

FREE TRADE AGREEMENT
BETWEEN
THE REPUBLIC OF CROATIA
AND
THE REPUBLIC OF LITHUANIA

PREAMBLE

Desirous to develop and strengthen friendly relations, especially in the fields of economic cooperation

and trade, with an aim to contribute to the progress of economic co-operation between the two countries and to increase the scope of mutual trade exchange,

The Republic of Croatia and the Republic of Lithuania (hereinafter "the Parties")

CONFIRMING their intention to participate actively in the process of economic integration in

Europe and expressing their preparedness to co-operate in seeking ways and means to strengthen this process;

DECLARING their readiness to undertake activities with a view of promoting harmonious development of their trade as well as expanding and diversifying their mutual co-operation in the

fields of joint interest, including fields not covered by this Agreement, thus creating a framework

and supportive environment based on equality, non discrimination, and a balance of rights and obligations;

REFERRING to the mutual interest of the Parties in the continual reinforcement of the multilateral trading system and considering that the provisions and instruments of the General

Agreement on Tariffs and Trade 1994 (hereinafter "GATT 1994") and the World Trade Organization (hereinafter "WTO") constitute a basis for their foreign trade policy;

RESOLVED to lay down for this purpose provisions aimed at the progressive abolition of the

obstacles to trade between the Parties in accordance with the provisions of these instruments, in

particular those concerning the establishment of free trade areas;

DETERMINED to implement this Free Trade Agreement with the objective to preserve and

protect the environment and to ensure an optimal use of natural resources in accordance with

the principle of sustainable growth;

HAVE DECIDED, in pursuance of these objectives, to conclude the following Agreement (hereinafter referred to as "this Agreement").

ARTICLE 1

Objectives

1. The Parties shall gradually establish a free trade area between them in accordance with the

provisions of this Agreement and in conformity with Article XXIV of the GATT 1994 and the other multilateral agreements on trade in goods annexed to the Agreement establishing the WTO.

2. The objectives of this Agreement are:

- a) to increase and enhance the economic cooperation between the Parties and raise the living standard of the population of the two countries;
- b) to gradually eliminate difficulties and restrictions on trade in goods, including also the agricultural products;
- c) to promote, through the expansion of reciprocal trade, the harmonious development of the economic relations between the Parties;
- d) to provide fair conditions of competition in trade between the Parties;
- e) to contribute by the removal of barriers to trade, to the harmonious development and expansion of world trade.

ARTICLE 2

Classification of Goods

1. Harmonized Commodity Description and Coding System (HS) shall be applied to the classification of goods.

2. For the commercial exchanges covered by this Agreement, the Parties shall apply their respective Customs Tariffs to the classification of goods for imports into their customs territory.

CHAPTER I

INDUSTRIAL PRODUCTS

ARTICLE 3

Scope

The provisions of this Chapter shall apply to products originating in the Parties falling within Chapters 25 to 97 of Harmonized Commodity Description and Coding System with the exception of the products listed in Annex I to this Agreement.

ARTICLE 4

Customs Duties on Imports and Charges Having Equivalent Effect

1. From the date of entry into force of this Agreement no new customs duty on imports or charge having equivalent effect shall be introduced in trade between the Parties.

2. Customs duties and charges having equivalent effect on imports shall be abolished on the date of entry into force of this Agreement.

ARTICLE 5

Customs Duties of a Fiscal Nature

The provisions of Article 4 shall also apply to customs duties of a fiscal nature.

ARTICLE 6

Customs Duties on Exports and Charges Having Equivalent Effect

1. From the date of entry into force of this Agreement no new customs duty on exports or charge having equivalent effect shall be introduced in trade between the Parties.
2. All customs duties on exports and charges having equivalent effect shall be abolished between the Parties on the date of entry into force of this Agreement.

ARTICLE 7

Quantitative Restrictions on Imports and Measures Having Equivalent Effect

1. From the date of entry into force of this Agreement no new quantitative restriction on imports or measure having equivalent effect shall be introduced in trade between the Parties.
2. All quantitative restrictions on imports and measures having equivalent effect shall be abolished between the Parties on the date of entry into force of this Agreement.

ARTICLE 8

Quantitative Restrictions on Exports and Measures Having Equivalent Effect

1. From the date of entry into force of this Agreement no new quantitative restriction on exports or measure having equivalent effect shall be introduced in trade between the Parties.
2. All quantitative restrictions on exports and measures having equivalent effect shall be abolished between the Parties on the date of entry into force of this Agreement.

ARTICLE 9

Technical Regulations

1. The rights and obligations of the Parties relating to standards or technical regulations and related measures shall be governed by the WTO Agreement on Technical Barriers to Trade.
2. Each Party, upon request of the other Party, shall provide information on particular individual cases of standards, technical regulations and related measures.
3. The Parties shall endeavour to reduce technical barriers to trade. To this end the Parties will enter where appropriate into negotiations for the conclusion of the agreements on the mutual recognition in the field of conformity assessment, in the spirit of the recommendations of the

WTO Agreement on Technical Barriers to Trade.

CHAPTER II AGRICULTURAL AND FISHERY PRODUCTS

ARTICLE 10

Scope

1. The provisions of this Chapter shall apply to agricultural and fishery products originating in the Parties.
2. The term "agricultural and fishery products" means for the purpose of this Agreement the products falling within Chapters 1 to 24 of the Harmonized Commodity Description and Coding System and the products listed in Annex I to this Agreement.

ARTICLE 11

Exchange of Concessions

1. The Parties declare their readiness to foster, in so far as their agricultural policies allow, the harmonious development of trade in agricultural and fishery products and to discuss this issue periodically within the Joint Committee.
2. For the achievement of this objective, the Parties shall grant each other the concessions specified in Protocol I, providing measures to promote the trade in agricultural and fishery products, in accordance with the provisions of this Chapter and those laid down in Protocol I.
3. Taking into account the role of agriculture in their respective economies; the development of trade in agricultural and fishery products between the Parties; the high sensitivity of agricultural products; the rules of their respective agricultural policies, the Parties shall examine in the Joint Committee the possibilities of granting to each other further concessions in trade in agricultural and fishery products.

ARTICLE 12

Veterinary, Sanitary and Phytosanitary Measures

The Parties shall apply their regulations in veterinary, sanitary and phytosanitary matters in a non-discriminatory manner and shall not introduce any new measure unduly obstructing trade or creating an arbitrary or unjustifiable discrimination or a disguised restriction on trade between them. The Parties shall apply their veterinary, sanitary and phytosanitary measures in conformity with the provisions of the relevant WTO agreements.

ARTICLE 13

Specific Safeguards

Notwithstanding other provisions of this Agreement, and in particular Article 22, given the particular sensitivity of the agricultural and fishery products, if imports of products originating in the Party, which are the subject to concessions granted under this Agreement, cause serious disturbance to the markets of the other Party, both Parties shall enter into consultations immediately to find an appropriate solution. Pending such a solution, the Party concerned may take the measures it deems necessary.

CHAPTER III

SERVICES AND INVESTMENTS

ARTICLE 14

Cooperation in the Field of Services and Investments

1. The Parties recognize the growing importance of certain areas, such as services and investments. In their efforts to gradually develop and broaden their co-operation, in particular in the context of the European integration, they will co-operate with the aim of achieving a progressive liberalization and mutual opening of their markets for investments and trade in services, taking into account relevant provisions of the General Agreement on Trade in Services (GATS).
2. The Parties will discuss in the Joint Committee the possibilities of developing and deepening their relations in conformity with this Article.

CHAPTER IV

GENERAL PROVISIONS

ARTICLE 15

Internal Taxation

1. The Parties shall refrain from any measure or practice of an internal fiscal nature establishing, whether directly or indirectly, discrimination between the products of one Party and like products originating in the other Party.
2. Products exported to the territories of the Parties may not benefit from repayment of internal taxes in excess of the amount of direct or indirect taxes imposed on them.

ARTICLE 16

Trade Relations Governed by Other Agreements

1. This Agreement shall not prevent the maintenance or establishment of customs unions, free trade areas or arrangements for cross-border trade of the Parties with third countries to the extent that these do not negatively affect the trade regime and in particular the provisions concerning rules of origin provided for by this Agreement.
2. Exchange of information shall take place, upon request of either Party, within the Joint Committee concerning agreements establishing such customs unions or free trade areas.

ARTICLE 17

Structural Adjustment

1. Exceptional measures of limited duration which derogate from the provisions of Article 4 may be taken by the Parties in the form of increased customs duties.
2. These measures may only concern infant industries, or certain sectors undergoing restructuring or facing serious difficulties, particularly where these difficulties produce important social problems.
3. Customs duties on imports applicable in the Party to products originating in the other Party introduced by these measures may not exceed 25 % ad valorem and shall maintain an element of preference for products originating in the other Party. The total value of imports of the products which are subject to these measures may not exceed 15 % of total imports of industrial products from the other Party as defined in Article 3, during the last year for which statistics are available.
4. These measures shall be applied for a period not exceeding five years unless a longer duration is authorized by the Joint Committee.
5. No such measures can be introduced in respect of a product if more than three years have elapsed since the elimination of all duties and quantitative restrictions or charges or measures having an equivalent effect concerning that product.
6. The Parties shall inform the Joint Committee of any exceptional measures they intend to take and, at the request of the Party, consultations shall be held in the Joint Committee on such measures and the sectors to which they apply before they are applied. When taking such measures the Parties shall provide the Joint Committee with a schedule for the elimination of the customs duties introduced under this Article. This schedule shall provide

for a phasing out of these duties starting at the latest two years after their introduction, at equal annual rates. The Joint Committee may decide on a different schedule.

ARTICLE 18

Dumping

If a Party finds that dumping, within the meaning of Article VI of GATT 1994 is taking place in trade relations governed by this Agreement, it may take appropriate measures against that practice in accordance with Article VI of the GATT 1994 and the rules established by the WTO agreements related to that Article, under the conditions and in accordance with the procedures laid down in Article 22 of this Agreement.

ARTICLE 19

Emergency Action on Imports of Particular Products

Where any product is being imported in such increased quantities and under such conditions as to cause, or threaten to cause:

- a) serious injury to domestic producers of like or directly competitive products, or
- b) serious disturbances in any sector of the economy or difficulties which could bring about serious deterioration in the economic situation of a region,

the Party concerned may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 22.

ARTICLE 20

Re-export and Serious Shortage

Where compliance with the provisions of Articles 6 and 8 leads to:

- a) re-export towards a third country against which the exporting Party maintains for the product concerned quantitative export restrictions, export duties or measures or charges having equivalent effect; or
- b) a serious shortage, or threat thereof, of a product essential to the exporting Party; and where the situations referred to above give rise or are likely to give rise to major difficulties

for the exporting Party, that Party may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 22. The measures shall be nondiscriminatory and shall be eliminated when conditions no longer justify their maintenance.

ARTICLE 21

State Monopolies

1. The Parties shall progressively adjust any state monopoly of a commercial character so as to ensure that by the end of the fourth year following the entry into force of this Agreement, no discrimination regarding the conditions under which goods are procured and marketed will exist between nationals of the Parties.
2. The Joint Committee shall be informed about the measures adopted to implement this objective.

ARTICLE 22

Procedure for the Application of Safeguard Measures

1. Before initiating the procedure for the application of safeguard measures set out in this Article the Party shall inform the other Party. The Parties shall endeavor to solve any differences between them through direct consultations.
2. In cases specified in Articles 13, 18, 19, 20, 25, 26 and 34 a Party which is considering to resort to safeguard measures shall promptly notify the Joint Committee thereof. The Party concerned shall provide the Joint Committee with all relevant information and the assistance required to examine the case. Consultations between the Parties shall take place without delay in the Joint Committee with a view to finding a commonly acceptable solution.
3. If, within one month of the matter being referred to the Joint Committee, the Party in question fails to put an end to the practice objected to or to the difficulties notified and in the absence of a decision by the Joint Committee on the matter, the concerned Party may adopt the safeguard measures it considers necessary to remedy the situation.
4. The safeguard measures taken shall be notified immediately to the Joint Committee. They shall be restricted, with regard to their extent and duration, to what is strictly necessary in order to rectify the situation giving rise to their application and shall not be in excess of the damage caused by the practice or the difficulty in question. Priority shall be given to such measures that will least disturb the functioning of this Agreement.
5. The safeguard measures taken shall be the subject to regular consultations within the Joint Committee with a view to their relaxation, or abolition when conditions no longer justify their

maintenance.

6. Where exceptional circumstances requiring immediate action make prior examination impossible, the Party concerned may, in the cases of Articles 13, 18, 19, 20, 25, 26 and 34

apply forthwith the precautionary measures strictly necessary to remedy the situation.

The

measures shall be notified without delay to the Joint Committee and consultations between

the Parties shall take place within the Joint Committee.

