

F I N A L A C T ,

D E C L A R A T I O N

A N D

R E S O L U T I O N

FINAL ACT

OF THE CONFERENCE OF HEADS OF GOVERNMENT OF THE INDEPENDENT
COMMONWEALTH CARIBBEAN COUNTRIES HELD AT CHAGUARAMAS,
TRINIDAD AND TOBAGO, IN JULY, 1973.

The Heads of Government of Barbados, Guyana, Jamaica, and Trinidad and Tobago met at Chaguaramas on the 4th July Nineteen Hundred and Seventy Three for the purpose of considering and adopting the Agreement establishing the Caribbean Community including the Caribbean Common Market, pursuant to paragraph 1 of the Accord reached at Georgetown, Guyana on 12th April, Nineteen Hundred and Seventy Three.

The following Governments were represented by
Observers:

Antigua	St. Vincent
Dominica	British Virgin Islands
Grenada	Cuba
Montserrat	Netherlands Antilles
St. Kitts-Nevis-Anguilla	United States Virgin Islands
St. Lucia	Suriname

The following international organizations were also
represented by Observers:

West Indies Associated States Council of Ministers
Caribbean Development Bank
East Caribbean Common Market
East African Community
Permanent Secretariat for the Economic Integration
of Central America
United Nations Economic Commission for Latin America
United Nations Development Programme
Inter American Development Bank
Organization of American States

Following their deliberations, the Heads of Government adopted the text of the Treaty establishing the Caribbean

/Community...

Community including the Caribbean Common Market.

The Heads of Government also adopted the Text of the Agreement establishing the Common External Tariff of the Caribbean Common Market.

The Heads of Government further adopted the following Declaration and Resolution listed below:

DECLARATION

ON AREA ORIGIN IN RELATION TO REGIONAL OWNERSHIP AND CONTROL.

THE HIGH CONTRACTING PARTIES -

ANXIOUS to ensure that the benefits deriving from the creation of an integrated market for goods among the countries in the Region should accrue to nationals and to the people of the Region;

CONSCIOUS of the need to give every opportunity for the utilisation of Regional capital and Regional entrepreneurship;

DECLARE THAT:

in the evolution of the Common Market, the Council should bear in mind the principle that free access to the Regional market should in the main be assured to the products of enterprises that are subject to majority participation and control by nationals, including Governments or Government-owned Corporations of Member States, provided that the industrialisation of the Region and particularly the Less Developed Countries is not impeded.

/ RESOLUTION ..

RESOLUTION

RELATING TO THE STAFF OF THE COMMONWEALTH CARIBBEAN
REGIONAL SECRETARIAT.

The Heads of Governments of the Independent
Commonwealth Caribbean Countries;

NOTING that the Treaty establishing the
Caribbean Community provides that the Commonwealth
Caribbean Regional Secretariat shall be recognised as
the Community Secretariat;

CONSCIOUS of the need to preserve the continuity
of the service of the existing staff of the Commonwealth
Caribbean Regional Secretariat on terms and conditions not
less favourable than those presently enjoyed by them;

AGREE that upon the coming into force of the
Treaty establishing the Caribbean Community the staff
employed by the Commonwealth Caribbean Regional Secretariat
shall be deemed to be also in the service of the Community
Secretariat on the terms and conditions governing their
appointment in the Commonwealth Caribbean Regional
Secretariat;

IN WITNESS WHEREOF the Heads of Government have
signed this Final Act.

DONE at Chaguaramas on the fourth day of July
of the year Nineteen Hundred and Seventy Three
in a single copy which shall be deposited with

/the

the Commonwealth Caribbean Regional Secretariat
and a certified copy of which shall be delivered
by the said Secretariat to each of the Govern-
ments represented at the Conference.

BARBADOS

Enol L. Barrow.

GUYANA

Barrow

JAMAICA

W. L. R. Williams

TRINIDAD AND TOBAGO

Eric Williams

TREATY ESTABLISHING

THE

CARIBBEAN COMMUNITY

TREATY ESTABLISHING THE CARIBBEAN
COMMUNITY

PREAMBLE

The Governments of the Contracting States,

Determined to consolidate and strengthen the bonds
which have historically existed among their peoples;

Sharing a common determination to fulfil the hopes
and aspirations of their peoples for full employment and
improved standards of work and living;

Conscious that these objectives can most rapidly
be attained by the optimum utilisation of available human and
natural resources of the Region; by accelerated, coordinated
and sustained economic development, particularly through the
exercise of permanent sovereignty over their natural resources;
by the efficient operation of common services and functional
cooperation in the social, cultural, educational and techno-
logical fields; and by a common front in relation to the
external world;

Convinced of the need to elaborate an effective regime
by establishing and utilising institutions designed to enhance
the economic, social and cultural development of their peoples;

Have Agreed as follows:

CHAPTER ONE

PRINCIPLES

Article 1

Establishment of the Caribbean Community

By this Treaty the Contracting Parties establish among themselves a Caribbean Community (hereinafter referred to as "the Community") having the membership, powers and functions hereinafter specified.

Article 2

Membership

1. Membership of the Community shall be open to -

- (a)
 - (i) Antigua
 - (ii) Bahamas
 - (iii) Barbados
 - (iv) Belize
 - (v) Dominica
 - (vi) Grenada
 - (vii) Guyana
 - (viii) Jamaica
 - (ix) Montserrat
 - (x) St. Kitts-Nevis-Anguilla
 - (xi) St. Lucia
 - (xii) St. Vincent
 - (xiii) Trinidad and Tobago
- (b) any other State of the Caribbean Region that is in the opinion of the Conference able and willing to exercise the rights and assume the /obligations ...

obligations of membership in accordance with Article 29 of this Treaty.

2. States listed in paragraph 1(a) of this Article the Governments of which sign this Treaty in accordance with Article 22 and ratify it in accordance with Article 23 shall become Member States of the Community.

Article 3

Definition of Less Developed Countries and More Developed Countries

For the purposes of this Treaty the States specified in paragraph 1(a) (iii), (vii), (viii) and (xiii) of Article 2 shall be designated More Developed Countries and the remainder listed in the said paragraph 1(a), other than the Bahamas, shall be designated Less Developed Countries until such time as the Conference otherwise determine by majority decision.

Article 4

Objectives of the Community

The Community shall have as its objectives -

- (a) the economic integration of the Member States by the establishment of a common market regime (hereinafter referred to as "the Common Market") in accordance with the provisions of the Annex to this Treaty with the following aims:-
 - (i) the strengthening, coordination and regulation of the economic and trade relations among Member States in order to promote their accelerated harmonious and balanced development;

/(ii) the ...

- (ii) the sustained expansion and continuing integration of economic activities, the benefits of which shall be equitably shared taking into account the need to provide special opportunities for the Less Developed Countries;
 - (iii) the achievement of a greater measure of economic independence and effectiveness of its Member States in dealing with states, groups of states and entities of whatever description;
- (b) the coordination of the foreign policies of Member States; and
- (c) functional cooperation, including -
- (i) the efficient operation of certain common services and activities for the benefit of its peoples;
 - (ii) the promotion of greater understanding among its peoples and the advancement of their social, cultural and technological development;
 - (iii) activities in the fields specified in the Schedule and referred to in Article 18 of this Treaty.

Article 5

General Undertaking as to Implementation

Member States shall take all appropriate measures, whether general or particular, to ensure the carrying out of obligations arising out of this Treaty or resulting from

/decisions ...

CORRIGENDUM

Article 5

General Undertaking as to Implementation

Member States shall take all appropriate measures, whether general or particular, to ensure the carrying out of obligations arising out of this Treaty or resulting from decisions taken by the Organs of the COMMUNITY. They shall facilitate the achievement of the objectives of the COMMUNITY. They shall abstain from any measures which could jeopardise the attainment of the objectives of this Treaty.

Note: This correction to the text of Article 5 of the Treaty was endorsed by the Heads of Government Conference which was held in July, 1974 in St. Lucia.

Carl W. Dumas
Legal Counsel

CHAPTER TWO

ORGANS OF THE COMMUNITY

Article 6

Principal Organs

The principal organs of the Community shall be -

- (a) the Conference of Heads of Government (hereinafter referred to as "the Conference");
- (b) the Common Market Council established under the Annex (hereinafter referred to as "the Council").

Article 7

The Conference

Composition

The Conference shall consist of the Heads of Government of Member States.

Any member of the Conference may, as appropriate, designate an alternate to represent him at any meeting of the Conference.

Article 8

Functions and Powers

1. The primary responsibility of the Conference shall be to determine the policy of the Community.

/2. The ...

2. The Conference may establish, and designate as such, institutions of the Community in addition to those specified in paragraphs (a) to (g) of Article 10 of this Treaty, as it deems fit for the achievement of the objectives of the Community.
3. The Conference may issue directions of a general or special character as to the policy to be pursued by the Council and the Institutions of the Community for the achievement of the objectives of the Community, and effect shall be given to any such directions.
4. Subject to the relevant provisions of this Treaty, the Conference shall be the final authority for the conclusion of treaties on behalf of the Community and for entering into relationships between the Community and International Organisations and States.
5. The Conference shall take decisions for the purpose of establishing the financial arrangements necessary for meeting the expenses of the Community and shall be the final authority on questions arising in relation to the financial affairs of the Community.
6. The Conference may regulate its own procedure and may decide to admit at its deliberations observers, representatives of non-Member States or other entities.
7. The Conference may consult with entities and other organisations within the region and for this purpose may establish such machinery as it deems necessary.

