

ITEM: Mineral concentrate containing mainly galena (lead (II) sulfide) and argentite (silver sulfide). It is obtained via metallurgical operations (flotation), which, based on the surface properties of the minerals, separate the valuable part (ore) from the non-valuable part (gangue), without modifying the chemical composition of the mineralogical species. The mineral concentrate is used for the extraction of lead and silver. Chemical Analysis: - Lead (Pb): 57.11 %, - Silver (Ag): 0.9689 % (9689 g/t).

Tariff Classification Suggestion

Phase 1

Top 3 candidate chapters

Chapter Justification

- 26** By GRI 1, the legal texts govern: Chapter 26 covers metal-bearing ores and their concentrates; Note 2 admits minerals used for metal extraction that have only undergone usual metallurgical treatments (e.g., flotation). Its index includes specific headings 26.07 (lead ores and concentrates) and 26.16 (precious-metal ores and concentrates).
- 28** Considered due to sulfides (PbS, Ag₂S), but Chapter 28 only covers elements and chemically defined inorganic compounds presented in isolation (Note 1); ores/concentrates fall outside its scope.
- 71** Considered because it involves silver (a precious metal), but ores and concentrates of precious metals are expressly classified in Chapter 26 at 26.16; thus, by GRI 1, Chapter 71 does not apply.

Phase 2

TARIFF CLASSIFICATION RULING

I. Applicable regulatory framework

- General Rules for the Interpretation of the Harmonized System (GRI): • GRI 1: “THE TITLES OF SECTIONS, CHAPTERS OR SUBCHAPTERS ARE PROVIDED FOR EASE OF REFERENCE ONLY; FOR LEGAL PURPOSES, CLASSIFICATION SHALL BE DETERMINED ACCORDING TO THE TERMS OF THE HEADINGS AND ANY RELATIVE SECTION OR CHAPTER NOTES...” . • GRI 2(b): “ANY REFERENCE IN A HEADING TO A

MATERIAL OR SUBSTANCE SHALL BE TAKEN TO INCLUDE A REFERENCE TO MIXTURES OR COMBINATIONS OF THAT MATERIAL OR SUBSTANCE WITH OTHER MATERIALS OR SUBSTANCES... THE CLASSIFICATION OF GOODS CONSISTING OF MORE THAN ONE MATERIAL OR SUBSTANCE SHALL BE ACCORDING TO THE PRINCIPLES OF RULE 3.” . • GRI 3(a) and 3(b): “THE HEADING WHICH PROVIDES THE MOST SPECIFIC DESCRIPTION SHALL BE PREFERRED...”; and, when this rule does not resolve, “CLASSIFICATION SHALL BE ACCORDING TO THE MATERIAL OR COMPONENT WHICH GIVES THEM THEIR ESSENTIAL CHARACTER...”; the Explanatory Notes add that essential character may derive, inter alia, from the “weight, value, or the role of a constituent material” . • GRI 6 (subheadings): “Rules 1 to 5 above shall apply, mutatis mutandis, to the classification at subheading level within the same heading.” .

- Legal Notes and HSEN Chapter 26: • Note 2 to Chapter 26: “For the purposes of headings 26.01 to 26.17, the term ‘ores’ means minerals of mineralogical species actually used in the metallurgical industry... provided that they have been subjected only to such operations as are normal in order to render the ores suitable for the metallurgical treatment.” . • Text of heading 26.07: “Lead ores and concentrates.” Subheading: “2607.00 — Lead ores and concentrates” . • Text of heading 26.16: “Precious metal ores and concentrates.” Subheading 2616.10: “Silver ores and concentrates.” Subheading 2616.90: “Other” .
- Legal Notes Chapter 28 (for exclusions): • Note 1 to Chapter 28: except where the context otherwise requires, this chapter covers only “separate chemical elements and chemically defined compounds...” . • Text 28.30: “Sulphides; polysulphides, whether or not of chemically defined composition.” (to distinguish pure chemical products from ores) .

II. Legal-technical analysis

- Technical description of the product: mineral concentrate obtained by flotation, composed mainly of galena (PbS) and argentite (Ag₂S), intended for the recovery of lead and silver. Chemical assay: Pb 57.11% and Ag 0.9689% (9,689 g/t). It is expressly indicated that flotation does not modify the chemical composition of the mineral species.
- Applicable chapter: • Under GRI 1, the analysis starts with the texts of the headings. Note 1 to Chapter 28 limits that chapter to elements or compounds of defined composition, which excludes ores or mineral concentrates with variable composition; therefore, Chapter 28 is not applicable to a natural mixture of mineral

species (ore/concentrate) . • Note 2 to Chapter 26 confirms that headings 26.01 to 26.17 cover “ores” and their concentrates, provided they have only received usual metallurgical treatments; flotation is a typical beneficiation treatment without chemical alteration, so the product falls within Chapter 26 .