ARTICLE 23

Rules of Origin and Cooperation between the Customs Administrations

1. Protocol II lays down the rules of origin and methods of administrative cooperation.

2. Protocol III determines the methods of assistance between the Parties in customs matters.

ARTICLE 24

Payments

1. Any payment in freely convertible currency, arising from commercial exchanges covered by

this Agreement and the transfers of such payments to the territory of the Party where creditor

resides, shall be free from any restrictions.

2. The Parties shall refrain from any exchange or administrative restrictions on the grant, repayment or acceptance of short and medium-term credits, related to trade in goods in which a resident of a Party participates.

ARTICLE 25

Rules of Competition Concerning Undertakings

1. The following are incompatible with the proper functioning of this Agreement in so far as

they may affect trade between the Parties:

a) all agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which have as their object or effect the prevention, restriction or distortion of competition;

b) abuse by one or more undertakings of a dominant position in the territory of a Party as a

whole or in substantial part thereof.

2. The provisions of paragraph 1 shall apply to the activities of all undertakings including public

undertakings and undertakings to which the Parties grant special or exclusive rights.

Undertakings entrusted with the operation of services of general economic interest or having

the character of a revenue-producing monopoly, shall be subject to provisions of paragraph

1 in so far as the application of these provisions does not obstruct the performance, in law or fact, of the particular public tasks assigned to them.

3. With regard to products referred to in Chapter II the provisions stipulated in paragraph 1 (a) shall not apply to such agreements, decisions and practices which form an integral part of a national market organization.

4. If a Party considers that a given practice is incompatible with paragraphs 1, 2 and 3 of this Article or if such practice causes or threatens to cause serious prejudice to the interest of that Party or material injury to its domestic industry, the Party concerned may take appropriate measures under the conditions and in accordance with the procedure laid down in Article 22.

ARTICLE 26 State Aid

1. Any aid granted by a Party or through state resources in any form whatsoever which distorts or threatens to distort competition by favoring certain undertakings or the production of certain goods shall, in so far as it may affect trade between the Parties, be incompatible with the proper functioning of this Agreement.

2. The provisions of paragraph 1 shall not apply to products referred to in Chapter II.

3. The Parties shall ensure transparency in the area of state aid, in accordance with the provisions of the Agreement on Subsidies and Countervailing Measures and the WTO/GATT 1994 and either Party, upon request of the other Party, will provide information on aid schemes and on particular individual cases of state aid.

4. If a Party considers that a particular practice:

- is incompatible with the terms of paragraph 1, and
- causes or threatens to cause serious prejudice to the interest of that Party or material injury to its domestic industry,

it may take appropriate measures under the conditions and in accordance with the provisions laid down in Article 22. Such appropriate measures may only be taken in conformity with the procedures and under the conditions laid down in the General Agreement on Tariffs and Trade 1994 and by the Agreement establishing the World Trade Organization, in particular by the Agreement on Subsidies and Countervailing measures, and any other relevant instrument negotiated under their auspices which are applicable between the Parties.

ARTICLE 27

Balance of Payments Difficulties

Where either Party is in a serious balance of payments difficulties or under threat thereof, the Party concerned may in accordance with the conditions laid down within the framework of WTO/GATT 1994 and with Article VIII of the Articles of Agreement of International Monetary Fund, adopt restrictive measures, which shall be of limited duration and may not go beyond what is necessary to remedy the balance of payments situation. The Party concerned shall inform the other Party forthwith of their introduction and present to the other Party, as soon as possible, a time schedule of their removal.

ARTICLE 28

Intellectual, Industrial and Commercial Property

1. The Parties shall provide suitable and effective protection of intellectual, industrial and commercial property rights in line with WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) and other international Agreements. This shall encompass effective means of enforcing such rights.
2. Implementation of this Article shall be regularly assessed by the Parties. If difficulties which affect trade arise in connection with intellectual, industrial and commercial property rights, either Party may request urgent consultations to find mutually satisfactory solutions.

ARTICLE 29

Public Procurement

1. The Parties consider the opening up of the award of public contracts on the basis of nondiscrimination and reciprocity, to be a desirable objective.
2. As of the entry into force of this Agreement, both Parties shall grant each other's companies access to contract award procedures a treatment no less favorable than that accorded to companies of any other country.

ARTICLE 30

Establishment of the Joint Committee

1. A Joint Committee is hereby established in which the Parties shall be represented. The Joint Committee shall be responsible for the administration of this Agreement and shall ensure its

proper implementation.

2. For the purpose of the proper implementation of this Agreement, the Parties shall exchange information and, at the request of either Party, shall hold consultations within the Joint Committee. The Joint Committee shall keep under review the possibility of further removal of the obstacles to trade between the Parties.

3. The Joint Committee may, in accordance with the provisions of paragraph 3 of Article 31, take decisions in cases provided for in this Agreement. On other matters the Joint Committee may make recommendations.

ARTICLE 31

Procedures of the Joint Committee

1. For the proper implementation of this Agreement, the Joint Committee shall meet at an appropriate level whenever necessary upon request but at least once a year. Either Party may request a meeting be held.

2. The Joint Committee shall decide by consensus.

3. If a representative of a Party in the Joint Committee has accepted a decision subject to reservation of the fulfillment of constitutional requirements the decision shall enter into force, if no later date is contained therein, on the date of the receipt of the written notification stating that such requirements have been fulfilled.

4. The Joint Committee may decide to set up such sub-committees and working groups as it considers necessary to assist it in accomplishing its tasks.

ARTICLE 32

Security Exceptions

Nothing in this Agreement shall prevent the Parties from taking any measures which they consider necessary:

- a) to prevent the disclosure of information contrary to their essential security interests;
- b) for the protection of their essential security interests or for the implementation of international obligations or national policies:
 - i) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods, materials and services as is carried on directly or indirectly for the purpose of supplying a military establishment; or
 - ii) relating to the non-proliferation of biological and chemical weapons, nuclear weapons or other nuclear explosive devices; or
 - iii) in time of war or other serious international tension constituting threat of war.

ARTICLE 33

General Exceptions

This Agreement shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, public policy or public security; the protection of health and life of humans, animals or plants; the protection of national treasures possessing artistic, historic or archaeological value; the protection of intellectual, industrial and commercial property. Such prohibitions or restrictions must not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between the Parties.

ARTICLE 34

Fulfillment of Obligations

1. The Parties shall take all necessary measures to ensure the achievement of the objectives of this Agreement and the fulfillment of their obligations under this Agreement.
2. If either Party considers that the other Party has failed to fulfill an obligation under this Agreement, the Party concerned may take the appropriate measures under the conditions and in accordance with the procedures laid down in Article 22 of this Agreement.

ARTICLE 35

Evolutionary Clause

1. Where either Party considers that it would be useful and in the interest of the economies of the Parties to develop the relations established by this Agreement by extending them to fields not covered thereby, it shall submit a reasoned request to the other Party. The Parties may instruct the Joint Committee to examine this request and, where appropriate, to make recommendations to them, particularly with a view to opening negotiations.
2. Agreements resulting from the procedure referred to in paragraph 1 shall be subject to ratification or approval by the Parties to this Agreement in accordance with their national legislation.

ARTICLE 36

Amendments

Amendments to this Agreement, as well as to its Annexes and Protocols, shall enter into force on the first day of the second month following the receipt of the later written notification through diplomatic channels, by which the Parties inform each other that all necessary requirements foreseen by their national legislation for the entry into force of this Agreement, have been fulfilled.

ARTICLE 37 Protocols and Annexes

Protocols and Annexes to this Agreement shall form an integral part thereof. The Joint Committee may decide to amend the Protocols and Annexes in accordance with the national legislation of the Parties.

ARTICLE 38 Duration and Termination

1. This Agreement is concluded for an indefinite period of time.
2. Either party may denounce this Agreement by a written notification to the other Party. The denunciation shall take effect on the first day of the seventh month following the date on which the other Party received the denunciation notice.
3. The Parties agree that in case of accession of either Party to the European Union, the Agreement shall be terminated without compensation to the other Party.

ARTICLE 39 Entry into Force

This Agreement shall enter into force on the first day of the second month, following the date of the receipt of the later written notification through diplomatic channels, by which the Parties inform each other that all necessary requirements foreseen by their national legislation for the entry into force of this Agreement, have been fulfilled.

DONE at, this.....day of, in two originals each in the Croatian, Lithuanian, and English languages, all texts being equally authentic. In case of any divergence in the interpretation of this Agreement, the English text shall prevail.
For the Republic of Croatia For the Republic of Lithuania

ANNEX I

(List of products referred to in Article 3 and Article 10)

HS CODE BRIEF PRODUCT DESCRIPTION

2905.43.00 Mannitol

2905.44 D-glucitol (sorbitol)

3302.10.29 Mixtures of odoriferous substances and mixtures

3501 -Casein:

3501.10.10 --For the manufacture of regenerated textile fibres

3501.10.50 --For industrial uses, other than the manufacture of foodstuffs or fodder

3501.10.90 --Other

-Other

3501.90.90 --Other

3502 Albumins (including concentrates of two or more whey proteins, containing by weight more

than 80 % whey proteins, calculated on the dry matter), albuminates and other albumin derivatives:

-Egg albumin:

--Dried:

3502.11.10 ---Unfit, or to be rendered unfit, for human consumption

3502.11.90 ---Other

--Other:

3502.19.10 ---Unfit, or to be rendered unfit, for human consumption

3502.19.90 ---Other

-Milk albumin, including concentrates of two or more whey proteins:

3502.20.10 --Unfit, or to be rendered unfit, for human consumption

--Other:

3502.20.91 ---Dried (for example, in sheets, scales, flakes, powder)

3502.20.99 --Other

-Other:

--Albumins, other than egg albumin and milk albumin (lactalbumin):

3502.90.20 ---Unfit, or to be rendered unfit, for human consumption

3502.90.70 ---Other

3502.90.90 --Albuminates and other albumin derivatives

3505.10 Dextrins and other modified starches

3505.10.10 Dextrins

3505.10.90 Other

3505.20 Glues

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

3809.10 -With a basis of amylaceous substances

-Other

3809.91.00 --Of a kind used in the textile or like industries (excluding

3809.91.00.90.11.19)

3809.92.00 --Of a kind used in the paper or like industries (excluding

3809.92.00.90.00)

3809.93.00 --Of a kind used in the leather or like industries (excluding

3809.93.00.90.00)

3824.60 Sorbitol, other than that of subheading 2905.44

4501 Natural cork, raw or simply prepared; waste cork: crushed, granulated or ground cork:

4501.10.00 -Natural cork, raw or simply prepared

4501.90.00 -Other

5201.00 Cotton, not carded or combed

5301 Flax, raw or processed but not spun; flax tow and waste (incl. yarn waste and garnetted stock)

5302 True hemp (*Cannabis sativa* L.), raw or processed but not spun: tow and waste of true

hemp (incl. yarn waste and garnetted stock)

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ANNEX I

INTRODUCTORY NOTES TO THE LIST IN ANNEX II

Note 1:

The list sets out the conditions required for all products to be considered as sufficiently worked or processed within the meaning of Article 6 of the Protocol.

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 Harmonized 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 Harmonized 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 Article 6 of the Protocol, 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 Croatia or in Lithuania.

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 Croatia 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 Croatia. 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.

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Example:

The rule for fabrics of headings 5208 to 5212 provides that natural fibres may be used and that the 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 nonoriginating 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,
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- 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:

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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;
- c) cracking;
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- 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.

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;
- 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;
- j) 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);
- k) in respect of products of heading 2710 only, deparaffining by a process other than filtering;
- l) 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;
- m) 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;
- n) 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;
- o) 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.

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ANNEX II

LIST OF WORKING OR PROCESSING REQUIRED TO BE CARRIED OUT ON NON-ORIGINATING MATERIALS

IN ORDER THAT THE PRODUCT MANUFACTURED CAN OBTAIN ORIGINATING STATUS

The products mentioned in the list may not be all covered by the Agreement. It is, therefore, necessary to consult the other parts of the Agreement.