Article 9

Voting in the Conference

1. Each member of the Conference shall have one vote.

/2. The ...

2. The Conference shall make decisions and recommendations by the affirmative vote of all its members.

3. A decision shall be binding upon each Member State to which it is directed. A recommendation shall have no binding force. Where, however, a Member State fails to observe a recommendation of the Conference, it shall submit a report to the Conference as early as practicable and in any event not later than six months thereafter, giving reasons for its non-compliance.

4. For the purposes of this Article, abstentions shall not be construed as impairing the validity of decisions or recommendations of the Conference provided that not less than three-quarters of its members including at least two of the More Developed Countries vote in favour of any decision or recommendation.

Article 10

Institutions of the Community

Institutions of the Community shall be -

- (a) the Conference of Ministers responsible for Health
- (b) the Standing Committee of Ministers responsible for Education
- (c) the Standing Committee of Ministers responsible for Labour
- (d) the Standing Committee of Ministers responsible for Foreign Affairs
- (e) the Standing Committee of Ministers responsible for Finance
- (f) the Standing Committee of Ministers responsible for Agriculture
- (g) the Standing Committee of Ministers responsible for Mines

/(h) any ...

- (h) any other institution that may be established and designated as such by the Conference in accordance with Article 8.

Article 11

Composition of Institutions of the Community

1. Each Institution of the Community as set out in paragraphs (a) to (h) of Article 10 of this Treaty shall consist of representatives of Member States. Each Member State shall designate a Minister of Government as its representative on each such Institution.
2. Where the Minister designated under paragraph 1 of this Article is unable to attend a meeting of the Institution the Member State may designate any other person as an alternate to attend such meeting in his stead.
3. Where the Conference establishes any other Institutions in the exercise of the power conferred on it by paragraph 2 of Article 8 of this Treaty, the composition of such Institution shall be determined by the Conference.

Article 12

Functions and Powers

1. Subject to the relevant provisions of Article 8 of this Treaty, the Institutions of the Community shall formulate such policies and perform such functions as are necessary for the achievement of the objectives of the Community within their respective spheres of competence.
2. The Institutions of the Community may regulate their own procedure and -

/(a) may ...

- (a) may establish such subsidiary committees, agencies and other bodies as they consider necessary for the efficient performance of their functions; and
- (b) may decide to admit at their deliberations observers, representatives of non-Member States or other entities.

Article 13

Voting in Institutions

1. Each Member State represented on an Institution shall have one vote.
2. Unless otherwise provided for, decisions of an Institution shall be made by an affirmative vote of all its members. For the purposes of this paragraph, abstentions shall not be construed as impairing the validity of decisions of an Institution provided that not less than three-quarters of its members including at least two of the More Developed Countries vote in favour of such decisions.
3. Recommendations shall be made by a two-thirds majority vote of all its members including at least two of the More Developed Countries and shall have no binding force. Where a Member State fails to observe a recommendation of an Institution in whole or in part, it shall submit a report to the Institution making the recommendation as early as practicable and in any event not later than six months after receiving notice of such recommendation giving reasons for its non-compliance.
4. Observers at meetings of Institutions shall not have the right to vote.

/Article 14 ...

Article 14

Associate Institutions

1. The following institutions shall be recognised as Associate Institutions of the Community -

- (a) the Caribbean Development Bank;
- (b) the Caribbean Investment Corporation;
- (c) the West Indies Associated States Council of Ministers;
- (d) the East Caribbean Common Market Council of Ministers;
- (e) the Caribbean Examinations Council;
- (f) the Council of Legal Education;
- (g) the University of Guyana;
- (h) the University of the West Indies;
- (i) the Caribbean Meteorological Council;
- (j) the Regional Shipping Council;
- (k) any other institution designated as such by the Conference.

2. The Community shall seek to establish such relationships with its Associate Institutions as will promote the achievement of its objectives.

Article 15

The Community Secretariat

1. The Commonwealth Caribbean Regional Secretariat shall be recognised as the Community Secretariat. The Community Secretariat (hereinafter referred to as "the Secretariat") shall be the principal administrative organ of the Community. The headquarters of the Secretariat shall be located in Georgetown, Guyana.

/2. The ...

2. The Secretariat shall comprise a Secretary-General and such staff as the Community may require. The Secretary-General shall be appointed by the Conference (on the recommendation of the Council) for a term not exceeding 5 years and may be reappointed by the Conference. He shall be the chief administrative officer of the Community.

3. The Secretary-General shall act in that capacity in all meetings of the Conference, the Council and of the institutions of the Community. The Secretary-General shall make an annual report to the Conference on the work of the Community.

4. In the performance of their duties the Secretary-General and his staff shall neither seek nor receive instructions from any government whether of Member States or otherwise or from any other authority. They shall refrain from any action which might reflect on their position as officials of the Community, and shall be responsible only to the Community.

5. Each Member State undertakes to respect the exclusively international character of the responsibilities of the Secretary-General and his staff and shall not seek to influence them in the discharge of their responsibilities.

6. The Conference shall approve the Staff Regulations governing the operation of the Secretariat.

7. The Secretary-General shall approve Staff Rules for the operation of the Secretariat.

Article 16

Functions of the Secretariat

The functions of the Secretariat shall be as follows:-

(a) to service meetings of the Community and any of its

/Institutions ...

Institutions or Committees as may from time to time be determined by the Conference;

- (b) to take appropriate follow-up action on decisions made at such meetings;
- (c) to initiate, arrange and carry out studies on questions of economic and functional cooperation relating to the region as a whole;
- (d) to provide services to Member States at their request in respect of matters relating to the achievement of the objectives of the Community;
- (e) to undertake any other duties which may be assigned to it by the Conference or any of the Institutions of the Community.

CHAPTER THREE

COORDINATION AND FUNCTIONAL COOPERATION

Article 17

Coordination of Foreign Policies

1. To the end that Member States aim at the fullest possible coordination of their foreign policies within their respective competences and seek to adopt as far as possible common positions in major international issues, there is hereby established a Standing Committee of Ministers responsible for Foreign Affairs.
2. The Committee shall have the power to make recommendations to the Governments of Member States represented on the Committee.
3. Only Member States possessing the necessary competence with respect to the matters under consideration from time to time may take part in the deliberations of the Committee.
4. Where after the coming into force of the Treaty a Member State achieves full sovereign status such State shall elect whether it wishes to be bound by the provisions of this Article.
5. The recommendations of the Committee shall be made by an affirmative vote of all the Member States competent and participating in the deliberations.
6. The provisions of Article 13 shall not apply to this Article.

/Article 18 ...

Article 18

Functional Cooperation

Without prejudice to the requirements of any other provision of this Treaty, Member States, in furtherance of the objectives set out in Article 4 of this Treaty, undertake to make every effort to cooperate in the areas set out in the Schedule to this Treaty.

Article 19

Settlement of Disputes

Any dispute concerning the interpretation or application of this Treaty, unless otherwise provided for and particularly in Articles 11 and 12 of the Annex, shall be determined by the Conference.

CHAPTER FOUR

GENERAL AND FINAL PROVISIONS

Article 20

Legal Capacity

1. The Community shall have full juridical personality.
2. Each Member State shall in its territory accord to the Community the most extensive legal capacity accorded to legal persons under its municipal laws including the capacity to acquire and transfer moveable and immovable property and to sue and be sued in its own name. In any legal proceedings the Community shall be represented by the Secretary-General of the Secretariat.
3. The Community may enter into agreements with Member States, non-Member States and International Organisations.
4. Each Member State hereby agrees to take such action as is necessary to make effective in its territory the provisions of this Article and shall promptly inform the Secretariat of such action.

Article 21

Privileges and Immunities

1. The privileges and immunities to be recognised and granted by the Member States in connection with the Community shall be laid down in a Protocol to this Treaty.
2. The Community shall conclude with the Government of

/the ...

the Member State in which the Headquarters of the Secretariat is situated an agreement relating to the privileges and immunities to be recognised and granted in connection with the Secretariat.

Article 22

Signature

This Treaty shall be open for signature on the 4th July, 1973 by any State mentioned in paragraph 1(a) of Article 2 of this Treaty.

Article 23

Ratification

This Treaty and any amendments thereto shall be subject to ratification by the Contracting States in accordance with their respective constitutional procedures. Instruments of ratification shall be deposited with the Secretariat which shall transmit certified copies to the Government of each Member State.

Article 24

Entry into Force

This Treaty shall enter into force on the 1st August, 1973, if instruments of ratification have been previously deposited in accordance with Article 23 of this Treaty by the States mentioned in Article 2 paragraph 1 (a) (iii), (vii), (viii) and (xiii), and if not, then on such later date on which the fourth such instrument has been so deposited.

/Article 25 ...

Article 25

Registration

This Treaty and any amendments thereto shall be registered with the Secretariat of the United Nations.

Article 26

Amendments

1. Save as otherwise provided for in Article 66 of the Annex, upon a decision of the Conference for this purpose, this Treaty may be amended by the Contracting Parties.
2. Any such amendment shall enter into force one month after the date on which the last of the instruments of Ratification is deposited.
3. Notwithstanding paragraph 1 hereof no amendments may be made to the Treaty prior to May 1, 1974.

Article 27

Withdrawal

1. A Member State may withdraw from the Community by giving notice in writing to the Secretariat and the Secretariat shall promptly notify the other Member States. Such withdrawal shall take effect 12 months after the notice is received by the Secretariat.
2. A Member State so withdrawing undertakes to honour any financial obligations duly assumed during its membership of the Community.

