; jackets and blazers, of wool, of cotton or of man-made fibres (other than parkas of category 21)	380 049 pieces
09.8011	16	6203 11 00 6203 12 00 6203 19 10 6203 19 30 6203 21 00 6203 22 80 6203 23 80 6203 29 18 6211 32 31 6211 33 31	Men's or boys' suits and ensembles, other than knitted or crocheted, of wool, of cotton or of man-made fibres, excluding ski-suits; men's or boys' tracksuits with lining, with an outer shell of a single identical fabric, of cotton or of man-made fibres	32 985 pieces
09.8012	17	6203 31 00 6203 32 90 6203 33 90 6203 39 19	Men's or boys' jackets and blazers, other than knitted or crocheted, of wool, of cotton or of man-made fibres	123 685 pieces
09.8013	18	6207 11 00 6207 19 00 6207 21 00 6207 22 00 6207 29 00 6207 91 10 6207 91 90 6207 92 00 6207 99 00 6208 11 00 6208 19 10 6208 19 90 6208 21 00 6208 22 00 6208 29 00 6208 91 11 6208 91 19 6208 91 90 6208 92 00 6208 99 00 ex 6212 10 10	Men's or boys' singlets and other vests, underpants, briefs, nightshirts, pyjamas, bathrobes, dressing-gowns and similar articles, other than knitted or crocheted Women's or girls singlets and other vests, slips, petticoats, briefs, panties, nightdresses, pyjamas, negligees, bathrobes, dressing-gowns and similar articles, other than knitted or crocheted	252 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8014	21	ex 6201 12 10 ex 6201 12 90 ex 6201 13 10 ex 6201 13 90 6201 91 00 6201 92 00 6201 93 00 ex 6202 12 10 ex 6202 12 90 ex 6202 13 10 ex 6202 13 90 6202 91 00 6202 92 00 6202 93 00 6211 32 41 6211 33 41 6211 42 41 6211 43 41	Parkas; anoraks, wind-cheaters, waister jackets and the like, other than knitted or corched, of wool, of cotton or of man-made fibres; upper parts of tracksuits with lining, other than category 16 or 29, of cotton or of man-made fibres	30 083 pieces
09.8016	26	6104 41 00 6104 42 00 6104 43 00 6104 44 00 6204 41 00 6204 42 00 6204 43 00 6204 44 00	Women's or girls' dresses, of wool, of cotton or of man-made fibres	1 615 767 pieces
09.8017	27	6104 51 00 6104 52 00 6104 53 00 6104 59 00 6204 51 00 6204 52 00 6204 53 00 6204 59 10	Women's or girls' skirts, including divided skirts	349 416 pieces
09.8019	29	6204 11 00 6204 12 00 6204 13 00 6204 19 10 6204 21 00 6204 22 80 6204 23 80 6204 29 18 6211 42 31 6211 43 31	Women's or girls' suits and ensembles, other than knitted or crocheted, or wool, of cotton or of man-made fibres, excluding ski-suits; women's or girls' tracksuits with lining, with an outer shell of an identical fabric, of cotton or of man-made fibres	1 35 935 pieces
09.8020	31	ex 6212 10 10 6212 10 90	Brassières, woven, knitted or crocheted	1 100 pieces
09.8021	68	6111 10 90 6111 20 90 6111 30 90 ex 6111 90 00 ex 6209 10 00 ex 6209 20 00 ex 6209 30 00 ex 6209 90 00	Babies' garments and clothing accessories, excluding babies' gloves, mittens and mitts of categories 10 and 87, and babies' stockings, socks and sockettes, other than knitted or crocheted, of category 88	19 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8023	72	6112 31 10 6112 31 90 6112 39 10 6112 39 90 6112 41 10 6112 41 90 6112 49 10 6112 49 90 6211 11 00 6211 12 00	Swimwear, of wool, of cotton or of man-made fibres	7 112 pieces
09.8027	76	6203 22 10 6203 23 10 6203 29 11 6203 32 10 6203 33 10 6203 39 11 6203 42 11 6203 42 51 6203 43 11 6203 43 31 6203 49 11 6203 49 31 6211 32 10 6211 33 10 6204 22 10 6204 23 10 6204 29 11 6204 32 10 6204 33 10 6204 39 11 6204 62 11 6204 62 51 6204 63 11 6204 63 31 6204 69 11 6204 69 31 6211 42 10 6211 43 10	Men's or boys' industrial or occupational clothing, other than knitted or crocheted Women's or girls' aprons, smock-overalls and other industrial or occupational clothing, other than knitted or crocheted	6 tonnes
09.8028	78	6203 41 30 6203 42 59 6203 43 39 6203 49 39 6204 61 80 6204 61 90 6204 62 59 6204 62 90 6204 63 39 6204 63 90 6204 69 39 6204 69 50 6210 40 00 6210 50 00 6211 31 00 6211 32 90 6211 33 90 6211 41 00 6211 42 90 6211 43 90	Garments, other than knitted or crocheted, excluding garments of categories 6, 7, 8, 14, 15, 16, 17, 18, 21, 26, 27, 29, 68, 72, 76 and 77	95 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8030	84	6214 20 00 6214 30 00 6214 40 00 6214 90 10	Shawls, scarves, mufflers, mantillas, veils and the like, other than knitted or crocheted, of wool, of cotton or of man-made fibres	75 tonnes
09.8031	86	6212 20 00 6212 30 00 6212 90 00	Corsets, corset-belts, suspender-belts, braces, suspenders, garters and the like, and parts thereof, whether or not knitted or crocheted	1 100 pieces
09.8034	159	6204 49 10 6206 10 00 6214 10 00 6215 10 00	Dresses, blouses and shirt-blouses, not knitted or crocheted, of silk-waste Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, of silk or of silk-waste Ties, bow-ties and cravats, of silk or of silk-waste	5 tonnes
09.8035	161	6201 19 00 6201 99 00 6202 19 00 6202 99 00 6203 19 90 6203 29 90 6203 39 90 6203 49 90 6204 19 90 6204 29 90 6204 39 90 6204 49 90 6204 59 90 6204 69 90 6205 90 10 6205 90 90 6206 90 10 6206 90 90 ex 6211 20 00 6211 39 00 6211 49 00	Garments, not knitted or crocheted, other than those of categories 1 to 123 and of category 159	62 tonnes
09.8036	20	6302 21 00 6302 22 90 6302 29 90 6302 31 10 6302 31 90 6302 32 90 6302 39 90	Bed linen, other than knitted or crocheted	3 tonnes
09.8037	40	ex 6303 91 00 ex 6303 92 90 ex 6303 99 90 6304 19 10 ex 6304 19 90 6304 92 00 ex 6304 93 00 ex 6304 99 00	Woven curtains (including drapes, interior blinds, curtain and bed valances and other furnishing articles), other than knitted or crocheted, of wool, of cotton or of man-made fibres	80 tonnes
09.8038	91	6306 21 00 6306 22 00 6306 29 00	Tents	1,1 tonnes