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:

- 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:

- all the materials of Chapter 6 used are wholly obtained, and

- the value of all the materials used does not exceed 7

50 % of the ex-works price of the product

Chapter 7 Edible vegetables and certain roots and tubers

Manufacture in which all the materials of Chapter 7 used are wholly obtained

(1) (2) (3) or (4)

Chapter 8 Edible fruit and nuts; peel of citrus fruits or melons

Manufacture in which:

- 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, gumresins and oleoresins (for example, balsams)

Manufacture in which the value of all the materials of heading 1301 used does not exceed 50 % of the exworks price of the product

1302 Vegetable saps and extracts; pectic substances, pectinates and pectates; agar-agar and other mucilages and thickeners, whether or not modified, derived from

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vegetable products:

- Mucilages and thickeners, modified, derived from vegetable products

Manufacture from non-modified mucilages and thickeners

- Other Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product

Chapter 14 Vegetable plaiting materials; vegetable products not elsewhere specified or included

Manufacture in which all the materials of Chapter 14 used 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:

Manufacture from materials of any heading, except that of the product 1501 Pig fat (including lard) and poultry fat, other than that of heading 0209 or 1503:

- Fats from bones or waste

Manufacture from materials of any heading, except those of heading 0203, 0206 or 0207 or bones of heading 0506

- Other Manufacture from meat or edible offal of swine of heading 0203 or 0206 or of meat and edible offal of poultry of heading 0207

1502 Fats of bovine animals, sheep or goats, other than those of heading 1503

- Fats from bones or waste

Manufacture from materials of any heading, except those of heading 0201, 0202, 0204 or 0206 or bones of heading 0506

- Other Manufacture in which all the materials of Chapter 2 used are wholly obtained

1504 Fats and oils and their fractions, of fish or marine mammals, whether or not refined, but not chemically modified:

- Solid fractions Manufacture from materials of any heading, including other materials of heading 1504

- Other Manufacture in which all the materials of Chapters 2 and 3 used are wholly obtained

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:

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- Solid fractions Manufacture from materials of any heading, including other materials of heading 1506

- Other 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 Manufacture from materials of any heading, except that of the product

- Solid fractions, except for that of jojoba oil Manufacture from other materials of headings 1507 to 1515

- Other 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, reesterified 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

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:

- 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:

- 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 exworks
price of the product

1702 Other sugars, including chemically
pure lactose, maltose, glucose and
fructose, in solid form; sugar
syrops not containing added

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flavouring or colouring matter;
artificial honey, whether or not
mixed with natural honey; caramel:

- Chemically-pure maltose
and fructose

Manufacture from materials of any
heading, including other materials of
heading 1702

- Other sugars 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 exworks price of the product

- Other 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 exworks price of the product

1704 Sugar confectionery (including white chocolate), not containing cocoa

Manufacture:

- 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:

- 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:

- Malt extract Manufacture from cereals of Chapter 10

- Other Manufacture:

- from materials of any heading, except that of the product, and

- in which the value of all the materials of Chapter 17 used does

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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:

- 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

- Containing more than 20 % by weight of meat, meat offal, fish, crustaceans or molluscs

Manufacture in which:

- 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

1903 Tapioca and substitutes therefore 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:

- from materials of any heading, except those of heading 1806,
- in which all the cereals and flour (except durum wheat and Zea mays 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 Potatoes in the form of flour, meal or flakes, prepared or preserved

Manufacture from materials of any 12

ex 2005 otherwise than by vinegar or acetic acid

heading, except that of the product 2006 Vegetables, fruit, nuts, fruit-peel and other parts of plants,

preserved by sugar (drained, glacé or crystallized)

Manufacture in which the value of all the materials of Chapter 17 used does not exceed 30 % of the exworks price of the product

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:

- 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 - Nuts, not containing added sugar or spirits

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

- Peanut butter; mixtures based on cereals; palm hearts; maize (corn)

Manufacture from materials of any heading, except that of the product

- Other except for fruit and nuts cooked otherwise than by steaming or boiling in water, not containing added sugar, frozen

Manufacture:

- 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:

- 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:

- from materials of any heading, except that of the product, and
 - in which all the chicory used is wholly obtained
- 2103 Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard:

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- Sauces and preparations therefor; mixed condiments and mixed seasonings

Manufacture from materials of any heading, except that of the product. However, mustard flour or meal or prepared mustard may be used

- Mustard flour and meal and prepared mustard

Manufacture from materials of any heading

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

Manufacture:

- 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 22 Beverages, spirits and vinegar; except for:

Manufacture:

- from materials of any heading, except that of the product, and
- in which all the grapes or materials derived from grapes used are wholly obtained

2202 Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other nonalcoholic beverages, not including fruit or vegetable juices of heading 2009

Manufacture:

- from materials of any heading, except that of the product,
- 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
- in which all the fruit juice used (except that of pineapple, lime or grapefruit) is originating

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:

- 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:

- from materials of any
heading, except heading 2207
or 2208, and

- in which all the grapes or

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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:

- all the cereals, sugar or molasses, meat or milk used are originating, and

- all the materials of

Chapter 3 used are wholly obtained
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 Cutting, by sawing or otherwise, of stone (even if already sawn) of a 15

sawing or otherwise, into blocks or slabs of a rectangular (including

square) shape, of a thickness not exceeding 25 cm

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

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

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 exworks price of the product

ex 2709 Crude oils obtained from bituminous minerals

Destructive distillation of bituminous materials

2710 Petroleum oils and oils obtained from bituminous materials, other than crude; preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous materials, these oils being the basic constituents of the preparations; waste oils

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

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

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does not exceed 50 % of the exworks price of the product

2711 Petroleum gases and other gaseous hydrocarbons

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 exworks price of the product

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) (3)

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 exworks 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) (4)

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 exworks 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) (5)

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 exworks price of the product

2715 Bituminous mixtures based on natural asphalt, on natural bitumen, on petroleum bitumen, on Operations of refining and/or one or more specific process(es) (6)

1 For the special conditions relating to "specific processes", see Introductory Note 7.2.

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

3 For the special conditions relating to "specific processes", see Introductory Note 7.2.

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

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

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

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mineral tar or on mineral tar pitch
(for example, bituminous mastics,
cut-backs)

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 exworks price of the product

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 exworks price of the product

ex 2902 Cyclanes and cyclenes (other than azulenes), benzene, toluene,

Operations of refining and/or one or more specific process(es) (2)

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 Notes 7.1 and 7.3.

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xylenes, for use as power or heating fuels 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 exworks price of the product

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 exworks 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 exworks 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

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 Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera and other blood fractions and modified immunological

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products, whether or not obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products:

- 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

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

- Other

- Human blood 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

- Animal blood prepared for therapeutic or prophylactic uses 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

-- Blood fractions other

than antisera, haemoglobin, blood globulins and serum globulins

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

-- Haemoglobin, blood

globulins and serum globulins

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

-- Other 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

3003 and 3004 Medicaments (excluding goods of heading 3002, 3005 or 3006):

- Obtained from amikacin
of heading 2941

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

- Other Manufacture:

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- 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

- in which the value of all the materials used does not exceed 50 % of the ex-works price of the product

ex 3006 Waste pharmaceuticals specified in note 4(k) to this Chapter

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

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:

- sodium nitrate
- calcium cyanamide
- potassium sulphate
- magnesium potassium sulphate

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, 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 (1)

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

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

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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" (1) 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

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) (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 exworks 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

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

- Other Manufacture from materials of any heading, except:

- hydrogenated oils having the character of waxes of heading 1516,

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

- fatty acids not chemically defined or industrial fatty alcohols having the character of waxes of heading 3823, and

1 A "group" is regarded as any part of the heading separated from the rest by a semicolon.

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

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- materials of heading 3404

However, these materials may be used, provided that their total value does not exceed 20 % of the exworks price of the product

ex Chapter 35 Albuminoidal substances; modified starches; glues; enzymes; 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

3505 Dextrins and other modified starches (for example, pregelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches:

- Starch ethers and esters Manufacture from materials of any heading, including other materials of heading 3505

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

- Other Manufacture from materials of any heading, except those of heading 1108

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

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

3701 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:

- Instant print film for colour photography, in packs

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 exworks 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

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- Other 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
Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

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 - Colloidal graphite in suspension in oil and semicolloidal graphite; carbonaceous pastes for electrodes
Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product

- Graphite in paste form, being a mixture of more than 30 % by weight of graphite with mineral oils

Manufacture in which the value of all the materials of heading 3403 used does not exceed 20 % of the exworks 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 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

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, antisprouting products and plantgrowth 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 products

3809 Finishing agents, dye carriers to accelerate the dyeing or fixing of Manufacture in which the value of all the materials used does not exceed 24

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

50 % of the ex-works price of the products

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 products

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 exworks 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

3812 Prepared rubber accelerators; compound plasticisers for rubber or plastics, not elsewhere specified or included; anti-oxidizing preparations and other compound stabilizers 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 fireextinguishers; charged fireextinguishing 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

3824 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:

- The following of this heading:

- Prepared binders for foundry moulds or cores based on natural resinous products

- Naphthenic acids, their water-insoluble salts and their esters

- Sorbitol other than that of heading 2905

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

-- Petroleum sulphonates,
excluding petroleum sulphonates
of alkali metals, of ammonium or of
ethanolamines; thiophenated
sulphonic acids of oils obtained
from bituminous minerals, and their
salts

-- Ion exchangers

-- Getters for vacuum
tubes

-- Alkaline iron oxide for
the purification of gas

-- Ammoniacal gas liquors
and spent oxide produced in coal
gas purification

-- Sulphonaphthenic acids,
their water-insoluble salts and their
esters

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-- Fusel oil and Dippel's oil

-- Mixtures of salts having
different anions

-- Copying pastes with a
basis of gelatin, whether or not on
a paper or textile backing

- Other Manufacture in which the value of all
the materials used does not exceed
50 % of the ex-works price of the
product

3901 to 3915 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:

- Addition

homopolymerisation products in
which a single monomer
contributes more than 99 % by
weight to the total polymer content
Manufacture in which:

- the value of all the materials used does not exceed 50 % of the ex-works price of the product, and

- 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 (1)

Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

- Other Manufacture in which the value of all the materials of Chapter 39 used does not exceed 20 % of the exworks price of the product (2)

Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

ex 3907 - Copolymer, made from polycarbonate and acrylonitrilebutadiene-styrene copolymer (ABS)

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 (3)

- Polyester Manufacture in which the value of all the materials of Chapter 39 used does not exceed 20 % of the exworks price of the product and/or manufacture from polycarbonate of tetrabromo-(bisphenol A)

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

1 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.

2 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.

3 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.

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product

3916 to 3921 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:

- 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

Manufacture in which the value of all the materials of Chapter 39 used does not exceed 50 % of the exworks 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

- Other:

- Addition

homopolymerisation products in which a single monomer contributes more than 99 % by weight to the total polymer content

Manufacture in which:

- the value of all the materials used does not exceed 50 % of the ex-works price of the product, and

- 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 (1)

Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

-- Other Manufacture in which the value of all the materials of Chapter 39 used does not exceed 20 % of the exworks price of the product (2)

Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

ex 3916 and

ex 3917

Profile shapes and tubes Manufacture in which:

- the value of all the materials used does not exceed 50 % 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 20 % 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 3920 - Ionomer sheet or film Manufacture from a thermoplastic partial salt which is a copolymer of ethylene and metacrylic acid partly neutralised with metal ions, mainly zinc and sodium

Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

- Sheets of regenerated cellulose, polyamides or polyethylene

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

1 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.

2 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.

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product

ex 3921 Foils of plastic, metallised Manufacture from highly-transparent polyester-foils with a thickness of less than 23 micron (1)

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

ex 4114 Patent leather and patent laminated leather; metallised

Manufacture from materials of headings 4104 to 4106, 4112 or

1 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 %.

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leather 4113, provided that their total value does not exceed 50 % of the exworks 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

Bleaching or dyeing, in addition to cutting and assembly of nonassembled tanned or dressed

furskins

- Other 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 endjointing

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 Sanding or end-jointing

- Beadings and mouldings 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

30

ex 4416 Casks, barrels, vats, tubs and other coopers' products and parts thereof, of wood

Manufacture from riven staves, not further worked than sawn on the two principal surfaces

ex 4418 - Builders' joinery and carpentry of wood

Manufacture from materials of any heading, except that of the product.