Article 28

Negotiation and Conclusion of Agreements

1. For the purpose of negotiating agreements, the Conference may designate any Institution of the Community to carry out negotiations.
2. Unless otherwise determined by the Conference in any particular case, the conclusion of agreements by the Community shall be undertaken by the Conference.

/Article 29 ...

Article 29

Accession to the Treaty

1. Any State or Territory of the Caribbean Region may apply to the Conference to become a member of the Community and may, if the Conference so decides, be admitted to membership in accordance with paragraph 2 of this Article.

2. Admission to membership shall be upon such terms and conditions as the Conference may decide and shall take effect from the date on which an appropriate instrument of accession is deposited with the Secretariat.

Article 30

Associate Membership

1. Any State which in the opinion of the Heads of Government Conference is qualified for membership of the Community in accordance with paragraph 1(b) of Article 2 of this Treaty may, upon application to the Conference for associate membership of the Community, be admitted as an associate member of the Community in accordance with paragraph 2 of this Article.

2. On an application made under paragraph 1 of this Article the Conference shall determine the conditions under which the applicant State may be associated with the Community.

Article 31

Saving

1. Member States that are not also members of the Common Market shall not be entitled to participate in the decisions taken under the Treaty relating to the Common Market.

/2. ...

2. Decisions taken under this Treaty requiring such action shall be subject to the relevant constitutional procedures of the respective Member States.

3. Where necessary, Member States undertake to take steps as expeditiously as possible to give full effect in law to all decisions of the organs and institutions of the Community which are binding on them.

4. Member States shall not participate in decisions with respect to the subject of which they do not possess the necessary competence.

Article 32

Status of the Annex and Schedule

The Annex and Schedule to this Treaty shall form an integral part of this Treaty.

Article 33

General Provisions of the Common Market

The provisions of the Annex shall govern the establishment, membership and operation of the Common Market.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries, being duly authorised thereto by their respective Governments, have affixed their signatures below this Treaty.

/Done ...

Done at Chaguaramas on the fourth day of July in
the year one thousand nine hundred and seventy-three.

Signed by *Errol H. Barron*
for the Government of Barbados on *4th July 1973.*

Signed by *[Signature]*
for the Government of Guyana on *4th July 1973*

Signed by *[Signature]*
for the Government of Jamaica on *4th July 1973*

Signed by
for the Government of Trinidad and Tobago on

Lore Williams
July 4, 1973.

/Signed ...

Signed by *George Price*
for the Government of Belize on *17th April, 1974*
at *Castries, St. Lucia*

Signed by *Petrice R. John*
for the Government of Dominica on *17th April, 1974*
at *Castries, St. Lucia*

Signed by *Ernie*
for the Government of Grenada on *17th April, 1974*
at *CASTRIES, ST. LUCIA.*

Signed by *P. A. Brumelle*
for the Government of Montserrat on *17th April 1974*
at *Castries St. Lucia*

Signed by *R. L. Bradshaw*
for the Government of St. Kitts-Nevis-Anguilla on *26th July, 1974*
at *Kingston, Jamaica*

Signed by *[Signature]*
for the Government of St. Lucia on *17th April 1974*
at *Castries*

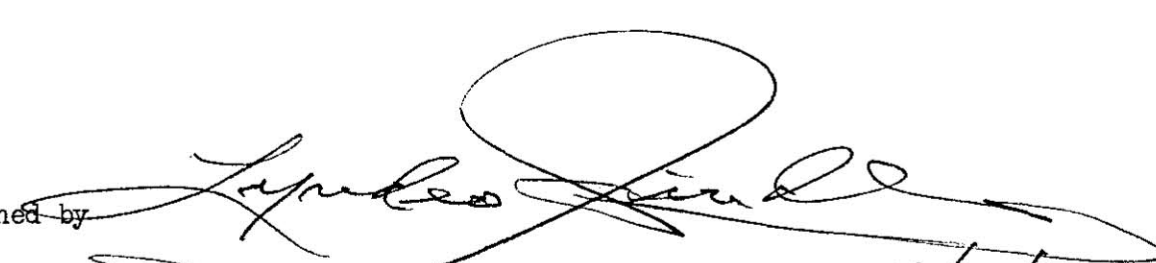
Signed by *[Signature]*
for the Government of St. Vincent on *17th April 1974*
at *Castries St. Lucia*

Signed by *George H. Walter*
for the Government of Antigua on *4th July 1974*
at *St. John's Antigua.*

Signed by

for the Government of The Commonwealth of The Bahamas on

at


4/7/82
Port of Spain, Trinidad
and Tobago.

ANNEX TO THE TREATY

THE CARIBBEAN COMMON MARKET

PREAMBLE

The Governments of the Contracting States:

NOTING that the Agreement establishing the Caribbean Free Trade Association had expressly foreshadowed "the ultimate creation of a viable economic community of Caribbean Territories;"

RECOGNISING that over the past five years the Caribbean Free Trade Association has laid the foundation for further progress in regional economic integration;

MINDFUL of their different levels of development and of the need to enable all Member States to share equitably in the benefits of regional economic integration;

CONVINCED that closer economic integration among Member States will contribute to the creation of a viable economic community of the Commonwealth Caribbean Countries;

ACKNOWLEDGING that it is the intention to establish a Common External Tariff as an integral feature of the Caribbean Common Market;

HAVE AGREED as follows:

CHAPTER I

PRINCIPLES

Article 1

Establishment of the Caribbean Common Market

There is hereby established a Caribbean Common Market (hereinafter referred to as the 'Common Market') which shall have the membership, powers and functions hereinafter specified.

Article 2

Membership

1. (a) Membership of the Common Market shall be open to -

- (i) Antigua
- (ii) Barbados
- (iii) Belize
- (iv) Dominica
- (v) Grenada
- (vi) Guyana
- (vii) Jamaica
- (viii) Montserrat
- (ix) St Kitts-Nevis-Anguilla
- (x) St Lucia
- (xi) St Vincent
- (xii) Trinidad and Tobago

(b) any other state of the Caribbean Region that is in the opinion of the Conference of Heads of

/Government...

Government (hereinafter referred to as the 'Conference') mentioned in Article 6 of the Treaty establishing the Caribbean Community, able and willing to exercise the rights and assume the obligations of membership in accordance with Article 65 of this Annex.

2. States listed in paragraph 1(a) of this Article the Governments of which are parties to the Treaty establishing the Caribbean Community (hereinafter referred to as the 'Treaty') shall become members of the Common Market, and in this Annex the term Member States shall, unless the context otherwise requires, refer to members of the Common Market.

Article 3

Objectives of the Common Market

The Common Market shall have as its objectives -

- (a) the strengthening, coordination and regulation of the economic and trade relations among Member States in order to promote their accelerated harmonious and balanced development;
- (b) the sustained expansion and continuing integration of economic activities, the benefits of which shall be equitably shared taking into account the need to provide special opportunities for the Less Developed Countries;
- (c) the achievement of a greater measure of economic independence and effectiveness of its Member States in dealing with states, groups of states and entities of whatever description,

/ Article 4 ...

Article 4

General Undertaking as to Implementation

Member States shall take all appropriate measures, whether general or particular, to ensure the carrying out of the obligations arising out of this Annex or resulting from decisions taken by the Organs and Institutions of the Common Market. They shall facilitate the achievement of the objectives of the Common Market. They shall abstain from any measures which could jeopardise the attainment of the objectives of this Annex.

CHAPTER II

ORGANS OF THE COMMON MARKET

THE COUNCIL

Article 5

Establishment

1. There shall be established a Common Market Council (hereinafter referred to as "the Council") which, subject to paragraph 3 of Article 8 of the Treaty, shall be the principal organ of the Common Market.
2. Each Member State shall be represented on the Council.

Article 6

Composition

1. The Council shall consist of one Minister of Government designated by each Member State.
2. Where the Minister designated under paragraph 1 of this Article is unable to attend a meeting of the Council the Member State may designate any person as an alternate to attend in his stead.

Article 7

Functions and Powers

1. The Council shall, in order to ensure the achievement of the objectives set out in this Annex and in accordance with

/the ...

the provisions thereof, be responsible for:

- (a) exercising such powers and performing such duties as are conferred or imposed upon it by this Annex;
- (b) ensuring the efficient operation and development of the Common Market including the settlement of problems arising out of its functioning;
- (c) keeping this Annex under constant review with a view to making proposals to the Conference for the progressive development of the Common Market;
- (d) receiving and considering references alleging breaches of any obligations arising under this Annex and deciding thereon;
- (e) considering what further action should be taken by Member States and the Common Market and making proposals to the Conference to facilitate the establishment of closer economic and commercial links with other States, association of States or international organisations.

2. The Council may regulate its own procedure including the establishment of such committees and other bodies as it may deem necessary to perform its functions and may decide to admit to its deliberations observers, representatives of non-Member States or other entities.

Article 8

Voting

1. Each Member State represented on the Council shall have one vote.
2. Except in so far as this Annex provides otherwise, decisions and recommendations of the Council shall be made by an affirmative vote of all its representatives.

/3. ...

3. A decision shall be binding upon each Member State to which it is directed. A recommendation shall have no binding force.

4. For the purposes of this Article, abstentions shall not be construed as impairing the validity of decisions or recommendations of the Council provided that not less than three-quarters of its members including at least two of the More Developed Countries vote in favour of any decision or recommendation.

5. References in this Annex to majority vote shall be construed as requiring the affirmative vote of not less than two-thirds of all Member States including at least two of the More Developed Countries.

Article 9

The Common Market Secretariat

The Secretariat referred to in Article 15 of the Treaty shall be the Secretariat responsible for the administrative functions of the Common Market.