- Potential headings within Chapter 26 (GRI 1): • 26.07 “Lead ores and concentrates”: the predominant mineral is galena (PbS), and the concentrate is intended to recover lead (Pb 57.11%). At subheading level, 2607.00 “Lead ores and concentrates” applies . • 26.16 “Precious metal ores and concentrates,” in particular 2616.10 “Silver ores and concentrates,” could also be considered due to the presence of argentite (Ag₂S) and use to recover silver .
- Resolution between headings 26.07 vs. 26.16 (GRI 3): • GRI 3(a): 26.07 and 26.16 each describe only part of the metals contained (lead or silver) in a mixed product; therefore, they are to be regarded as equally specific and move to GRI 3(b) . • GRI 3(b) (essential character): the Explanatory Notes specify that essential character may be determined, among other factors, by the weight or value of one of the constituent materials . With 57.11% Pb versus 0.9689% Ag, the material conferring essential character by weight is lead. Consequently, classification is determined by the material conferring such essential character: lead. • Subheading (GRI 6): once heading 26.07 is determined, the applicable subheading is 2607.00 “Lead ores and concentrates” .

III. Exclusion of alternative headings or chapters (Chapters 26 and 28)

- 26.16 (precious-metal ores; 2616.10 silver ores): excluded by application of GRI 3(b), given that lead (Pb) confers the essential character by its preponderance by weight. GRI 3(b) mandates classification by the material conferring essential character; here, lead clearly predominates over silver (57.11% vs. 0.9689%) . Therefore, 2616.10/2616.90 does not apply in this specific case .
- 26.20 (slag, ash and residues): not applicable, as Note 3 to Chapter 26 limits 26.20 to “slag, ash and residues...” of the types used for the extraction of metals or for the manufacture of compounds; this is not a residue, but an ore/concentrate pursuant to Note 2 to Chapter 26 .
- Chapter 28: • In general, excluded by Note 1 to Chapter 28 (chapter restricted to separate elements and chemically defined compounds), which is not the case for a natural ore/concentrate with variable composition . • 28.30 (sulfides): also not applicable, since the product is not a pure chemical compound of silver or lead but

a multicomponent mineral concentrate; 28.30 (“Sulphides; polysulphides...”) is a chapter for chemicals, not metal-bearing ores .

IV. Documentation requirements To support the classification in foreign trade operations, the importer must submit, upon request by the authority:

- Technical data sheet and concentrator process flow diagram (describing the “usual” treatments applied, such as flotation), confirming absence of chemical modification (Note 2 to Chapter 26) .
- Representative certificate of analysis (assay) per lot/shipment, with at least Pb and Ag in % and g/t.
- Declaration of intended use (metallurgical recovery of Pb/Ag).
- Photographic evidence of the material and/or SDS of the concentrate (to corroborate the nature as ore vs. residue).
- Contracts or commercial sheets if relevant to determine essential character by value (GRI 3(b)) .

V. Conclusion

- Proposed tariff classification (subheading level): • Chapter: 26 (Ores, slag and ash) .
• Heading: 26.07 (Lead ores and concentrates) . • Subheading (HS 6): 2607.00 (Lead ores and concentrates) . • Fraction (MX 8 digits) and NICO: Pursuant to the LIGIE in the file provided, the listed fraction is 2607.00.01 with NICO 00, for information purposes only. This ruling is limited to the subheading level, as requested .

Final determination: Subheading 2607.00.

Conditional determination

- Option A (if essential character lies in lead by weight, as per the assay provided): • Chapter 26; Heading 26.07; Subheading 2607.00; Fraction —; NICO —.
Determination: 2607.00 .
- Option B (if the interested party demonstrates that essential character lies in silver, e.g., by clearly predominant economic value and principal use to recover Ag): • Chapter 26; Heading 26.16; Subheading 2616.10 (Silver ores and concentrates); Fraction —; NICO —. Conditional determination: 2616.10 .
- Option C (if it is substantiated that it is not an ore/concentrate but a chemically defined compound, e.g., high-purity PbS or Ag₂S produced as a chemical product): • Chapter 28; Heading 28.30; Subheading 2830.90 (Other sulphides); Fraction —;

120 NICO —. Conditional determination: 2830.90 (only if it is a chemical compound and
121 not an ore) .

122 MISSING CRITERIA:

123 • Commercial and technical evidence showing which metal confers essential
124 character by value (e.g., payable terms for the concentrate, valuation of payable
125 contents).

126 • Documentary confirmation that it only received “usual operations in the
127 metallurgical industry” (e.g., flotation, without roasting or chemical alteration)
128 pursuant to Note 2 to Chapter 26 .

129 • Clarification of the product’s nature at customs (natural ore/concentrate vs.
130 chemically defined product), in case of doubt concerning Chapter 28 (Note 1) .

131 Important note on 2607.00: In this case, 2607.00 is not excluded; on the contrary, it is
132 adopted as the final classification, based on GRI 1, GRI 3(b) and Note 2 to Chapter 26, as it
133 is a mineral concentrate of galena (PbS) that confers essential character by its
134 predominance by weight, falling under “Lead ores and concentrates” at subheading level
135 2607.00 .