However, cellular wood panels, shingles and shakes may be used

- Beadings and mouldings 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

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:

- 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:

- from materials of any heading, except that of the product, and

- in which the value of all the materials used does not exceed 31

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

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 Calendars of any kind, printed, including calendar blocks:

- Calendars of the "perpetual" type or with replaceable blocks mounted on bases other than paper or paperboard

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

- Other Manufacture from materials of any heading, except those of headings 4909 and 4911

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 Carding or combing of silk waste

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combed

5004 to ex 5006 Silk yarn and yarn spun from silk waste

Manufacture from (1):

- raw silk or silk waste, carded or combed or otherwise prepared for spinning,

- other natural fibres, not carded or combed or otherwise

prepared for spinning,

- chemical materials or

textile pulp, or

- paper-making materials

5007 Woven fabrics of silk or of silk

waste:

- Incorporating rubber

thread

Manufacture from single yarn (2)

- Other Manufacture from (3):

- 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 51 Wool, fine or coarse animal hair;

horsehair yarn and woven fabric;

except for:

Manufacture from materials of any

heading, except that of the product

5106 to 5110 Yarn of wool, of fine or coarse

animal hair or of horsehair

Manufacture from (4):

- raw silk or silk waste,

carded or combed or otherwise

prepared for spinning,

1 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

4 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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- natural fibres, not carded or combed or otherwise prepared for spinning,

- chemical materials or textile pulp, or

- paper-making materials

5111 to 5113 Woven fabrics of wool, of fine or coarse animal hair or of horsehair:

- Incorporating rubber thread

Manufacture from single yarn (1)

- Other Manufacture from (2):

- 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 Cotton; except for: Manufacture from materials of any heading, except that of the product

5204 to 5207 Yarn and thread of cotton Manufacture from (3):

- 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 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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5208 to 5212 Woven fabrics of cotton:

- Incorporating rubber thread

Manufacture from single yarn (1)

- Other Manufacture from (2):

- 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,

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

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

Manufacture from (3):

- 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

5309 to 5311 Woven fabrics of other vegetable

textile fibres; woven fabrics of

paper yarn:

- Incorporating rubber

thread

Manufacture from single yarn (4)

1 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

4 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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- Other Manufacture from (1):

- coir yarn,

- jute 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,

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

5401 to 5406 Yarn, monofilament and thread of

man-made filaments

Manufacture from (2):

- 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

5407 and 5408 Woven fabrics of man-made filament yarn:

- Incorporating rubber

thread

Manufacture from single yarn (3)

- Other Manufacture from (4):

- coir yarn,

- natural fibres,

- man-made staple fibres,

not carded or combed or otherwise

1 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

4 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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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,

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

5501 to 5507 Man-made staple fibres Manufacture from chemical materials

or textile pulp

5508 to 5511 Yarn and sewing thread of manmade

staple fibres

Manufacture from (1):

- 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

5512 to 5516 Woven fabrics of man-made staple
fibres:

- Incorporating rubber
thread

Manufacture from single yarn (2)

- Other Manufacture from (3):

- 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

1 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

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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 56 Wadding, felt and non-wovens;

special yarns; twine, cordage,
ropes and cables and articles

thereof; except for:

Manufacture from (1):

- coir yarn,

- natural fibres,

- chemical materials or

textile pulp, or

- paper-making materials

5602 Felt, whether or not impregnated,
coated, covered or laminated:

- Needleloom felt Manufacture from (2):

- 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

- Other Manufacture from (3):

- natural fibres,
- man-made staple fibres made from casein, or
- chemical materials or textile pulp

1 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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5604 Rubber thread and cord, textile covered; textile yarn, and strip and the like of heading 5404 or 5405, impregnated, coated, covered or sheathed with rubber or plastics:

- Rubber thread and cord, textile covered

Manufacture from rubber thread or cord, not textile covered

- Other Manufacture from (1):

- natural fibres, not carded or combed or otherwise processed for spinning,
- chemical materials or textile pulp, or
- paper-making materials

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 (2):

- 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 (3):

- 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 (4):

- natural fibres, or
- chemical materials or
textile pulp

However:

- polypropylene filament of

1 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

4 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

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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

- Of other felt Manufacture from (1):

- natural fibres, not carded

or combed or otherwise processed for spinning, or

- chemical materials or textile pulp

- Other Manufacture from (2):

- coir yarn or jute yarn,

- synthetic or artificial filament yarn,

- natural fibres, or

- man-made staple fibres, not carded or combed or otherwise processed for spinning

Jute fabric may be used as a backing

ex Chapter 58 Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings;

embroidery; except for:

- Combined with rubber thread

Manufacture from single yarn (3)

- Other Manufacture from (4):

- natural fibres,

- man-made staple fibres, not carded or combed or otherwise processed for spinning, or

- chemical materials or textile pulp

or

1 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

4 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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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

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:

- 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

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, 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

4 1

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 (1)

5905 Textile wall coverings:

- Impregnated, coated, covered or laminated with rubber, plastics or other materials

Manufacture from yarn

- Other Manufacture from (2):

- 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 (3):

- natural fibres,
- man-made staple fibres, not carded or combed or otherwise processed for spinning, or
- chemical materials or textile pulp
- Other fabrics made of synthetic filament yarn, containing more than 90 % by weight of textile materials

Manufacture from chemical materials

- Other Manufacture from yarn

5907 Textile fabrics otherwise Manufacture from yarn

1 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

2 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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impregnated, coated or covered;
painted canvas being theatrical
scenery, studio back-cloths or the
like

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

5908 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:

- Incandescent gas
mantles, impregnated

Manufacture from tubular knitted
gas-mantle fabric

- Other Manufacture from materials of any

heading, except that of the product
5909 to 5911 Textile articles of a kind suitable for
industrial use:

- Polishing discs or rings
other than of felt of heading 5911

Manufacture from yarn or waste
fabrics or rags of heading 6310

- 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

Manufacture from (1):

- coir yarn,
- the following materials:
 - yarn of
polytetrafluoroethylene (2),
 - yarn, multiple, of
polyamide, coated impregnated or
covered with a phenolic resin,
 - yarn of synthetic textile
fibres of aromatic polyamides,
obtained by polycondensation of mphenylenediamine
and isophthalic
acid,
 - monofil of
polytetrafluoroethylene (3),
 - yarn of synthetic textile
fibres of poly(p-phenylene
terephthalamide),
 - glass fibre yarn, coated
with phenol resin and gimped with
acrylic yarn (1),

1 For special conditions relating to products made of a mixture of textile materials, see
Introductory note 5

2 The use of this material is restricted to the manufacture of woven fabrics of a kind
used in paper-making machinery.

3 The use of this material is restricted to the manufacture of woven fabrics of a kind
used in paper-making machinery.

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- 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

- Other Manufacture from (2):

- coir yarn,
- natural fibres,
- man-made staple fibres,
not carded or combed or otherwise
processed for spinning, or
- chemical materials or
textile pulp

Chapter 60 Knitted or crocheted fabrics Manufacture from (3):

- 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

Manufacture from yarn (4)(5)

- Other Manufacture from (6):

- natural fibres,
- man-made staple fibres,
not carded or combed or otherwise
processed for spinning, or
- chemical materials or
textile pulp

1 The use of this material is restricted to the manufacture of woven fabrics of a kind used in paper-making machinery.

2 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

3 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

4 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

5 See Introductory Note 6.

6 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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ex Chapter 62 Articles of apparel and clothing accessories, not knitted or crocheted; except for:

Manufacture from yarn (1)(2)

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 (3)

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 (4)

ex 6210 and

ex 6216

Fire-resistant equipment of fabric

covered with foil of aluminised

polyester

Manufacture from yarn (5)

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 (6)

6213 and 6214 Handkerchiefs, shawls, scarves,

mufflers, mantillas, veils and the

like:

- Embroidered Manufacture from unbleached single

yarn (7)(8)

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)

- Other Manufacture from unbleached single

yarn (10)(11)

or

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,
decatizing, 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

1 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

2 See Introductory Note 6.

3 See Introductory Note 6.

4 See Introductory Note 6.

5 See Introductory Note 6.

6 See Introductory Note 6.

7 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

8 See Introductory Note 6.

9 See Introductory Note 6.

10 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

11 See Introductory Note 6.

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price of the product

6217 Other made up clothing

accessories; parts of garments or
of clothing accessories, other than
those of heading 6212:

- Embroidered Manufacture from yarn (1)
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 (2)

- Fire-resistant equipment
of fabric covered with foil of
aluminised polyester
Manufacture from yarn (3)

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 (4)

- Interlinings for collars
and cuffs, cut out
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
- Other Manufacture from yarn (5) ex Chapter 63 Other made-up textile articles; sets; worn clothing and worn textile articles; rags; except for: Manufacture from materials of any heading, except that of the product 6301 to 6304 Blankets, travelling rugs, bed linen etc.; curtains etc.; other furnishing articles:
- Of felt, of nonwovens Manufacture from (6):
- natural fibres, or
- chemical materials or textile pulp
- Other:

-- Embroidered Manufacture from unbleached single

1 See Introductory Note 6.

2 See Introductory Note 6.

3 See Introductory Note 6.

4 See Introductory Note 6.

5 See Introductory Note 6.

6 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

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yarn (1)(2)

or

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

-- Other Manufacture from unbleached single yarn (3)(4)

6305 Sacks and bags, of a kind used for the packing of goods

Manufacture from (5):

- natural fibres,
- man-made staple fibres, not carded or combed or otherwise processed for spinning, or
- chemical materials or

textile pulp

6306 Tarpaulins, awnings and sunblinds;
tents; sails for boats, sailboards or
landcraft; camping goods:

- Of nonwovens Manufacture from (6)(7):

- natural fibres, or

- chemical materials or

textile pulp

- Other Manufacture from unbleached single
yarn (8)(9)

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

1 See Introductory Note 6.

2 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.

3 See Introductory Note 6.

4 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.

5 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

6 For special conditions relating to products made of a mixture of textile materials, see
Introductory Note 5.

7 See Introductory Note 6.

8 For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.

9 See Introductory Note 6.

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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 (1)

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 (2)

ex Chapter 66 Umbrellas, sun umbrellas, walkingsticks,

seat-sticks, whips, ridingcrops,

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

1 See Introductory Note 6.

2 See Introductory Note 6.

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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:

- Glass-plate substrates, coated with a dielectric thin film, and of a semiconductor grade in accordance with SEMI standards

(1)

Manufacture from non-coated glassplate
substrate of heading 7006

- Other Manufacture from materials of
heading 7001

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 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

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,

1 SEMII – Semiconductor Equipment and Materials Institute Incorporated.

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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

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
50

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

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, checkrails 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, lockgates, 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 Manufacture from materials of any heading, except that of the product. However, welded angles, shapes and sections of heading 7301 may not be used

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structures, of iron or steel

ex 7315 Skid chain Manufacture in which the value of all the materials of heading 7315 used does not exceed 50 % of the exworks price of the product

ex Chapter 74 Copper and articles 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 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:

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

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:

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

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7601 Unwrought aluminium 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

or

Manufacture by thermal or
electrolytic treatment from unalloyed
aluminium or waste and scrap of
aluminium

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

Manufacture:

- 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

Chapter 77 Reserved for possible future use in the HS

ex Chapter 78 Lead and articles 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 50 % of the ex-works price of the product

7801 Unwrought lead:

- Refined lead Manufacture from "bullion" or "work" lead

- Other Manufacture from materials of any heading, except that of the product.

However, waste and scrap of heading 7802 may not be used

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:

Manufacture:

- from materials of any

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- 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
ex Chapter 80 Tin and articles 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
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 Other base metals; cermets;
articles thereof:

- Other base metals,
wrought; articles thereof

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

- Other Manufacture from materials of any
heading, except that of the product
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

8207 Interchangeable tools for hand tools, whether or not poweroperated, 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

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

54 tools product

8208 Knives and cutting blades, for machines or for mechanical appliances

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 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, butterknives, 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

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

Manufacture in which the value of all the materials used does not exceed

30 % of the ex-works price of the product

ex 8401 Nuclear fuel elements Manufacture from materials of any heading, except that of the product (1)

Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

1 This rule shall apply until 31.12.2005.

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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

Manufacture in which the value of all the materials used does not exceed 25 % 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

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

8406 Steam turbines and other vapour turbines

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

8407 Spark-ignition reciprocating or rotary internal combustion piston engines

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

8408 Compression-ignition internal combustion piston engines (diesel or semi-diesel engines)

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

8409 Parts suitable for use solely or principally with the engines of heading 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:

- 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:

- 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:

- from materials of any heading, except that 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

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and

- in which the value of all the materials used does not exceed 40 % 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

8418 Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 8415

Manufacture:

- 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:

- 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 therefore

Manufacture in which:

- 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:

- 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

8425 to 8428 Lifting, handling, loading or unloading machinery

Manufacture in which: Manufacture in which the value of all the materials used does not exceed

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- 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

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 Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

- Other Manufacture in which:

- 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 pileextractors; snow-ploughs and snow-blowers

Manufacture in which:

- 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

8439 Machinery for making pulp of fibrous cellulosic material or for making or finishing paper or paperboard

Manufacture in which:

- 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

Manufacture in which:

- the value of all the materials used does not exceed 30 % of the ex-works price of the
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kinds 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

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:

- Sewing machines (lock stitch only) with heads of a weight not exceeding 16 kg without motor or 17 kg with motor

Manufacture in which:

- the value of all the materials used does not exceed 40 % of the ex-works price of the product,

- the value of all the nonoriginating 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

- 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: Manufacture in which the value of all
the materials used does not exceed
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- 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

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

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:

- 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:

- 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:

- 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 therefore; loudspeakers, whether or not mounted in their enclosures; audio-Manufacture in which:

- the value of all the
- Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the
- 60

frequency electric amplifiers; electric sound amplifier sets materials used does not exceed 40 % of the ex-works price of the product, and

- the value of all the nonoriginating materials used does not exceed the value of all the originating materials used
- product

8519 Turntables (record-decks), recordplayers, cassette-players and other sound reproducing apparatus, not incorporating a sound recording device