Article 10

Functions of the Secretariat

The Secretariat shall -

- (a) service meetings of the Common Market and any of its Committees;
- (b) take appropriate follow-up action on decisions made at such meetings;
- (c) initiate, arrange, and carry out studies on questions of economic integration relating to the region;

/(d) ...

- (d) provide services to Member States at their request in respect of matters relating to the achievement of the objectives of the Common Market;
- (e) undertake any other duties which may be assigned to it by the Council.

Article 11

Disputes Procedure Within the Common Market

1. If any Member State considers that any benefit conferred upon it by this Annex or any objective of the Common Market is being or may be frustrated and if no satisfactory settlement is reached between the Member States concerned any of those Member States may refer the matter to the Council.
2. The Council shall promptly, make arrangements for examining the matter. Such arrangements may include a reference to a Tribunal constituted in accordance with Article 12 of this Annex. The Council shall refer the matter at the request of any Member State concerned to the Tribunal. Member States shall furnish all information which may be required by the Tribunal or the Council in order that the facts may be established and the issue determined.
3. If in pursuance of the foregoing provisions of this Article the Council or the Tribunal, as the case may be, finds that any benefit conferred on a Member State by this Annex or any objective of the Common Market is being or may be frustrated, the Council may, by majority vote, make to the Member State concerned such recommendations as it considers appropriate.
4. If a Member State to which a recommendation is made under paragraph 3 of this Article does not or is unable to comply with such recommendation the Council may, by majority vote, authorise any Member State to suspend in relation to the Member State which has not complied with the recommendation the application of such obligations under this Annex as the Council considers appropriate.

/5. ...

5. Any Member State may at any time while any matter is under consideration under this Article request the Council to authorise, as a matter of urgency, interim measures to safeguard its position. If the matter is being considered by the Tribunal such request shall be referred by the Council to the Tribunal for its recommendation. If it is found by a majority vote of the Council that the circumstances are sufficiently serious to justify interim action, and without prejudice to any action which it may subsequently take in accordance with the preceding paragraphs of this Article, the Council may, by majority vote, authorise a Member State to suspend its obligations under this Annex to such an extent and for such period as the Council considers appropriate.

Article 12

Reference to Tribunal

1. The establishment and composition of the Tribunal referred to in Article 11 of this Annex shall be governed by the following provisions of this Article.

2. For the purposes of establishing an ad hoc tribunal referred to in Article 11 of this Annex, a list of arbitrators consisting of qualified jurists shall be drawn up and maintained by the Secretary-General. To this end, every Member State shall be invited to nominate two persons, and the names of the persons so nominated shall constitute the list. The term of an arbitrator, including that of any arbitrator nominated to fill a vacancy, shall be five years and may be renewed.

3. Each party to the dispute shall be entitled to appoint from the list an arbitrator to an ad hoc tribunal. The two arbitrators chosen by the parties shall be appointed within 30 days following the date on which the notification was received by the Secretary-General. The two arbitrators shall within 15 days following the date of the last of their own appointments, appoint a third arbitrator from the list who shall be the chairman; as

/far ...

far as practicable the chairman shall not be a national of any of the parties to the dispute.

4. Where the first two arbitrators fail to appoint a chairman within the period prescribed, the Secretary-General shall within 15 days following the expiry of that period appoint a chairman. If any party fails to appoint an arbitrator within the period prescribed for such an appointment, the Secretary-General shall appoint an arbitrator within 15 days following the expiry of such period. Any vacancy shall be filled in the manner specified for the initial appointment.

5. Where more than two Member States are parties to a dispute, the parties concerned shall agree among themselves on the two arbitrators to be appointed from the list. In the absence of such appointment within the prescribed period, the Secretary-General shall appoint a sole arbitrator whether from the list or otherwise, for the purpose.

6. An ad hoc tribunal shall decide its own procedure and may, with the consent of the parties to the dispute, invite any party to this Annex to submit its views orally or in writing.

7. The Secretary-General shall provide the ad hoc tribunal with such assistance and facilities as it may require.

8. The expenses of the ad hoc tribunal shall be defrayed in such manner as determined by the Council.

9. Member States undertake to employ the procedures set out in this Article for the settlement of any dispute specified in paragraph 1 of Article 11 and to refrain from any other method of disputes settlement.

CHAPTER III

TRADE LIBERALISATION

Article 13

Exclusion from this Annex

1. Subject to the provisions of this Article, nothing in this Annex shall be taken to prevent the Member State concerned from imposing import duties or quantitative restrictions on the products listed in Schedule I to this Annex for such periods as are specified therein for the purpose of giving effect to any undertaking by such Member State respecting import duties or quantitative restrictions.
2. Each Member State shall take all reasonable steps open to it in connection with any undertaking referred to in paragraph 1 of this Article in order to implement any of its obligations under this Annex respecting import duties or quantitative restrictions on such products.
3. Where no expiry date is specified in Schedule I to this Annex, the Member State concerned shall take all reasonable steps open to it to implement any of its obligations in respect of commodities under this Annex respecting corresponding import duties or quantitative restrictions on such products at the earliest practicable date.
4. Where in consequence of any Member State availing itself of any exemption under paragraphs 1 to 3 any other Member State considers that a benefit conferred on it by this Annex respecting import duties or quantitative restrictions on such products is being or may be frustrated, that other Member State may refer the matter to Council.

/5. Upon ...

5. Upon reference under paragraph 4 of this Article the Council may, unless the matter is otherwise resolved, authorise upon such terms and conditions as it thinks fit the Member State making the reference to suspend, in relation to the Member State availing itself of the exemption, the performance of such of its obligations in respect of commodities under this Annex respecting import duties or quantitative restrictions on such products as the Council considers appropriate.

6. The Council shall keep under continuous review the observance by Member States of the provisions of paragraphs 2 and 3 of this Article and may from time to time, by majority vote, recommend to any Member State such measures as it thinks fit for the purposes of those paragraphs.

Article 14

Common Market Origin

1. Subject to Schedule II to this Annex, in this Annex goods shall be treated as being of Common Market origin if they are consigned from a Member State to a consignee in another Member State and comply with any one of the following conditions, that is to say, the goods must -

- (a) have been wholly produced within the Common Market;
- (b) fall within a description of goods listed in a Process List to be established by the decision of Council and have been produced within the Common Market by the appropriate qualifying process described in that List, or
- (c) have been produced within the Common Market and the value of any materials imported from outside the Common Market or of un-determined origin which have been used at any stage of the production of the goods does not exceed -

/(i) In ...

- (i) In a Less Developed Member Country
60 per cent of the export price of
the goods;
- (ii) In any other Member State 50 per cent
of the export price of the goods.

2. For the purposes of sub-paragraphs (a) to (c) of paragraph 1 of this Article, materials listed in the Basic Materials List which forms the Appendix to Schedule II to this Annex which have been used in the state described in that List in a process of production within the Common Market shall be deemed to contain no element from outside the Common Market.

3. Nothing in this Annex shall prevent a Member State from treating as of Common Market origin any imports consigned from another Member State, provided that the like imports consigned from any other Member State are accorded the same treatment.

4. The Council shall keep Schedule II and the Process List established under sub-paragraph (b) of paragraph 1 of this Article under continuous review and may amend them in order to ensure the smooth operation of the rules of origin of the Common Market.

Article 15

Import Duties

1. Except as provided in Article 52 and Schedule III to this Annex Member States shall not apply any import duties on goods of Common Market origin.

2. Nothing in paragraph 1 of this Article shall be construed to extend to the imposition of non-discriminatory internal charges on any products or a substitute not produced in the importing Member State.

/3. For ...

3. For the purposes of this Article and Schedule III to this Annex the term "import duties" means any tax or surtax of customs and any other charges of equivalent effect whether fiscal, monetary or exchange, which are levied on imports except duties notified under Article 17 of this Annex and other charges which fall within that Article.

4. Nothing in paragraph 3 of this Article shall be construed to exclude from the application of paragraph 1 of this Article any tax or surtax of customs on any product or a substitute not produced in the importing State.

5. This Article does not apply to fees and similar charges commensurate with the cost of services rendered.

Article 16

Export Drawback

1. Each Member State may refuse to treat as of Common Market origin goods which benefit from export drawback allowed by Member States in which the goods have undergone the processes of production which form the basis of the claim to Common Market origin. In applying this paragraph, each Member State shall accord the same treatment to imports consigned from all other Member States.

2. For the purposes of this Article -

- (a) 'export drawback' means any arrangement for the refund or remission, wholly or in part, of import duties applicable to imported materials, provided that the arrangement, expressly or in effect, allows refund or remission if certain goods or materials are exported, but not if they are retained for home use;

/(b) 'remission' ...

- (b) 'remission' includes exemption for materials brought into free ports and other places which have similar customs privileges;
- (c) 'duties' means
 - (i) all charges on or in connection with importation, except fiscal charges to which Article 17 of this Annex applies; and
 - (ii) any protective element in such fiscal charges;
- (d) 'materials' and 'process of production' have the meanings assigned to them in Rule 1 of Schedule II to this Annex.

Article 17

Revenue Duties and Internal Taxation

1. Except as provided in Article 52 of and Schedule IV to this Annex Member States shall not -
 - (a) apply directly or indirectly to imported goods any fiscal charges in excess of those applied directly or indirectly to like domestic goods, or otherwise apply such charges so as to protect like domestic goods; or
 - (b) apply fiscal charges to imported goods of a kind which they do not produce, or which they do not produce in substantial quantities, in such a way as to protect the domestic production of substitutes which enter into direct competition with them and which do not bear, directly or indirectly, in the country of importation, fiscal charges of equivalent incidence.