Order No	Textile category	Combined Nomenclature	Description of goods	Quantity (1.1 to 31.12)
09.8039	109	6306 11 00 6306 12 00 6306 19 00 6306 31 00 6306 39 00	Tarpaulins, sails, awnings and sunblinds	11 tonnes
09.8040	110	6306 41 00 6306 49 00	Woven pneumatic mattresses	1,1 tonnes
09.8041	111	6306 91 00 6306 99 00	Camping goods, woven, other than pneumatic mattresses and tents	1,1 tonnes

COMMISSION REGULATION (EC) No 1808/2006

of 7 December 2006

amending Regulation (EC) No 1615/2000 derogating from Regulation (EEC) No 2454/93 in respect of the definition of the concept of originating products used for the purposes of the scheme of generalised preferences to take account of the special situation of Nepal regarding certain exports of textiles to the Community

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽¹⁾, and in particular Article 247 thereof,

Having regard to Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code ⁽²⁾, and in particular Article 76 thereof,

Whereas:

- (1) By Council Regulation (EC) No 980/2005 of 27 June 2005 applying a scheme of generalised tariff preferences ⁽³⁾, the Community granted generalised tariff preferences to Nepal.
- (2) Regulation (EEC) No 2454/93 establishes the definition of the concept of originating products to be used for the purposes of the scheme of generalised tariff preferences. Regulation (EEC) No 2454/93 also provides for derogations from that definition in favour of least developed beneficiary countries benefiting from the generalised system of preferences (GSP) which submit an appropriate request to that effect to the Community.
- (3) Nepal has benefited from such derogation for certain textiles since 1997, in the last instance by virtue of Commission Regulation (EC) No 1615/2000 ⁽⁴⁾. The validity of Regulation (EC) No 1615/2000 has been extended until 31 December 2006.
- (4) By letter dated 17 July 2006 Nepal submitted a request for prolongation of the derogation in accordance with Article 76 of Regulation (EEC) No 2454/93.
- (5) When the validity of Regulation (EC) No 1615/2000 was extended until 31 December 2006, it was expected that new, simpler and more development-friendly GSP rules of origin would be in force before expiry of the derogation. However the new GSP rules of origin are not expected to be adopted before 31 December 2006.
- (6) Application of the GSP rules of origin currently in force would have an adverse effect on investment, and employment in Nepal as well as on ability of existing industry in Nepal to continue its exports to the Community.
- (7) The prolongation period should take account of the time necessary to adopt and implement new GSP rules of origin. In addition, the interests of traders concluding contracts both in Nepal and in the Community, as well as the stability of Nepalese industry, require that the derogation should be prolonged for a period sufficient to permit the continuation or conclusion of longer term contracts.
- (8) The derogation should therefore be prolonged until 31 December 2008. However, in order to ensure fair treatment for Nepal and for other least developed countries, the continuing need for the derogation should be reviewed once new GSP rules of origin are adopted.
- (9) Regulation (EC) No 1615/2000 should therefore be amended accordingly.
- (10) The measures provided for in this Regulation are in accordance with the opinion of the Customs Code Committee,

⁽¹⁾ OJ L 302, 19.10.1992, p. 1. Regulation as last amended by Regulation (EC) No 648/2005 of the European Parliament and of the Council (OJ L 117, 4.5.2005, p. 13).

⁽²⁾ OJ L 253, 11.10.1993, p. 1. Regulation as last amended by Regulation (EC) No 402/2006 (OJ L 70, 9.3.2006, p. 35).

⁽³⁾ OJ L 169, 30.6.2005, p. 1.

⁽⁴⁾ OJ L 185, 25.7.2000, p. 54. Regulation as last amended by Regulation (EC) No 2188/2004 (OJ L 373, 21.12.2004, p. 18).

HAS ADOPTED THIS REGULATION:

Article 1

Article 2 of Regulation (EC) No 1615/2000 is amended as follows:

1. In the first paragraph the date '31 December 2006' is replaced by '31 December 2008';
2. The second paragraph is replaced by the following:

'The continuing need for the derogation shall however be reviewed once the new rules of origin of the generalised system of preferences are adopted.'

Article 2

This Regulation shall enter into force on the seventh day following its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2007.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 7 December 2006.

For the Commission
László KOVÁCS
Member of the Commission