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 nonoriginating 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:

- 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 nonoriginating 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:

- 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 nonoriginating 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:

- Matrices and masters for the production of records

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

- Other Manufacture in which: Manufacture in which the value of all the materials used does not exceed

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- 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

30 % of the ex-works price of the product

8525 Transmission apparatus for radiotelephony, radio-telegraphy, radiobroadcasting 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

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 nonoriginating 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

8526 Radar apparatus, radio navigational aid apparatus and radio remote control apparatus

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 nonoriginating 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

8527 Reception apparatus for radiotelephony, radio-telegraphy or radio-broadcasting, whether or not combined, in the same housing, with sound recording or reproducing apparatus or a clock

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 nonoriginating 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

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:

- 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 nonoriginating 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

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

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- Other 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 nonoriginating 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:

- 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:

- 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

ex 8541 Diodes, transistors and similar semi-conductor devices, except wafers not yet cut into chips

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

8542 Electronic integrated circuits and microassemblies:

- Monolithic integrated circuits

Manufacture in which:

- 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

or

The operation of diffusion (in which integrated circuits are formed on a Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the product

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semi-conductor substrate by the selective introduction of an appropriate dopant), whether or not assembled and/or tested in a country other than those specified in Articles 3 and 4

- Other Manufacture in which:

- 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

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 electromechanical) traffic signalling

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

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equipment of all kinds; except for:
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:

- 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 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:

- 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

8710 Tanks and other armoured fighting
vehicles, motorized, whether or not
fitted with weapons, and parts of
such vehicles

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
30 % of the ex-works price of the
product

8711 Motorcycles (including mopeds)
and cycles fitted with an auxiliary
motor, with or without side-cars;
side-cars:

- With reciprocating
internal combustion piston engine
of a cylinder capacity:
 - Not exceeding 50 cm³ 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 nonoriginating
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
20 % of the ex-works price of the
product

-- Exceeding 50 cm³ Manufacture in which:

- the value of all the
materials used does not exceed
40 % of the ex-works price of the
product, and

Manufacture in which the value of all
the materials used does not exceed
25 % of the ex-works price of the
product

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- the value of all the nonoriginating
materials used does not
exceed the value of all the originating
materials used

- Other 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 nonoriginating
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 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 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
30 % of the ex-works price of the

product

8716 Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof

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 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 Rotachutes 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; deckarrestor 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

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

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apparatus; parts and accessories thereof; except for:

and

- in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

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

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:

- 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:

- 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:

- 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

Manufacture in which the value of all
the materials used does not exceed
30 % of the ex-works price of the
product

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- in which the value of all the
non-originating materials used does
not exceed the value of all the
originating materials used

9011 Compound optical microscopes,
including those for
photomicrography,
cinemicrophotography or
microprojection

Manufacture:

- 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

- Other Manufacture:
 - from materials of any heading, except that of the product, and

- in which the value of all the Manufacture in which the value of all the materials used does not exceed 25 % of the ex-works price of the

product

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materials used does not exceed
40 % 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

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 Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the

product

- Other 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 nonoriginating 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 ionizing radiations

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

9031 Measuring or checking instruments, appliances and machines, not specified or included elsewhere in this chapter; profile projectors

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

9032 Automatic regulating or controlling instruments and apparatus

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

9033 Parts and accessories (not specified or included elsewhere in this chapter) for machines, appliances, instruments or apparatus of Chapter 90

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

ex Chapter 91 Clocks and watches and parts thereof; except for:

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:

- 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 nonoriginating 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:

- the value of all the materials used does not exceed

Manufacture in which the value of all the materials used does not exceed 30 % of the ex-works price of the product

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40 % of the ex-works price of the product, and

- the value of all the nonoriginating materials used does not exceed the value of all the originating materials used

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:

- 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

9111 Watch cases and parts thereof 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 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:

- 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:

- Of base metal, whether or not gold- or silver-plated, or of metal clad with precious metal
Manufacture in which the value of all the materials used does not exceed 40 % 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

Chapter 92 Musical instruments; parts and accessories of such articles

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

Chapter 93 Arms and ammunition; parts and accessories thereof

Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product

ex Chapter 94 Furniture; bedding, mattresses, mattress supports, cushions and

Manufacture from materials of any heading, except that of the product
Manufacture in which the value of all the materials used does not exceed

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similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings; except for:

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/m² or less

Manufacture from materials of any heading, except that of the product or

Manufacture from cotton cloth

already made up in a form ready for use with materials of heading 9401 or 9403, provided that:

Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product

- 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

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

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 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

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ex 9603 Brooms and brushes (except for besoms and the like and brushes made from marten or squirrel hair), hand-operated mechanical floor sweepers, not motorized, paint pads and rollers, squeegees and mops

Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product

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, snapfasteners and press-studs, button moulds and other parts of these articles; button blanks

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

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

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 exworks 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

ANNEX III

SPECIMENS OF MOVEMENT CERTIFICATE EUR.1 AND APPLICATION FOR A MOVEMENT CERTIFICATE EUR.1

Printing instructions

1. Each form shall measure 210 x 297 mm; a tolerance of up to minus 5 mm or plus 8 mm in the length may be allowed. The paper used must 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 Croatia and Lithuania 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. Exporter (Name, full address, country) EUR.1 No A 000.000

See notes overleaf before completing this form.

2. Certificate used in preferential trade between

.....

3. Consignee (Name, full address, country) (Optional) And

.....(

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 packages

(1); Description of goods

9. Gross mass

(kg) or other

measure

(litres, m3.,

etc.)

10. Invoices

(Optional)

11. CUSTOMS ENDORSEMENT

Declaration certified

Export document (2)

FormNo

Of

Customs office

Issuing country or territory Stamp

.....

.....

Place and date

.....

.....
(Signature)

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)

(1) If goods are not packed, indicate number of articles or state « in bulk » as appropriate

(2).Complete only where the regulations of the exporting country or territory require.

13. REQUEST FOR VERIFICATION, to

14. RESULT OF VERIFICATION

Verification carried out shows that this certificate (1)

___ was issued by the customs office indicated and that the information contained therein is accurate.

___ does not meet the requirements as to authenticity and accuracy (see remarks appended).

Verification of the authenticity and accuracy of this certificate is requested.

.....
..
(Place and date)

Stamp

.....
(Signature)

.....
(Place and date)

Stamp

.....
(Signature)

(1) Insert X in the appropriate box.

NOTES

1. Certificate 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

See notes overleaf before completing this form.

2. Application for a certificate to be used in
preferential trade between

.....

3. Consignee (Name, full address, country) (Optional) And

.....

(Insert appropriate countries or 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 packages

(1) Description of goods

9. Gross mass

(kg) or other

measure

(litres, m³.,

etc.)

10. Invoices

(Optional)

(1) If goods are not packed, indicate number of articles or state « in bulk » as
appropriate

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 (1):

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.

.....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, 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 In cases where the exporter is not required to sign, the exemption of signature also implies the exemption of the name of the signatory.
5 When the cumulation is applied the name of country(ies) must be entered in this space.

PROTOCOL I

(referred to in paragraph 2 of Article 11)

EXCHANGE OF AGRICULTURAL CONCESSIONS

Article 1

The products originating in the Republic of Croatia listed in Annex 1 to this Protocol shall be imported into the Republic of Lithuania according to the conditions stated in that Annex.

Article 2

The products originating in the Republic of Lithuania listed in Annex 2 to this Protocol shall be imported into the Republic of Croatia according to the conditions stated in that Annex.

Article 3

For each product the customs duties to which reductions set out in this Protocol are applied shall be the Most Favoured Nation (MFN) duties that were in force on the date of entry into force of this Agreement.

Article 4

If after entry into force of this Agreement, any tariff reduction is applied on an erga omnes basis, in particular reductions resulting from the tariff negotiations in the WTO, such reduced duties shall replace the duties referred to in Article 3 as from the date when such reductions are applied.

ANNEX 1 TO PROTOCOL I

(Exports of Croatia to Lithuania)

CN Code Description Quota (t) Preferential duty within quota (%)

0403 Buttermilk, curdled milk and cream, yogurt, kephir
and other fermented or acidified milk and cream

100 60% of MFN

0406 Cheese and curd 250 60% of MFN

10 Cereals 1000 50% of MFN

1107 Malt, whether or not roasted 300 50% of MFN
 1517 Margarine 150 50% of MFN
 1601 Sausages and similar products 100 70% of MFN
 1602 Other prepared or preserved meat 100 70% of MFN
 1604 Prepared or preserved fish unlimited 0%
 1704 Sugar confectionary, not containing cocoa 50 50% of MFN
 1806.31
 1806.32
 1806.90
 Chocolate:
 -- filled
 -- not filled
 - other
 50 50% of MFN
 1901.90 - Other products 100 50% of MFN
 1905 Bread, pastry, cakes, biscuits and other bakers' wares
 100 50% of MFN
 2007 Jams, fruit jellies, marmalades, fruit or nut puree and fruit or nut pastes (excluding from apple)
 100 2%
 2102 Yeasts 50 50% of MFN
 ex. 2103.90.90.8
 Sauces and preparations thereof, other
 - Vegeta
 500 1%
 2104 Soups and broths and preparations thereof 200 1%
 2105 Ice cream 50 50% of MFN
 2204 Wine, excluding 220410 and wines with an alcohol content higher than 22%
 100 50% of MFN
 ANNEX 2 TO PROTOCOL I
 (Exports of Lithuania to Croatia)
 CN Code Description Quota (t) Preferential duty within quota (%)
 03 Fish 350 1%
 0402 Milk and cream, concentrated or containing added sugar or other sweetening matter
 100 60% of MFN
 0406 Cheese and curd 350 60% of MFN
 0701.10.00 Seed potatoes 100 1%
 0704.90.10
 0706.10.00
 0706.90
 Vegetables (cabbage, carrots and turnips, other vegetables)
 100 50% of MFN
 0709.51
 0709.59

Mushrooms 50 50% of MFN
10 Cereals 1000 50% of MFN
1601 Sausages and similar products 100 70% of MFN
1602 Other prepared or preserved meat 100 70% of MFN
1604 Prepared or preserved fish unlimited 0%
1704 Sugar confectionary, not containing cocoa 50 50% of MFN
1806.32
1806.90
Chocolate:
-- not filled
- other
50 50% of MFN
1905 Bread, pastry, cakes, biscuits and other bakers'
wares
100 50% of MFN
2105 Ice cream 50 50% of MFN
1

PROTOCOL II

CONCERNING THE DEFINITION OF THE CONCEPT OF
"ORIGINATING PRODUCTS" AND
METHODS OF ADMINISTRATIVE CO-OPERATION

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TITLE I

GENERAL PROVISIONS

ARTICLE 1

Definitions

For the purposes of this Protocol:

- a) "manufacture" means any kind of working or processing including assembly or specific operations;
- b) "material" means any ingredient, raw material, component or part, etc., used in the manufacture of the product;
- c) "product" means the product being manufactured, even if it is intended for later use in another manufacturing operation;
- d) "goods" means both materials and products;
- e) "customs value" means the value as determined in accordance with the Agreement on implementation of

Article VII of the General Agreement on Tariffs and Trade 1994 (WTO Agreement on customs valuation);

- f) "ex-works price" means the price paid for the product ex works to the manufacturer in Croatia or in Lithuania in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used, minus any internal taxes which are, or may be, repaid when the product obtained is exported;
- g) "value of materials" means the customs value at the time of importation of the non-originating materials used, or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in Croatia or in Lithuania;
- h) "value of originating materials" means the value of such materials as defined in (g) applied mutatis mutandis;
- i) "value added" shall be taken to be the ex-works price minus the customs value of each of the materials incorporated which originate in the other countries referred to in Articles 3 and 4 or, where the customs value is not known or cannot be ascertained, the first ascertainable price paid for the materials in Croatia or in Lithuania;
- j) "chapters" and "headings" mean the chapters and the headings (four-digit codes) used in the nomenclature which makes up the Harmonized Commodity Description and Coding System, referred to in this Protocol as "the Harmonized System" or "HS";
- k) "classified" refers to the classification of a product or material under a particular heading;
- l) "consignment" means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;
- m) "territories" includes territorial waters.

TITLE II

DEFINITION OF THE CONCEPT OF "ORIGINATING PRODUCTS"

ARTICLE 2

General requirements

1. For the purpose of implementing this Agreement, the following products shall be considered as originating in Croatia:

- a) products wholly obtained in Croatia within the meaning of Article 5;
- b) products obtained in Croatia incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in Croatia within the meaning of Article 6;

2. For the purpose of implementing this Agreement, the following products shall be considered as originating in

Lithuania:

- a) products wholly obtained in Lithuania within the meaning of Article 5;

b) products obtained in Lithuania incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in Lithuania within the meaning of

Article 6.