2. A Member State shall notify the Council of all fiscal charges applied by it where, although the rates of charge, or the conditions governing the imposition or collection of the charge, are not identical in relation to the imported goods and to the like domestic goods, the Member State applying the charge considers that the charge is, or has been made, consistent with subparagraph (a) of paragraph 1 of this Article. Each Member State shall, at the request of any other Member State, supply information about the application of paragraph 1 of this Article.

3. For the purposes of this Article and Schedule IV to this Annex -

- (a) 'fiscal charges' means revenue duties, internal taxes and other internal charges on goods;
- (b) 'revenue duties' means customs duties and other similar charges applied primarily for the purpose of raising revenue; and
- (c) 'imported goods' means goods which are treated as of Common Market origin.

Article 18

Prohibition of Export Duties

1. Member States shall not apply any export duties.

2. Nothing in this Article shall preclude any Member State from taking such measures as are necessary to prevent evasion, by means of re-export, of duties which it applies to exports to territories outside the Common Market.

3. For the purposes of this Article, "export duties" means any duties or charges with equivalent effect imposed on or in connection with the exportation of goods from any Member State to a consignee in any other Member State.

/4. Notwithstanding ...

4. Notwithstanding paragraph 1 of this Article, a Member State may for a period not exceeding 5 years from the date of entry into force of this Annex, apply to any commodity listed in Schedule V, export duties not exceeding those applied immediately before that date.

5. Any Member State that, pursuant to paragraph 4 of this Article, applies export duties to any commodity listed in Schedule V shall notify the Council of such duties. The Council shall keep such export duties under review and may at any time by majority vote make recommendations to the Member State concerned so as to avoid as far as possible any adverse consequences on any other Member State.

Article 19

Dumped and Subsidised Imports

1. Nothing in this Annex shall prevent any Member State from taking action against dumped or subsidised imports that conforms with any other international obligations.

2. Any products which have been exported from one Member State to a consignee in another Member State and have not undergone any manufacturing process since exportation shall, when re-imported into the first Member State be admitted free of quantitative restrictions or measures with equivalent effect. Such products shall also be admitted free of customs duties or charges with equivalent effect except that any allowance by way of drawback, relief from duty or otherwise, given by reason of the exportation from the Member State, may be recovered.

3. If any industry in a Member State is suffering or is threatened with material injury as the result of the import of dumped or subsidised products into any other Member State, the latter Member State shall, at the request of the former Member State, examine the possibility of taking in conformity with any other international obligations, action to remedy the injury or prevent the threatened injury.

/Article 20 ...

Article 20

Freedom of Transit

1. Products imported into, or exported from, a Member State shall enjoy freedom of transit within the Common Market and shall only be subject to the payment of the normal rates for services rendered.
2. For the purposes of paragraph 1 of this Article, 'transit' means transit within the meaning of Article V of the General Agreement on Tariffs and Trade.

Article 21

Quantitative Import Restrictions

1. Except where otherwise provided in this Annex, and particularly in Articles 13, 23, 24, 28, 29 and 56 and in Schedules VII, VIII, IX, X and XI, a Member State shall not apply any quantitative restrictions on the import of goods which are of Common Market origin.
2. "Quantitative restrictions" means prohibitions or restrictions on imports into, or exports from, any other Member State, as the case may be, whether made effective through quotas, import licences or other measures with equivalent effect, including administrative measures and requirements restricting imports or exports.
3. This Article shall not prevent any Member State from taking such measures as are necessary to prevent evasion of any prohibitions or restrictions which it applies to imports from outside the Common Market. In taking action in pursuance of the foregoing provisions, a Member State shall not accord to products imported from other Member States treatment less favourable than that accorded to products imported from third countries.

/Article 22 ...

Article 22

Quantitative Export Restrictions

1. Except where otherwise provided in this Annex, and particularly in Articles 23 and 24 and in Schedules VIII, IX and XI a Member State shall not apply any quantitative restrictions on exports to any other Member State.

2. This Article shall not prevent any Member State from taking such measures as are necessary to prevent evasion of any prohibitions or restrictions which it applies to exports outside the Common Market, provided that less favourable treatment is not granted to Member States than to countries outside the Common Market.

Article 23

General Exceptions

Nothing in Articles 21 and 22 of this Annex shall prevent the adoption or enforcement by any Member State of measures -

- (a) necessary to protect public morals;
- (b) necessary for the prevention of disorder or crime;
- (c) necessary to protect human, animal or plant life or health;
- (d) necessary to secure compliance with laws or regulations relating to customs enforcement, or to the classification, grading or marketing of goods, or to the operation of monopolies by means of state enterprises or enterprises given exclusive or special privileges;
- (e) necessary to protect industrial property or copyrights or to prevent deceptive practices;

/(f) relating ...

- (f) relating to gold or silver;
- (g) relating to the products of prison labour;
- (h) imposed for the protection of national treasures of artistic, historic or archaeological value;
- (i) necessary to prevent or relieve critical shortages of foodstuffs in any exporting Member State; or
- (j) relating to the conservation of exhaustible natural resources;

but only if such measures are not used as a means of arbitrary or unjustifiable discrimination between Member States, or as a disguised restriction on trade within the Common Market.

Article 24

Security Exceptions

1. Nothing in this Annex shall prevent any Member State from taking action which it considers necessary for the protection of its essential security interests.
2. Nothing in this Annex shall prevent any Member State from taking action in pursuance of any obligations to which it is subject for the purpose of maintaining international peace and security.

Article 25

Government Aids

1. Except as provided in this Annex, a Member State shall not maintain or introduce -
 - (a) the forms of aid to export of goods to any other part of the Common Market of the kinds which are
/described ...

described in Schedule VI to this Annex; or

- (b) any other forms of aid, the main purpose or effect of which is to frustrate the benefits expected from such removal or absence of duties and quantitative restrictions as is required by this Annex.

2. If the application of any form of aid by a Member State, although not contrary to paragraph 1(b) of this Article, nevertheless frustrates the benefits expected from such removal or absence of duties and quantitative restrictions as is required by this Annex, the Council may, by majority vote, authorise any Member State to suspend in relation to the Member State which is applying the aid the application of such obligations under this Annex as the Council considers appropriate, provided always that the procedure set out in paragraphs 3 to 5 of Article II of this Annex has been followed.

3. This Article shall not apply in respect of trade within the Common Market in any agricultural products until such time as Member States agree upon a Common Market policy with respect to the production and marketing, including the subsidization, of agricultural products.

4. The Council may amend the provisions of Schedule VI of this Annex.

Article 26

Public Undertakings

I. Member States shall ensure the elimination in the practices of public undertakings, of

- (a) measures the effect of which is to afford protection to domestic production which would be inconsistent with this Annex if achieved by means of a duty or charge with equivalent effect or quantitative restrictions or Government aid; or

/(b) trade ...

- (b) trade discrimination on grounds of territorial origin in so far as it frustrates the benefits expected from such removal or absence of duties and quantitative restrictions as is required by this Annex.

2. In so far as Article 25 of this Annex is relevant to the activities of public undertakings, that Article shall apply to them in the same way as it applies to other enterprises.

3. Member States shall ensure that new practices of the kind described in paragraph 1 of this Article are not introduced.

4. For the purposes of this Article, 'public undertakings' means central, regional, or local government authorities, public enterprises and any other organisation by means of which a Member State by law or in practice controls or appreciably influences imports from, or exports to any other part of the Common Market.

5. This Article shall not apply in respect of trade within the Common Market in agricultural products until such time as Member States agree upon a Common Market Policy with respect to the production and marketing, including the subsidization, of agricultural products.

Article 27

Co-operation in Customs Administration

Member States shall take appropriate measures, including arrangements regarding administrative co-operation to ensure that the provisions of Articles 14, 15, 16 and 17 and Schedules II, III and IV of this Annex are effectively and harmoniously applied, taking account of the need to reduce as far as possible the formalities imposed on trade and of the need to achieve mutually satisfactory solutions of any difficulties arising out of the operation of these provisions.

/Article 28 ...

Article 28

Import Restrictions arising from Balance
of Payments Difficulties

1. Notwithstanding Article 21 of this Annex a Member State may, consistently with any international obligations to which it is subject, introduce quantitative restrictions on imports for the purpose of safeguarding its balance of payments.
2. A Member State taking measures in accordance with paragraph 1 of this Article shall notify them to the Council, if possible, before they come into force. The Council shall examine the situation and keep it under review and may at any time by majority vote make recommendations designed to moderate any damaging effect of these restrictions or to assist the Member State concerned to overcome its difficulties. If the balance of payments difficulties persist for more than 18 months and the measures applied seriously disturb the operation of the Common Market, the Council shall examine the situation and may, taking into account the interests of all Member States, by majority vote, devise special procedures to attenuate or compensate for the effect of such measures.
3. A Member State which has taken measures in accordance with paragraph 1 of this Article shall have regard to its obligations to resume the full application of Article 21 of this Annex and shall, as soon as its balance of payments situation improves, make proposals to the Council on the way in which this should be done. The Council, if it is not satisfied that these proposals are adequate, may recommend to Member States alternative arrangements to the same end. Decisions of the Council pursuant to this paragraph shall be made by majority vote.

Article 29

Difficulties in Particular Industries

1. If, in a Member State -

/(a) any ...

- (a) any industry or particular sector of an industry experiences serious difficulties due to a substantial decrease in internal demand for a domestic product; and
- (b) this decrease in demand is due to an increase in imports consigned from other Member States as a result of the establishment of the Common Market,

that Member State may, notwithstanding any other provisions of this Annex -

- (i) limit those imports by means of quantitative restrictions to a rate not less than the rate of such imports during any period of 12 months which ended within 12 months of the date on which the restrictions came into force; the restrictions shall not be continued for a period longer than 18 months, unless the Council, by majority vote, authorise their continuance for such further period and on such conditions as the Council considers appropriate; and
- (ii) take such measures, either instead of or in addition to restriction of imports in accordance with sub-paragraph (i) of this paragraph, as the Council, may by majority vote authorise.

2. In applying measures in accordance with paragraph 1 of this Article, a Member State shall give like treatment to imports consigned from all Member States.

3. A Member State applying restrictions in accordance with sub-paragraph (i) of paragraph 1 of this Article shall notify them to the Council, if possible, before they come into force. The Council may at any time consider these restrictions and may, by majority vote, make recommendations designed to moderate any damaging effect of those restrictions or to assist the Member State concerned to overcome its difficulties.

/Article 30 ...

Article 30

Restrictive Business Practices

1. Member States recognise that the following practices are incompatible with this Annex in so far as they frustrate the benefits expected from such removal or absence of duties and quantitative restrictions as is required by this Annex -

- (a) agreements between enterprises, decisions by associations of enterprises and concerted practices between enterprises which have as their object or result the prevention, restriction or distortion of competition within the Common Market;
- (b) actions by which one or more enterprises take unfair advantage of a dominant position within the Common Market or a substantial part of it.

2. If any practice of the kind described in paragraph 1 of this Article is referred to the Council in accordance with Article 11 of this Annex the Council may, in any recommendation in accordance with paragraph 3 or in any decision in accordance with paragraph 4 of that Article, make provision for publication of a report on the circumstances of the matter.

3. (a) In the light of experience, the Council shall, as soon as practicable, consider whether further or different provisions are necessary to deal with the effect of restrictive business practices or dominant enterprises on trade within the Common Market.
- (b) Such review shall include consideration of the following matters -

- (i) specification of restrictive business practices or dominant enterprises with which the Council should be concerned;
- (ii) methods of securing information about restrictive business practices or dominant enterprises;

/ (iii) ...

- (iii) procedures for investigation;
- (iv) whether the right to initiate inquiries should be conferred on the Council.

(c) The Council may decide to make the provisions found necessary as a result of the review envisaged in sub-paragraphs (a) and (b) of this paragraph.

4. Member States undertake to introduce as soon as practicable uniform legislation for the control of restrictive practices by business enterprises giving particular attention to the practices referred to in paragraph 1 of this Article.

CHAPTER IV

COMMON PROTECTIVE POLICY

Article 31

Establishment of Common External Tariff

Member States agree to establish and maintain a common external tariff in respect of all commodities imported from third countries in accordance with a plan and schedule to be adopted immediately upon the entry into force of this Annex, provided that -

- (a) In so far as the Less Developed Countries, except Belize and Montserrat, are concerned, their existing Tariffs under the East Caribbean Common Market Agreement shall be deemed as fulfilling their initial obligations in relation to the Common External Tariff of the Caribbean Common Market.
- (b) Wherever the Plan and Schedule of rates in the existing Customs Tariff of the East Caribbean Common Market differ from those in the Common External Tariff of the Caribbean Common Market, the Plans and Schedules of rates in both the East Caribbean Common Market and the Caribbean Common Market Tariffs will be subject to annual review in the light of the prevailing economic situation of the Less Developed Countries for the purpose of determining the appropriate Plan and Schedule that will be introduced provided that the introduction of such a Plan and Schedule will commence not later than 1st August, 1977 and the phasing period will end not later than 1st August, 1981.

/(c) In ...

- (c) In so far as Belize and Montserrat are concerned, their existing Tariffs on 1st May, 1974, shall be deemed as fulfilling their initial obligations in relation to the Common External Tariff of the Caribbean Common Market. They shall progressively phase their tariffs in accordance with the annual reviews mentioned in paragraph (b) of this proviso; provided that, in the case of Montserrat, the introduction of the Plan and Schedule will commence not later than 1st August, 1981, and the phasing period will end not later than 1st August, 1985.

Article 32

Operation of the Common External Tariff

1. Any alteration or suspension of the Common External Tariff on any item shall be decided by the Council by unanimous vote.
2. During the transitional period in respect of any item, a Member State may decide as a temporary measure to reduce or suspend a duty in its national tariff for the purpose of domestic price control provided that goods originating from Member States on which duties are payable are accorded treatment no less favourable. Any such action shall be promptly reported to the other Member States through the Secretariat. If any Member State so requests, the Council shall hold consultations on the matter and may by majority vote make such recommendations as it considers appropriate to mitigate any damaging effects of such reduction or suspension of duty on the exports of the Member States concerned.
3. Where a commodity is not being produced in one or more Member States or is being produced but in insufficient quantities to satisfy the requirements of the Common Market, the Council may decide to authorise the reduction or suspension of the tariff in respect of imports of that commodity

/subject.....

subject to such terms and conditions as it may decide, provided that in no case shall the commodity imported from third countries be accorded more favourable treatment than similar products produced by Member States.

4. Before the 15th August, 1973, every Member State shall notify to the Council the duties applied on all goods imported from non-member countries immediately before the entry into force of this Annex.

5. Upon the expiration of the period of three years from the entry into force of the Common External Tariff the Council shall review such rates as are posing or as are likely to pose difficulties in their application.

Article 33

Treatment of Imports from Third Countries

1. During the transitional period, that is, until the 1st August 1981, Member States individually or otherwise undertake to pursue such policies regarding quantitative restrictions on imports from third countries as would facilitate the implementation of a common protective policy for the Common Market as soon as practicable after the transitional period. The Council may make recommendations to Member States for this purpose.

2. As soon as possible after the entry into force of this Annex Member States shall notify to the Council all existing quantitative restrictions applied on imports from third countries. Any new quantitative restrictions shall be promptly notified to the Council.

3. The Council of Ministers shall keep under continuous review the application of quantitative restrictions by Member States whether on an individual, sub-group or Common Market basis and shall make such recommendations to Member States as it considers necessary.

/Article 34.....

Article 34

External Trade Policy

1. Member States shall seek a progressive co-ordination of their trade relations with third countries or groups of third countries.
2. Member States undertake to transmit to the Secretariat particulars of any trade or aid agreements entered into after the entry into force of this Annex.

CHAPTER V

ESTABLISHMENT, SERVICES AND MOVEMENT OF
CAPITAL

Article 35

Establishment

1. Each Member State recognises that restrictions on the establishment and operation of economic enterprises therein by nationals of other Member States should not be applied, through accord to such persons of treatment which is less favourable than that accorded in such matters to nationals of that Member State, in such a way as to frustrate the benefits expected from such removal or absence of duties and quantitative restrictions as is required by this Annex.
2. Member States shall not apply new restrictions in such a way that they conflict with the principle set out in paragraph 1 of this Article.
3. A Member State shall notify the Council within such period as the Council may decide of particulars of any restrictions which it applies in such a way that persons belonging to another Member State are accorded in the first-mentioned State less favourable treatment in respect of the matters set out in paragraph 1 of this Article than is accorded to persons belonging thereto.
4. The Council shall consider from time to time, whether further or different provisions are necessary to give effect to the principles set out in paragraph 1 of this Article.
5. Nothing in this Article shall prevent the adoption and enforcement by a Member State of measures for the control of entry, residence, activity and departure of persons where such measures are justified by reasons of public order, public health or morality, or national security of that Member State.

/6. For.....

6. For the purposes of this Article and Articles 36 and 38 of this Annex -

- (a) a person shall be regarded as a national of a Member State if such person -
 - (i) is a citizen of that State;
 - (ii) has a connection with that State of a kind which entitles him to be regarded as belonging to, or, if it be so expressed, as being a native or resident of the State for the purposes of such laws thereof relating to immigration as are for the time being in force; or
 - (iii) is a company or other legal person constituted in the Member State in conformity with the law thereof and which that State regards as belonging to it, provided that such company or other legal person has been formed for gainful purposes and has its registered office and central administration, and carries on substantial activity, within the Common Market, and which is substantially owned and effectively controlled by persons falling under (i) and (ii) above.
- (b) "economic enterprises" means any type of economic enterprises for production of or commerce in goods which are of Common Market origin, whether conducted by individuals or through agencies, branches or companies or other legal persons.

Article 36

Right to Provide Services

1. Each Member State agrees as far as practicable to

/extend.....

extend to persons belonging to other Member States preferential treatment over persons belonging to States outside the Common Market with regard to the provision of services.

2. For the purposes of this Article the term "services" shall be considered as services for remuneration provided that they are not governed by provisions relating to trade, the right of establishment or movement of capital and includes, in particular, activities of an industrial or commercial character, artisan activities and activities of the professions, excluding activities of employed persons.

Article 37

Movement of Capital

The Council shall examine ways and means for the introduction of a scheme for the regulated movement of capital within the Common Market, giving particular attention to the development needs of the Less Developed Countries and shall recommend to Member States proposals for the establishment of such a scheme.

Article 38

Saving in Respect of Movement of Persons

Nothing in this Treaty shall be construed as requiring, or imposing any obligation on, a Member State to grant freedom of movement to persons into its territory whether or not such persons are nationals of other Member States.