ARTICLE 3

Cumulation in Croatia

1. Without prejudice to the provisions of Article 2 (1), products shall be considered as originating in Croatia if such products are obtained there, incorporating materials originating in Lithuania, Bulgaria, Switzerland (including

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Liechtenstein)¹, the Czech Republic, Estonia, Hungary, Iceland, Croatia, Latvia, Norway, Poland, Romania,

Slovenia, the Slovak Republic, Turkey or in the European Community in accordance with the provisions of the

Protocol on rules of origin annexed to the Agreements between Croatia and each of these countries, provided

that the working or processing carried out in Croatia goes beyond the operations referred to in Article 7. It shall

not be necessary that such materials have undergone sufficient working or processing.

2. Where the working or processing carried out in Croatia does not go beyond the operations referred to in Article 7,

the product obtained shall be considered as originating in Croatia only where the value added there is greater

than the value of the materials used originating in any one of the other countries referred to in paragraph 1. If this

is not so, the product obtained shall be considered as originating in the country which accounts for the highest

value of originating materials used in the manufacture in Croatia.

3. Products, originating in one of the countries referred to in paragraph 1, which do not undergo any working or processing in Croatia, retain their origin if exported into Lithuania.

4. The cumulation provided for in this Article may only be applied to materials and products, which have acquired

originating status by the application of rules of origin identical to those given in this Protocol.

Croatia shall provide Lithuania with details of the Agreements and their corresponding rules of origin, which are

applied with the other countries referred to in paragraph 1.

ARTICLE 4

Cumulation in Lithuania

1. Without prejudice to the provisions of Article 2(2), products shall be considered as originating in Lithuania if such

products are obtained there, incorporating materials originating in Croatia, Bulgaria, Switzerland (including

Liechtenstein)¹, the Czech Republic, Estonia, Hungary, Iceland, Lithuania, Latvia, Norway, Poland, Romania,

Slovenia, the Slovak Republic, Turkey or in the European Community in accordance with the provisions of the Protocol on rules of origin annexed to the Agreements between Lithuania and each of these countries, provided that the working or processing carried out in Lithuania goes beyond the operations referred to in Article 7. It shall not be necessary that such materials have undergone sufficient working or processing.

2. Where the working or processing carried out in Lithuania does not go beyond the operations referred to in Article 7, the product obtained shall be considered as originating in Lithuania only where the value added there is greater than the value of the materials used originating in any one of the other countries referred to in paragraph 1. If this is not so, the product obtained shall be considered as originating in the country which accounts for the highest value of originating materials used in the manufacture in Lithuania.

3. Products, originating in one of the countries referred to in paragraph 1, which do not undergo any working or processing in Lithuania, retain their origin if exported into Croatia.

4. The cumulation provided for in this Article may only be applied to materials and products, which have acquired originating status by the application of rules of origin identical to those given in this Protocol.

5. Lithuania shall provide Croatia with details of the Agreements and their corresponding rules of origin, which are applied with the other countries referred to in paragraph 1.

ARTICLE 5

Wholly obtained products

1. The following shall be considered as wholly obtained in Croatia or in Lithuania:
- a) mineral products extracted from their soil or from their seabed;
- 1 The Principality of Liechtenstein has a customs union with Switzerland, and is a Contracting Party to the Agreement on the European Economic Area.
- 1 The Principality of Liechtenstein has a customs union with Switzerland, and is a Contracting Party to the Agreement on the European Economic Area.
- 5
- b) vegetable products harvested there;
 - c) live animals born and raised there;
 - d) products from live animals raised there;
 - e) products obtained by hunting or fishing conducted there;
 - f) products of sea fishing and other products taken from the sea outside the territorial waters of Croatia or of Lithuania by their vessels;
 - g) products made aboard their factory ships exclusively from products referred to in (f);
 - h) used articles collected there fit only for the recovery of raw materials, including used tyres fit only for retreading or for use as waste;

- i) waste and scrap resulting from manufacturing operations conducted there;
- j) products extracted from marine soil or subsoil outside their territorial waters provided that they have sole rights to work that soil or subsoil;
- k) goods produced there exclusively from the products specified in (a) to (j).

2. The terms "their vessels" and "their factory ships" in paragraph 1(f) and (g) shall apply only to vessels and factory ships:

- a) which are registered or recorded in Croatia or in Lithuania;
- b) which sail under the flag of Croatia or of Lithuania;
- c) which are owned to an extent of at least 50 per cent by nationals of Croatia or of Lithuania, or by a company with its head office in one of these States, of which the manager or managers, Chairman of the Board of Directors or the Supervisory Board, and the majority of the members of such boards are nationals of Croatia or of Lithuania and of which, in addition, in the case of partnerships or limited companies, at least half the capital belongs to those States or to public bodies or nationals of the said States;
- d) of which the master and officers are nationals of Croatia or of Lithuania; and
- e) of which at least 75 per cent of the crew are nationals of Croatia or of Lithuania.

ARTICLE 6

Sufficiently worked or processed products

1. For the purposes of Article 2, products, which are not wholly obtained are considered to be sufficiently worked or processed when the conditions set out in the list in Annex II are fulfilled.

The conditions referred to above indicate, for all products covered by the Agreement, the working or processing, which must be carried out on non-originating materials used in manufacturing and apply only in relation to such materials. It follows that if a product which has acquired originating status by fulfilling the conditions set out in the list is used in the manufacture of another product, the conditions applicable to the product in which it is incorporated do not apply to it, and no account shall be taken of the non-originating materials which may have been used in its manufacture.

2. Notwithstanding paragraph 1, non-originating materials which, according to the conditions set out in the list, should not be used in the manufacture of a product may nevertheless be used, provided that:

- a) their total value does not exceed 10 per cent of the ex-works price of the product;
- b) any of the percentages given in the list for the maximum value of non-originating materials are not exceeded through the application of this paragraph.

This paragraph shall not apply to products falling within Chapters 50 to 63 of the Harmonized System.

3. Paragraphs 1 and 2 shall apply subject to the provisions of Article 7.

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ARTICLE 7

Insufficient working or processing

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 6 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 bleaching, polishing, and glazing of cereals and rice;
- g) operations to colour sugar or form sugar lumps;
- 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,
- 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 operations specified in (a) to (n);
- p) slaughter of animals.

2. All operations carried out either in Croatia or in Lithuania on a given product shall be considered together when determining whether the working or processing undergone by that product is to be regarded as insufficient within the meaning of paragraph 1.

ARTICLE 8

Unit of qualification

1. The unit of qualification for the application of the provisions of this Protocol shall be the particular product, which is considered as the basic unit when determining classification using the nomenclature of the Harmonized System.

It follows that:

- a) when a product composed of a group or assembly of articles is classified under the terms of the Harmonized System in a single heading, the whole constitutes the unit of qualification;
- b) when a consignment consists of a number of identical products classified under the same heading of the

Harmonized System, each product must be taken individually when applying the provisions of this Protocol.

2. Where, under General Rule 5 of the Harmonized System, packaging is included with the product for classification purposes, it shall be included for the purposes of determining origin.

ARTICLE 9

Accessories, spare parts and tools

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Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as one with the piece of equipment, machine, apparatus or vehicle in question.

ARTICLE 10

Sets

Sets, as defined in General Rule 3 of the Harmonized System, shall be regarded as originating when all component products are originating. Nevertheless, when a set is composed of originating and non-originating products, the set as a whole shall be regarded as originating, provided that the value of the non-originating products does not exceed

15 per cent of the ex-works price of the set.

ARTICLE 11

Neutral elements

In order to determine whether a product originates, it shall not be necessary to determine the origin of the following, which might be used in its manufacture:

- a) energy and fuel;
- b) plant and equipment;
- c) machines and tools;
- d) goods which do not enter and which are not intended to enter into the final composition of the product.

TITLE III

TERRITORIAL REQUIREMENTS

ARTICLE 12

Principle of territoriality

1. Except as provided for in Articles 3 and 4 and paragraph 3 of this Article, the conditions for acquiring originating status set out in Title II must be fulfilled without interruption in Croatia or in Lithuania.

2. Except as provided for in Articles 3 and 4, where originating goods exported from Croatia or from Lithuania to

another country return, they must be considered as non-originating, unless it can be demonstrated to the

satisfaction of the customs authorities that:

- a) the returning goods are the same as those exported;

and

- b) they have not undergone any operation beyond that necessary to preserve them in good condition while in

that country or while being exported.

3. The acquisition of originating status in accordance with the conditions set out in Title II shall not be affected by

working or processing done outside Croatia or Lithuania on materials exported from Croatia or from Lithuania

and subsequently re-imported there, provided:

a) the said materials are wholly obtained in Croatia or in Lithuania or have undergone working or processing

beyond the operations referred to in Article 7 prior to being exported;

and

b) it can be demonstrated to the satisfaction of the customs authorities that:

(i) the re-imported goods have been obtained by working or processing the exported materials;

i)

and

ii) the total added value acquired outside Croatia or Lithuania by applying the provisions of this Article

does not exceed 10 per cent of the ex-works price of the end product for which originating status is claimed.

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4. For the purposes of paragraph 3, the conditions for acquiring originating status set out in Title II shall not apply to

working or processing done outside Croatia or Lithuania. But where, in the list in Annex II, a rule setting a

maximum value for all the non-originating materials incorporated is applied in determining the originating status

of the end product, the total value of the non-originating materials incorporated in the territory of the party

concerned, taken together with the total added value acquired outside Croatia or Lithuania by applying the

provisions of this Article, shall not exceed the stated percentage.

5. For the purposes of applying the provisions of paragraphs 3 and 4, 'total added value' shall be taken to mean all

costs arising outside Croatia or Lithuania, including the value of the materials incorporated there.

6. The provisions of paragraphs 3 and 4 shall not apply to products which do not fulfil the conditions set out in the

list in Annex II or which can be considered sufficiently worked or processed only if the general tolerance fixed in

Article 6(2) is applied.

7. The provisions of paragraphs 3 and 4 shall not apply to products of Chapters 50 to 63 of the Harmonized System

8. Any working or processing of the kind covered by the provisions of this Article and done outside Croatia or

Lithuania shall be done under the outward processing arrangements, or similar arrangements.

ARTICLE 13

Direct transport

1. The preferential treatment provided for under the Agreement applies only to products, satisfying the requirements of this Protocol, which are transported directly between Croatia and Lithuania or through the territories of the other countries referred to in Articles 3 and 4. However, products constituting one single consignment may be transported through other territories with, should the occasion arise, trans-shipment or temporary warehousing in such territories, provided that they remain under the surveillance of the customs authorities in the country of transit or warehousing and do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition. Originating products may be transported by pipeline across territory other than that of Croatia or Lithuania.

2. Evidence that the conditions set out in paragraph 1 have been fulfilled shall be supplied to the customs

authorities of the importing country by the production of:

a) a single transport document covering the passage from the exporting country through the country of transit;

or

b) a certificate issued by the customs authorities of the country of transit:

(i) giving an exact description of the products;

(ii) stating the dates of unloading and reloading of the products and, where applicable, the names of the

ships, or the other means of transport used;

and

(iii) certifying the conditions under which the products remained in the transit country; or

c) failing these, any substantiating documents.

ARTICLE 14

Exhibitions

1. Originating products, sent for exhibition in a country other than Croatia and Lithuania and sold after the exhibition

for importation in Croatia or in Lithuania shall benefit on importation from the provisions of the Agreement

provided it is shown to the satisfaction of the customs authorities that:

a) an exporter has consigned these products from Croatia or from Lithuania to the country in which the

exhibition is held and has exhibited them there;

b) the products have been sold or otherwise disposed of by that exporter to a person in Croatia or in Lithuania;

c) the products have been consigned during the exhibition or immediately thereafter in the state in which they were sent for exhibition;

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and

d) the products have not, since they were consigned for exhibition, been used for any purpose other than demonstration at the exhibition.

2. A proof of origin must be issued or made out in accordance with the provisions of Title V and submitted to the customs authorities of the importing country in the normal manner. The name and address of the exhibition must be indicated thereon. Where necessary, additional documentary evidence of the conditions under which they have been exhibited may be required.

3. Paragraph 1 shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display which is not organised for private purposes in shops or business premises with a view to the sale of foreign products, and during which the products remain under customs control.

TITLE IV

DRAWBACK OR EXEMPTION

ARTICLE 15

Prohibition of drawback of, or exemption from, customs duties

1. Non-originating materials used in the manufacture of products originating in Croatia or in Lithuania for which a proof of origin is issued or made out in accordance with the provisions of Title V shall not be subject in Croatia or in Lithuania to drawback of, or exemption from, customs duties of whatever kind.

2. The prohibition in paragraph 1 shall apply to any arrangement for refund, remission or non-payment, partial or complete, of customs duties or charges having an equivalent effect, applicable in Croatia or in Lithuania to materials used in the manufacture, where such refund, remission or non-payment applies, expressly or in effect, when products obtained from the said materials are exported and not when they are retained for home use there.

3. The exporter of products covered by a proof of origin shall be prepared to submit at any time, upon request from the customs authorities, all appropriate documents proving that no drawback has been obtained in respect of the non-originating materials used in the manufacture of the products concerned and that all customs duties or charges having equivalent effect applicable to such materials have actually been paid.

4. The provisions of paragraphs 1 to 3 shall also apply in respect of packaging within the meaning of Article 8(2), accessories, spare parts and tools within the meaning of Article 9 and products in a set within the meaning of Article 10 when such items are non-originating.

5. The provisions of paragraphs 1 to 4 shall apply only in respect of materials, which are of the kind to which the Agreement applies. Furthermore, they shall not preclude the application of an export refund system for agricultural

products, applicable upon export in accordance with the provisions of the Agreement.

TITLE V

PROOF OF ORIGIN

ARTICLE 16

General requirements

1. Products originating in Croatia shall, on importation into Lithuania and products originating in Lithuania shall, on importation into Croatia benefit from the Agreement upon submission of either:

- a) a movement certificate EUR.1, a specimen of which appears in Annex III; or
- b) in the cases specified in Article 21(1), a declaration, subsequently referred to as the "invoice declaration",

given by the exporter on an invoice, a delivery note or any other commercial document which describes the products concerned in sufficient detail to enable them to be identified; the text of the invoice declaration appears in Annex IV.

2. Notwithstanding paragraph 1, originating products within the meaning of this Protocol shall, in the cases specified in Article 26, benefit from the Agreement without it being necessary to submit any of the documents referred to above.

ARTICLE 17

Procedure for the issue of a movement certificate EUR.1

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1. A movement certificate EUR.1 shall be issued by the customs authorities of the exporting country on application having been made in writing by the exporter or, under the exporter's responsibility, by his authorised representative.

2. For this purpose, the exporter or his authorised representative shall fill out both the movement certificate EUR.1 and the application form, specimens of which appear in Annex III. These forms shall be completed in one of the languages in which this Agreement is drawn up and in accordance with the provisions of the domestic law of the exporting country. If they are hand-written, they shall be completed in ink in printed characters. The description of the products must be given in the box reserved for this purpose without leaving any blank lines. Where the box is not completely filled, a horizontal line must be drawn below the last line of the description, the empty space being crossed through.

3. The exporter applying for the issue of a movement certificate EUR.1 shall be prepared to submit at any time, at the request of the customs authorities of the exporting country where the movement certificate EUR.1 is issued, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the

other requirements of this Protocol.

4. A movement certificate EUR.1 shall be issued by the customs authorities of Croatia or of Lithuania if the products concerned can be considered as products originating in Croatia, in Lithuania or in one of the other countries referred to in Articles 3 and 4 and fulfil the other requirements of this Protocol.

3. "Remarks" box of the movement certificate EUR.1 issued in the cases set out in Articles 3 and 4 shall contain the remark:

4. "..... cumulation"

5. (name of country(ies))

6. The customs authorities issuing movement certificates EUR.1 shall take any steps necessary to verify the originating status of the products and the fulfilment of the other requirements of this Protocol. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate. They shall also ensure that the forms referred to in paragraph 2 are duly completed. In particular, they shall check whether the space reserved for the description of the products has been completed in such a manner as to exclude all possibility of fraudulent additions.

7. The date of issue of the movement certificate EUR.1 shall be indicated in Box 11 of the certificate.

8. A movement certificate EUR.1 shall be issued by the customs authorities and made available to the exporter as soon as actual exportation has been effected or ensured.

ARTICLE 18

Movement certificates EUR.1 issued retrospectively

1. Notwithstanding Article 17(7), a movement certificate EUR.1 may exceptionally be issued after exportation of the products to which it relates if:

a) it was not issued at the time of exportation because of errors or involuntary omissions or special circumstances;

or

b) it is demonstrated to the satisfaction of the customs authorities that a movement certificate EUR.1 was issued but was not accepted at importation for technical reasons.

2. For the implementation of paragraph 1, the exporter must indicate in his application the place and date of exportation of the products to which the movement certificate EUR.1 relates, and state the reasons for his request.

3. The customs authorities may issue a movement certificate EUR.1 retrospectively only after verifying that the

information supplied in the exporter's application agrees with that in the corresponding file.

4. Movement certificates EUR.1 issued retrospectively must be endorsed with one of the following phrases:

HR "NAKNADNO IZDANO"

LT "I_DUOTAS PO EKSPORTAVIMO"

EN "ISSUED RETROSPECTIVELY"

5. The endorsement referred to in paragraph 4 shall be inserted in the "Remarks" box of the movement certificate

EUR.1.

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ARTICLE 19

Issue of a duplicate movement certificate EUR.1

1. In the event of theft, loss or destruction of a movement certificate EUR.1, the exporter may apply to the customs authorities, which issued it for a duplicate made out on the basis of the export documents in their possession.

2. The duplicate issued in this way must be endorsed with one of the following words:

HR "DUPLIKAT"

LT "DUBLIKATAS"

EN "DUPLICATE"

3. The endorsement referred to in paragraph 2 shall be inserted in the "Remarks" box of the duplicate movement certificate EUR.1.

4. The duplicate, which must bear the date of issue of the original movement certificate EUR.1, shall take effect as from that date.

ARTICLE 20

Issue of movement certificates EUR.1 on the basis of a proof of origin issued or made out previously

When originating products are placed under the control of a customs office in Croatia or in Lithuania, it shall be

possible to replace the original proof of origin by one or more movement certificates EUR.1 for the purpose of sending

all or some of these products elsewhere within Croatia or Lithuania. The replacement movement certificate(s) EUR.1

shall be issued by the customs office under whose control the products are placed.

ARTICLE 20a

Accounting segregation

1. Where considerable cost or material difficulties arise in keeping separate stocks of originating and nonoriginating materials, which are identical and interchangeable, the customs authorities may, at the written request of those concerned, authorise the so-called "accounting segregation" method to be used for managing such stocks.

2. This method must be able to ensure that, for a specific reference-period, the number of products obtained which

could be considered as "originating" is the same as that which would have been obtained if there had been physical segregation of the stocks.

3. The customs authorities may grant such authorisation, subject to any conditions deemed appropriate.

4. This method is recorded and applied on the basis of the general accounting principles applicable in the country where the product was manufactured.

5. The beneficiary of this facilitation may issue or apply for proofs of origin, as the case may be, for the quantity of products, which may be considered as originating. At the request of the customs authorities, the beneficiary shall provide a statement of how the quantities have been managed.

6. The customs authorities shall monitor the use made of the authorisation and may withdraw it at any time whenever the beneficiary makes improper use of the authorisation in any manner whatsoever or fails to fulfil any of the other conditions laid down in this Protocol.

ARTICLE 21

Conditions for making out an invoice declaration

1. An invoice declaration as referred to in Article 16(1)(b) may be made out:

a) by an approved exporter within the meaning of Article 22,
or

b) by any exporter for any consignment consisting of one or more packages containing originating products whose total value does not exceed EUR 6,000.

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2. An invoice declaration may be made out if the products concerned can be considered as products originating in Croatia, in Lithuania or in one of the other countries referred to in Articles 3 and 4 and fulfil the other requirements of this Protocol.

3. The exporter making out an invoice declaration shall be prepared to submit at any time, at the request of the customs authorities of the exporting country, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Protocol.

4. An invoice declaration shall be made out by the exporter by typing, stamping or printing on the invoice, the delivery note or another commercial document, the declaration, the text of which appears in Annex IV, using one of the linguistic versions set out in that Annex and in accordance with the provisions of the domestic law of the exporting country. If the declaration is hand-written, it shall be written in ink in printed characters.

5. Invoice declarations shall bear the original signature of the exporter in manuscript. However, an approved

exporter within the meaning of Article 22 shall not be required to sign such declarations provided that he gives the customs authorities of the exporting country a written undertaking that he accepts full responsibility for any invoice declaration, which identifies him as if it had been signed in manuscript by him.

6. An invoice declaration may be made out by the exporter when the products to which it relates are exported, or after exportation on condition that it is presented in the importing country no longer than two years after the importation of the products to which it relates.

ARTICLE 22

Approved exporter

1. The customs authorities of the exporting country may authorise any exporter, hereinafter referred to as 'approved exporter', who makes frequent shipments of products under this Agreement to make out invoice declarations irrespective of the value of the products concerned. An exporter seeking such authorisation must offer to the satisfaction of the customs authorities all guarantees necessary to verify the originating status of the products as well as the fulfilment of the other requirements of this Protocol.
2. The customs authorities may grant the status of approved exporter subject to any conditions, which they consider appropriate.
3. The customs authorities shall grant to the approved exporter a customs authorisation number, which shall appear on the invoice declaration.
4. The customs authorities shall monitor the use of the authorisation by the approved exporter.
5. The customs authorities may withdraw the authorisation at any time. They shall do so where the approved exporter no longer offers the guarantees referred to in paragraph 1, no longer fulfils the conditions referred to in paragraph 2 or otherwise makes an incorrect use of the authorisation.

ARTICLE 23

Validity of proof of origin

1. A proof of origin shall be valid for four months from the date of issue in the exporting country, and must be submitted within the said period to the customs authorities of the importing country.
2. Proofs of origin which are submitted to the customs authorities of the importing country after the final date for presentation specified in paragraph 1 may be accepted for the purpose of applying preferential treatment, where the failure to submit these documents by the final date set is due to exceptional circumstances.
3. In other cases of belated presentation, the customs authorities of the importing country may accept the proofs of origin where the products have been submitted before the said final date.

ARTICLE 24

Submission of proof of origin

Proofs of origin shall be submitted to the customs authorities of the importing country in accordance with the procedures applicable in that country. The said authorities may require a translation of a proof of origin and may also require the import declaration to be accompanied by a statement from the importer to the effect that the products meet the conditions required for the implementation of the Agreement.

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ARTICLE 25

Importation by instalments

Where, at the request of the importer and on the conditions laid down by the customs authorities of the importing country, dismantled or non-assembled products within the meaning of General Rule 2(a) of the Harmonized System falling within Sections XVI and XVII or headings 7308 and 9406 of the Harmonized System are imported by instalments, a single proof of origin for such products shall be submitted to the customs authorities upon importation of the first instalment.

ARTICLE 26

Exemptions from proof of origin

1. Products sent as small packages from private persons to private persons or forming part of travellers' personal luggage shall be admitted as originating products without requiring the submission of a proof of origin, provided that such products are not imported by way of trade and have been declared as meeting the requirements of this Protocol and where there is no doubt as to the veracity of such a declaration. In the case of products sent by post, this declaration can be made on the customs declaration CN22/CN23 or on a sheet of paper annexed to that document.

2. Imports which are occasional and consist solely of products for the personal use of the recipients or travellers or their families shall not be considered as imports by way of trade if it is evident from the nature and quantity of the products that no commercial purpose is in view.

3. Furthermore, the total value of these products shall not exceed EUR 500 in the case of small packages or EUR 1,200 in the case of products forming part of travellers' personal luggage.

ARTICLE 27

Supporting documents

The documents referred to in Articles 17(3) and 21(3) used for the purpose of proving that products covered by a movement certificate EUR.1 or an invoice declaration can be considered as products originating in Croatia, in

Lithuania or in one of the other countries referred to in Articles 3 and 4 and fulfil the other requirements of this Protocol may consist inter alia of the following:

- a) direct evidence of the processes carried out by the exporter or supplier to obtain the goods concerned, contained for example in his accounts or internal book-keeping;
- b) documents proving the originating status of materials used, issued or made out in Croatia or in Lithuania where these documents are used in accordance with domestic law;
- c) documents proving the working or processing of materials in Croatia or in Lithuania, issued or made out in Croatia or in Lithuania, where these documents are used in accordance with domestic law;
- d) movement certificates EUR.1 or invoice declarations proving the originating status of materials used, issued or made out in Croatia or in Lithuania in accordance with this Protocol, or in one of the other countries referred to in Articles 3 and 4, in accordance with rules of origin which are identical to the rules in this Protocol.

ARTICLE 28

Preservation of proof of origin and supporting documents

- 1. The exporter applying for the issue of a movement certificate EUR.1 shall keep for at least three years the documents referred to in Article 17(3).
- 2. The exporter making out an invoice declaration shall keep for at least three years a copy of this invoice declaration as well as the documents referred to in Article 21(3).
- 3. The customs authorities of the exporting country issuing a movement certificate EUR.1 shall keep for at least three years the application form referred to in Article 17(2).
- 4. The customs authorities of the importing country shall keep for at least three years the movement certificates EUR.1 and the invoice declarations submitted to them.