CHAPTER VI

CO-ORDINATION OF ECONOMIC POLICIES AND
DEVELOPMENT PLANNING

Article 39

Consultation on Economic Policies

1. Member States recognise that the economic and financial policies of each of them affect the economies of other Member States and intend to pursue those policies in a manner which serves to promote the objectives of the Common Market. In particular but without prejudice to the generality of the foregoing, Member States shall seek as far as practicable to -

- i) co-ordinate their economic policies and for this purpose facilitate collaboration between appropriate ministries, administrative departments and agencies;
- ii) co-ordinate their statistical services in matters affecting the operation of the Common Market; and
- iii) co-ordinate their positions and presentations at all international economic, financial and trade meetings at which they are represented.

2. The Council may make recommendations to Member States on matters relating to those policies and on how best to achieve such co-ordination and collaboration.

Article 40

Harmonisation of Fiscal Incentives

1. Member States shall seek to harmonise such legislation and practices as directly affect fiscal incentives to industry.

/2. Member.....

2. Member States shall seek also to establish regimes for the harmonisation of fiscal incentives to agriculture and tourism with appropriate differentials in favour of the Less Developed Countries.

3. Member States agree to study the possibility of approximating income tax systems and rates with respect to companies and individuals.

Article 41

Intra-Regional and Extra-Regional Double Taxation Agreements

1. Member States shall approach their negotiations for agreements for the avoidance of double taxation with countries outside the Common Market on the basis of a set of mutually agreed principles.

2. With a view to encouraging the regulated movement of capital within the Common Market, particularly to the Less Developed Countries, Member States agree to adopt among themselves agreements for the avoidance of double taxation.

Article 42

Harmonisation of Laws

1. Member States recognise the desirability to harmonise as soon as practicable such provisions imposed by law or administrative practices as affect the establishment and operation of the Common Market in the following areas:

- (a) companies;
- (b) trade marks;
- (c) patents;
- (d) designs and copyrights;

/(e) industrial.....

- (e) industrial standards;
- (f) marks of origin;
- (g) labelling of food and drugs;
- (h) plant and animal quarantine restrictions;
- (i) restrictive business practices;
- (j) dumping and subsidisation of exports.

2. The Council shall keep the provisions of this Article under review and may make recommendations for the achievement of this objective.

Article 43

Monetary, Payments and Exchange

Rate Policies

1. Member States undertake to permit within the Common Market freedom of payments on -

- (a) current account; and
- (b) capital account necessary to further the objectives of the Common Market.

2. Member States recognising that exchange-rate stability as between themselves is necessary to promote the smooth functioning of the Common Market agree to -

- (a) a policy of continuing consultation and the fullest possible exchange of relevant information on monetary payments and exchange rate matters, and
- (b) to examine ways and means of harmonising their monetary and exchange-rate and payments policies in the interest of the smooth functioning of the Common Market.

3. Member States further agree -

- (a) to the policy whereby through arrangements by

/their.....

their Central Banks or Monetary Authorities the notes and coins of other Member States shall be exchanged within their own States at official par value without exchange commission;

- (b) to develop arrangements for co-operation in other monetary matters including the operation of a clearing arrangement by their Central Monetary Authorities.

Article 44

Ownership and Control of Regional Resources

1. Member States recognise the need for continuing inflows of extra-regional capital and the urgent necessity to promote development in the Less Developed Countries.
2. Member States shall keep under review the question of ownership and control of their resources with a view to increasing the extent of national participation in their economies and working towards the adoption as far as possible of a common policy on foreign investment.

Article 45

Coordination of National Development Planning

1. Member States recognise the desirability of a long-term Common Market Perspective Plan as a framework for coordinating their development efforts and agree to work jointly in the formulation of such a Plan.
2. In order to promote maximum complementarity between industries and economic sectors of Member States, each Member

/State.....

State agrees to consult with other Member States in drawing up its national medium-term operational development plans. Member States shall establish a Committee of Officials in charge of national planning agencies for the purposes of promoting collaboration in development planning.

Article 46

Common Market Industrial Programming

1. Member States undertake to promote a process of industrial development through industrial programming aimed at achieving the following objectives:

- (a) the greater utilisation of the raw materials of the Common Market;
- (b) the creation of production linkages both within and between the national economies of the Common Market;
- (c) to minimise product differentiation and achieve economies of large scale production, consistent with the limitations of market size;
- (d) the encouragement of greater efficiency in industrial production;
- (e) the promotion of exports to markets both within and outside the Common Market;
- (f) an equitable distribution of the benefits of industrialisation paying particular attention to the need to locate more industries in the Less Developed Countries.

2. The Council may make recommendations from time to time to promote achievement of the objectives stated in paragraph 1 of this Article.

/Article 47.....

Article 47

Joint Development of Natural Resources

1. Member States agree to a policy of regular exchange of information on their natural resources with a view to the development of joint projects for the increased utilisation of these resources within the Common Market and to collaborate in promoting research in these areas.
2. With a view to facilitating negotiations with mining companies, Member States agree to exchange information on exploration leases, exploitation licences and on taxation of mining companies.
3. The Council advised by the Standing Committee of Ministers responsible for Mines and Natural Resources may make recommendations for achieving the objectives stated in paragraphs 1 and 2 of this Article.

Article 48

Marketing of Agricultural Products

1. Member States agree to work towards the rationalisation of trade within the Common Market in certain selected agricultural products having special regard to the agricultural development of the Less Developed Countries.
2. In pursuance of this objective Member States agree to arrangements for the marketing of oils and fats and other agricultural products as set out in Schedules VII, VIII and IX to this Annex.
3. The Council may make recommendations for the development of agricultural trade between Member States.

/Article 49.....

Article 49

Rationalisation of Agricultural Production

1. Member States agree to adopt a scheme for the rationalisation of agricultural production within the Common Market with a view to promoting complementarity in national agricultural programmes and providing special opportunities for the development of agriculture in the Less Developed Countries.

2. The Scheme shall have the following objectives -

- (a) the development of a regional plan for the integration of agricultural development in the Common Market;
- (b) the achievement of the optimum utilisation of agricultural resources;
- (c) the improvement of the efficiency of agricultural production in order to increase the supply of agricultural products for -
 - (i) domestic consumption;
 - (ii) export to regional as well as extra-regional markets; and
 - (iii) inputs for agro-based industries.
- (d) replacement of imports on a regional basis;
- (e) increasing the income and standard of living of the rural population;
- (f) contributing to the achievement of full employment for the peoples of the Common Market;
- (g) the provision of greater opportunities to the Less Developed Countries for the expansion of agricultural production for export to markets within and outside the Common Market.

/3. Member.....

3. Member States recognise the desirability of joint action in the exporting of non-traditional agricultural products to countries outside the Common Market and agree to the promotion of schemes towards this objective.

4. With regard to the production of non-traditional agricultural products, Member States shall pursue a policy of collaboration with a view to improving productivity and promoting a more efficient allocation of the resources of the Common Market giving special consideration to the need for increasing production in the Less Developed Countries.

5. The Council shall keep this Article under review and shall make recommendations to Member States for achieving its objectives.

Article 50

Cooperation in Tourism

Member States agree to collaborate in the promotion and development of the tourist industry within the Common Market.

CHAPTER VII

SPECIAL REGIME FOR THE LESS DEVELOPED
COUNTRIES

Article 51

Purpose of the Chapter

The provisions of this Chapter shall have effect for the purposes of establishing within the framework of this Annex a special regime for the Less Developed Countries.

Article 52

Import Duties, Revenue Duties and Internal
Taxation

For the purposes of Articles 15 and 17 of this Annex the special arrangements contained in Schedules III and IV to this Annex concerning import duties, revenue duties and internal taxation shall apply to the Less Developed Countries.

Article 53

Common Market Origin

Member States agree that in the compilation of the Process List pursuant to paragraph 1(b) of Article 14 of this Annex, the special needs of the Less Developed Countries shall be taken into account.

/Article 54.....

Article 54

Harmonisation of Fiscal Incentives

Member States agree that in the establishment of the Scheme for Harmonisation of Fiscal Incentives to Industry provided for in Article 40 of this Annex, the special needs of the Less Developed Countries shall be taken into account.

Article 55

The Common External Tariff and Common Protective Policy

Member States agree that in the establishment of the scheme for a common external tariff provided for in Article 31 of this Annex, the special needs of the Less Developed Countries shall be taken into account.

Article 56

Promotion of Industrial Development in the
Less Developed Countries

1. Upon any application made in that behalf by the Less Developed Countries the Council may, if necessary, as a temporary measure in order to promote the development of an industry in any of those States, authorise by majority decision such States to suspend Common Market tariff treatment of any description of imports eligible therefor on grounds of production in the other Member States.

2. Upon any application made in that behalf by the Less Developed Countries the Council may, if necessary, as a temporary measure in order to promote the development of an industry in any of those States, authorise by majority decision such States to impose quantitative restrictions on like imports from the other Member States.

/3. In.....

3. In the light of the special position of Barbados that State may, in relation to trade with the Less Developed Countries, during the period for which the authorisations referred to in paragraphs 1 and 2 of this Article are in force, suspend Common Market tariff treatment of, or apply quantitative restrictions on, the like description of imports from the Less Developed Countries.

4. The Council may, in taking decisions pursuant to paragraphs 1 and 2 of this Article, impose terms and conditions to which such authorisation shall be subject.

5. For the purposes of this Article a majority means a decision supported by the affirmative votes of all the Less Developed Countries and at least two of the More Developed Countries.

Article 57

Government Aids

Paragraph 1(a) of Article 25 of this Annex shall not apply to exports from a Less Developed Country except where such exports are consigned to Barbados.