ARTICLE 29

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Discrepancies and formal errors

- 1. The discovery of slight discrepancies between the statements made in the proof of origin and those made in the documents submitted to the customs office for the purpose of carrying out the formalities for importing the products shall not ipso facto render the proof of origin null and void if it is duly established that this document does correspond to the products submitted.
- 2. Obvious formal errors such as typing errors on a proof of origin should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.

ARTICLE 30

Amounts expressed in euro

1. For the application of the provisions of Article 21(1)(b) and Article 26(3) in cases where products are invoiced in a currency other than euro, amounts in the national currencies of Croatia or Lithuania equivalent to the amounts expressed in euro shall be fixed annually by each of the countries concerned.
2. A consignment shall benefit from the provisions of Article 21(1)(b) or Article 26(3) by reference to the currency in which the invoice is drawn up, according to the amount fixed by the country concerned.
3. The amounts to be used in any given national currency shall be the equivalent in that currency of the amounts expressed in euro as at the first working day of October. The amounts shall be communicated by 15 October and shall apply from 1 January the following year.
4. A country may round up or down the amount resulting from the conversion into its national currency of an amount expressed in euro. The rounded-off amount may not differ from the amount resulting from the conversion by more than 5 per cent. A country may retain unchanged its national currency equivalent of an amount expressed in euro if, at the time of the annual adjustment provided for in paragraph 3, the conversion of that amount, prior to any rounding-off, results in an increase of less than 15 per cent in the national currency equivalent. The national currency equivalent may be retained unchanged if the conversion would result in a decrease in that equivalent value.
5. The amounts expressed in euro shall be reviewed by the Joint Committee at the request of Croatia or of Lithuania. When carrying out this review, the Joint Committee shall consider the desirability of preserving the effects of the limits concerned in real terms. For this purpose, it may decide to modify the amounts expressed in euro.

TITLE VI

ARRANGEMENTS FOR ADMINISTRATIVE CO-OPERATION

ARTICLE 31

Mutual assistance

1. The customs authorities of Croatia and of Lithuania shall provide each other with specimen impressions of stamps used in their customs offices for the issue of movement certificates EUR.1 and with the addresses of the customs authorities responsible for verifying those certificates and invoice declarations.
2. In order to ensure the proper application of this Protocol, Croatia and Lithuania shall assist each other, through the competent customs administrations, in checking the authenticity of the movement certificates EUR.1 or the invoice declarations and the correctness of the information given in these documents.

ARTICLE 32

Verification of proofs of origin

1. Subsequent verifications of proofs of origin shall be carried out at random or whenever the customs authorities of the importing country have reasonable doubts as to the authenticity of such documents, the originating status of the products concerned or the fulfilment of the other requirements of this Protocol.

2. For the purposes of implementing the provisions of paragraph 1, the customs authorities of the importing country shall return the movement certificate EUR.1 and the invoice, if it has been submitted, the invoice declaration, or a copy of these documents, to the customs authorities of the exporting country giving, where appropriate, the reasons for the enquiry. Any documents and information obtained suggesting that the information given on the proof of origin is incorrect shall be forwarded in support of the request for verification.

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3. The verification shall be carried out by the customs authorities of the exporting country. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate.

4. If the customs authorities of the importing country decide to suspend the granting of preferential treatment to the products concerned while awaiting the results of the verification, release of the products shall be offered to the importer subject to any precautionary measures judged necessary.

5. The customs authorities requesting the verification shall be informed of the results of this verification as soon as possible. These results must indicate clearly whether the documents are authentic and whether the products concerned can be considered as products originating in Croatia, in Lithuania or in one of the other countries referred to in Articles 3 and 4 and fulfil the other requirements of this Protocol.

6. If in cases of reasonable doubt there is no reply within ten months of the date of the verification request 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, the requesting customs authorities shall, except in exceptional circumstances, refuse entitlement to the preferences.

ARTICLE 33

Dispute settlement

Where disputes arise in relation to the verification procedures of Article 32, which cannot be settled between the customs authorities requesting verification and the customs authorities responsible for carrying out this verification or

where they raise a question as to the interpretation of this Protocol, they shall be submitted to the Joint Committee.

In all cases the settlement of disputes between the importer and the customs authorities of the importing country shall be under the legislation of the said country.

ARTICLE 34

Penalties

Penalties shall be imposed on any person who draws up, or causes to be drawn up, a document, which contains incorrect information for the purpose of obtaining a preferential treatment for products.

ARTICLE 35

Free zones

1. Croatia and Lithuania shall take all necessary steps to ensure that products traded under cover of a proof of origin which in the course of transport use a free zone situated in their territory, are not substituted by other goods and do not undergo handling other than normal operations designed to prevent their deterioration.

2. By means of an exemption to the provisions contained in paragraph 1, when products originating in Croatia or in Lithuania are imported into a free zone under cover of a proof of origin and undergo treatment or processing, the authorities concerned shall issue a new movement certificate EUR.1 at the exporter's request, if the treatment or processing undergone is in conformity with the provisions of this Protocol.

TITLE VII

FINAL PROVISIONS

ARTICLE 36

Annexes

The Annexes to this Protocol shall form an integral part thereof.

ARTICLE 37

Goods in transit or storage

The provisions of the Agreement may be applied to goods which comply with the provisions of this Protocol and which on the date of entry into force of the Agreement are either in the transit or are in Croatia or Lithuania in temporary storage in bonded warehouses or in free zones, subject to the submission to the customs authorities on importation into Croatia or Lithuania, within four months of that date, of the proof of origin issued retrospectively together with the documents showing that the goods have been transported directly.

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PROTOCOL III

REGARDING MUTUAL ASSISTANCE IN CUSTOMS MATTERS

ARTICLE 1

Definitions

For the purpose of this Protocol:

- a) “customs legislation” shall mean laws and regulations applicable in the territories of the states of the Parties governing the import, export, transit of goods or any other customs procedure including measures of prohibition, restriction and control;
- b) “customs duties” shall mean all duties, taxes, fees and other charges which are levied and collected in the territories of the states of the Parties, in application of customs legislation, but not including fees and charges which are limited in amount to the approximate costs of services rendered;
- c) “offence” shall mean any breach or attempted breach of customs legislation;
- d) “applicant authority” shall mean the customs authority that requests assistance;
- e) “requested authority” shall mean the customs authority from which assistance is requested;
- f) “customs authority” shall mean in the Republic of Croatia – Customs Directorate under the Ministry of Finance of the Republic of Croatia and in the Republic of Lithuania – the Customs Department under the Ministry of Finance of the Republic of Lithuania.

ARTICLE 2

Scope of the Protocol

1. The Parties shall assist each other, in the manner and under the conditions laid down in this Protocol, in ensuring that customs legislation is correctly applied, in particular by the prevention, detection and investigation of offences to this legislation.
2. Assistance in customs matters, as provided for in this Protocol, shall be rendered in accordance with the legislation in force in the territory of the state of the requested Party and within the competence and resources of the requested authority. If necessary, the requested authority can arrange for assistance to be provided by another authority, in accordance with the legislation in force in the territory of the state of the requested Party. This Protocol shall not prejudice the rules governing mutual assistance in the field of crime investigations.

ARTICLE 3

Assistance on Request

1. At the request of the applicant authority, the requested authority shall provide, to the extent of its legal means, all relevant information to ensure that customs legislation is correctly applied, including information regarding information regarding operations carried out or planned which breach or would breach such legislation.
2. Upon request, the customs authorities shall inform each other whether goods exported from the territory of the state of one Party have been legally imported into the territory of the state

of the other Party, specifying, where appropriate, the customs procedure applied to the goods.

At the request of the applicant authority, the requested authority shall take the necessary

steps to ensure that the surveillance is kept on:

- a) natural or legal persons known or suspected of committing offences, particularly those moving into and out of the territory of the requested Party;
- b) movements of goods known or suspected as giving rise to substantial illicit traffic to or from its territory;
- c) means of transport known or suspected of being used for committing offences against the customs legislation in force in the territory of the other Party.

ARTICLE 4

Spontaneous Assistance

The Parties shall provide each other with assistance, in accordance with the laws and regulations, if they consider that to be necessary for the correct application of customs legislation, particularly when they obtain information pertaining to:

- a) operations which have breached, breach or would breach the customs legislation and which may be of interest to the other Party;
- b) new means or methods employed in realizing such operations;
- c) goods known to be subject to serious offences to customs legislation.

ARTICLE 5

Delivery/Notification

At the request of the applicant authority, the requested authority shall, in accordance with the legislation in force on the territory of the state of the requested Party, deliver all documents and notify decisions issued by the applicant authority falling within the scope of this Protocol to an addressee, residing or established in its territory. In such case Article 6 (3) is applicable.

ARTICLE 6

Form and Substance of Requests for Assistance

1. Requests pursuant to the present Protocol shall be made in writing. Documents necessary for the execution of such requests shall accompany the request. When required because of the urgency of the situation, oral requests may be accepted, but must be confirmed in writing immediately.
2. Requests pursuant to paragraph 1 of this Article shall include the following information:
 - a) the name of the applicant authority transmitting the request;
 - b) the measure requested;
 - c) the object of and the reason for the request;
 - d) the laws, regulations and other relevant legal acts;

e) indications as exact and comprehensive as possible on the natural or legal persons being the target of the investigations;

f) a summary of the relevant facts, except in cases provided for in Article 5.

3. Requests shall be submitted in an official language of the requested authority, in English, or

in a language acceptable to such authority.

4. If a request does not meet the formal requirements, its correction or completion may be demanded.

5. The documents provided for in paragraph 1 of this Article may be replaced by computerized

information produced in any form for the same purpose. All relevant information for the implementation or utilization of the material should be supplied at the same time.

ARTICLE 7

Execution of Requests

1. In order to comply with a request for assistance, the requested authority, or, when the latter

cannot act on its own, another competent authority to which the request has been addressed

by the requested authority, shall proceed, within its competence and available resources, as

though it were acting on its own account or at the request of the other authorities of that

same Party, by supplying information already possessed, by carrying out appropriate inquiries or by arranging for them to be carried out.

2. Requests for assistance will be executed in accordance with the laws and other legal instruments of the requested Party.

3. Duly authorized officials of one of the Parties may, with the agreement of the other Party

involved and within the conditions laid down by the latter, obtain from the offices of the requested authority or other authority for which the requested authority is responsible, information relating to the offence to customs legislation which the applicant authority needs

for the purposes of this Protocol.

4. Officials of one of the Parties may, with the agreement of the other Party involved and within

the conditions laid down by the latter, be present at inquiries carried out in the latter's state

territory. They shall not have the right to perform any legal proceedings.

ARTICLE 8

Exceptions from the Obligation to Provide Assistance

1. The Parties may refuse to provide assistance, to provide it partially or subject to certain

conditions or requirements of this Protocol, where to do so would:

a) be likely to prejudice sovereignty, public order, security or other essential interests of the

requested Party; or

b) involve violation of an industrial, commercial or professional secret.

2. If the applicant authority asks for assistance which it itself would be unable to provide if so asked, it shall draw attention to that fact in its request. Compliance with such a request shall be at the discretion of the requested authority.

3. If assistance is postponed or denied, reasons for the denial or postponement shall be notified to the applicant authority without delay.

ARTICLE 9

Obligation to Observe Confidentiality

1. Information, documents and other communications received under this Protocol shall not be used for purposes other than those specified in this Protocol, without the written consent of the customs authority, which has furnished them.

2. Any information communicated in whatever form pursuant to this Protocol shall be of a confidential nature. It shall be covered by the obligation of official secrecy and shall enjoy the protection extended to the same kind of information and documents under the legislation in force in the territory of the state of the Party, which received it.

3. Paragraph 1 of this Article shall not impede the use of information in any judicial or administrative proceedings subsequently instituted for failure to comply with customs legislation.

ARTICLE 10

Use of Information

The requested authority shall communicate results of inquiries to the applicant authority in the form of reports, records of evidence or certified copies of documents. Original files and documents shall be requested only in cases where certified copies would be insufficient.

Files and documents, which have been transmitted, shall be returned at the earliest opportunity.

ARTICLE 11

Experts and Witnesses

The requested authority of one Party may authorize its officials upon request of the applicant authority of the other Party, to appear as experts or witnesses in judicial or administrative proceedings relating to the scope covered by the present Protocol in the territory of the state of the other Party.

ARTICLE 12

Assistance Expenses

The Parties shall waive all claims for the reimbursement of costs incurred in the execution of this

Protocol, with the exception of expenses for experts, witnesses, interpreters and translators who are not public employees.

ARTICLE 13

Implementation

1. The management of this Protocol shall be entrusted to the Customs Department under the Ministry of Finance of the Republic of Lithuania and the Customs Directorate under the Ministry of Finance of the Republic of Croatia. They shall decide on practical measures and arrangements necessary for the application of this Protocol, taking into consideration rules in the field of data protection.
2. The customs authorities of the Parties may arrange for their respective services to be in direct communication with each other.