Article 58

Public Undertaking

Paragraph 1(a) of Article 26 of this Annex shall not apply to the Less Developed Countries.

/Article 59.....

Article 59

Financial Assistance from More Developed
Countries

1. With a view to promoting the flow of investment capital to the Less Developed Countries, the More Developed Countries agree to co-operate in -

- (a) facilitating, whether by means of private investment capital or otherwise, joint ventures in those States;
- (b) negotiating double taxation agreements in respect of the income from investments in the Less Developed Countries by residents of other Member States, and
- (c) facilitating the flow of loan capital to the Less Developed Countries.

2. In furtherance of the objectives stated in paragraph 1 above, primary consideration should be given to ventures which are substantially owned and effectively controlled by nationals of Member States within the meaning of Article 35 of this Annex.

3. Member States agree that in order to promote the development of industries in the Less Developed Countries an appropriate investment institution shall be established.

Article 60

Use of Technological and Research
facilities in More Developed Countries

The More Developed Countries undertake to provide opportunities for the use of their technological and research facilities by the Less Developed Countries.

/Article 61.....

Article 61

Special Arrangements for Belize

Without prejudice to any other provision of this Chapter, the provisions of Schedule XI to this Annex shall apply for the purpose of establishing additional special arrangements in regard to the participation of Belize in the Common Market.

Article 62

Review of Mechanisms for the
Less Developed Countries

The Council shall review annually the need for strengthening existing mechanisms or introducing new ones to provide greater benefits to the Less Developed Countries and shall submit a Report thereon to the Conference.

CHAPTER VIII

GENERAL AND FINAL PROVISIONS

Article 63

Legal Capacity

1. The Common Market shall have international juridical personality.
2. Each Member State shall, in its territory, accord to the Common Market the most extensive legal capacity accorded to legal persons under its municipal law including the capacity to acquire and transfer movable and immovable property and to sue and be sued in its own name. In any legal proceedings, the Common Market shall be represented by the Secretary-General of the Secretariat.
3. Each Member State hereby agrees to take such action as is necessary to make effective in its territory the provisions of this Article and shall promptly inform the Secretariat of such action.

Article 64

Privileges and Immunities

1. The privileges and immunities to be recognised and granted by the Member States in connection with the Common Market shall be laid down in a Protocol to this Annex.
2. The Common Market shall conclude with the Government of the Member State in which its Headquarters is situated an agreement relating to the privileges and immunities to be recognised and granted in connection with the Common Market.

/Article 65.....

Article 65

Accession

1. A State, mentioned in paragraph 1(b) of Article 2 of this Annex may become a Member of the Common Market on such terms and conditions as the Conference may determine.
2. Any such State shall deposit on or before a date appointed by the Conference an instrument of accession with the Secretariat which shall transmit certified copies to the Government of each Member State.
3. Upon such deposit the State shall become a member of the Common Market on the appointed date.

Article 66

Amendments

1. Except where this Annex provides otherwise, amendments thereto shall enter into force when they have been approved by the Council and ratified by all Member States in accordance with their respective constitutional procedures.
2. Instruments of ratification shall be deposited with the Secretariat which shall transmit certified copies thereof to each Member State.

Article 67

Recognition of existing integration
arrangement within the Common Market

Nothing in this Annex shall affect any decisions or things done under the East Caribbean Common Market Agreement immediately before the coming into force of this Annex or the continued application and development of that Agreement to the extent that the objectives of that Agreement are

/not.....

not achieved in the application of the objectives of this Annex, provided such application or development does not conflict with obligations under this Annex of the Member States which are Parties to that Agreement.

Article 68

Participation in Other Arrangements

Nothing in this Annex shall preclude any Member State from participating in other arrangements to the extent that those arrangements are not incompatible with the obligations of Member States under this Annex.

Article 69

Withdrawal

1. A Member State may withdraw from the Common Market by giving notice in writing to the Secretariat and the Secretariat shall promptly notify the other Member States. Such withdrawal shall take effect twelve (12) months after the notice is received by the Secretariat.

2. A Member State so withdrawing undertakes to honour any financial obligations duly assumed during its membership of the Common Market.

3. A Member State that withdraws from the Treaty in accordance with Article 27 thereof shall, if a member of the Common Market, be deemed to have withdrawn from the Common Market with effect from the expiration of the time limited by the said Article 27.

/Article 70.....

Article 70

Relations with Other States and
International Organisations

1. The Council may, on behalf of the Common Market, negotiate agreements with Member States, non-Member States and other International Organisations in order to promote the objectives of the Common Market.
2. Such agreements, however, shall be subject to ratification by the Conference.

Article 71

Transitional Provisions

On entry into force of this Annex in accordance with the provisions of Article 24 of the Treaty, the Agreement establishing the Caribbean Free Trade Association done at Dickenson Bay, Antigua, on the fifteenth day of December, 1965, and the Supplementary Agreement under Article 31(3) of the former Agreement done at Georgetown, Guyana, on the fifteenth day of March 1968 and at St John's Antigua, on the eighteenth day of March 1968, shall be superseded by the provisions of this Annex as between the Parties to whom the provisions of this Annex apply.

Article 72

Associate Membership

1. Any state which in the opinion of the Conference is qualified for membership of the Common Market in accordance with Article 2.1(b) of this Annex may, upon application to the Council for associate membership of the Common Market, be admitted as an associate member of the Common Market in accordance with paragraph 2 of this Article.

/2. On.....

2. On any application made under paragraph 1 of this Article the Conference shall determine the conditions under which the applicant state may be associated with the Common Market.

Article 73

Status of Schedules

Schedules to this Annex shall form an integral part thereof.

/SCHEDULE I.....

SCHEDULE I

PRODUCTS EXCLUDED FROM THE ANNEX TO
TO THE TREATY IN PURSUANCE OF CONTRACTUAL OBLIGATIONS OF
MEMBER STATES

referred to in Article I3 of the Annex to the Treaty

Country	Brussels Nomen- clature Heading	Description of Product	Expiry Date
ANTIGUA	ex 27.10	Jet Fuel	14th July, 1987
	ex 61.01	Men's and boys' shorts and suits	Not provided
	61.02	Women's, girls' and infants' outer- garments	Not provided
	61.03	Men's and boys' under garments including collars, shirtfronts and cuffs	Not provided
	61.04	Women's, girls' and in- fants' under garments	Not provided
	ex 94.04	Mattresses and pillows	Not provided
BARBADOS	ex 04.02	Milk and cream, evaporated or condensed	Not provided
	ex 11.01	Wheat flour	Indefinite
	ex 23.02	Millfeed (pollard)	Indefinite
BELIZE	ex 11.01	Wheat flour	Indefinite
	22.03	Beer	Indefinite
	ex 24.02	Cigarettes	Indefinite
	31.02	Fertilizers	Indefinite
			/GUYANA ...

Country	Brussels Nomen- clature Heading	Description of Product	Expiry Date
GUYANA	ex 09.10	Curry Powder	Indefinite
	ex 11.01	Wheat flour	Indefinite
	ex 34.02	Detergents and liquid bleach	Indefinite
	85.04	Electric accumulators (storage batteries)	Indefinite
JAMAICA	04.01	Milk and cream, fresh	Not provided
	04.02	Milk and cream, evaporated or condensed	Not provided
	ex 11.01	Wheat flour	Indefinite
	ex 27.10	Gasolene	11th June, 1982
		Kerosene	11th June, 1982
		Diesel	11th June, 1982
		Fuel Oil	11th June, 1982
	ex 27.11	L.P.G. (Propane or Butane)	11th June, 1982
	ex 27.15	Asphalt	11th June, 1982
	ex 40.11	Rubber tyres and rubber inner tubes	1st Jan., 1977
	ex 73.03	Scrap metal of iron or steel	1st Aug., 1974 with the under- standing of an extension to 1st Aug., 1977
ST.LUCIA	ex 73.10	Steel re-inforcing bars	Not provided
	ex Cap.23	Stockfeed	28th Feb., 1975
ST.VINCENT	ex 12.01	Copra	30th Aug., 1978
	ex 15.07	Edible Oils	30th Aug., 1978
	ex 15.13	Margarine	30th Aug., 1978

/ex Cap.23...

Country	Brussels Nomen- clature Heading	Description of Product	Expiry Date
ST.VINCENT	ex Cap.23	Stockfeed	30th Aug.,1978
	ex 34.01	Soap	30th Aug.,1978
TRINIDAD & TOBAGO	04.02	Milk and cream, evaporated or condensed	Indefinite
	ex 11.01	Wheat flour	Indefinite
	ex 29.01	Styrene and Napthalene	Indefinite
	ex 29.04	Ethylene glycol and alcohols manufactured from natural gas	Indefinite
	ex 29.15	Phthalic anhydride	Indefinite
	31.02	Nitrogenous fertilizers	Indefinite
	ex 35.01)	Adhesives and solutions	Indefinite
	ex 35.03)		
	35.06)		
	ex 40.06)	Synthetic resins	Indefinite
	ex 29.11)		
	ex 39.01)		
	ex 40.05)	Tyre repair materials	Indefinite
	ex 40.06)		
	ex 40.11	Rubber tyres and rubber inner tubes	Indefinite

/SCHEDULE II.....

SCHEDULE II

RULES REGARDING COMMON MARKET ORIGIN

referred to in Article 14 of the Annex
to the Treaty

For the purpose of determining the origin of goods under Article 14 of the Annex to the Treaty and for the application of that Article, the following Rules shall be applied:

Rule 1 - Interpretative Provisions

In determining the place of production of marine products and goods produced therefrom, a vessel of a Member State shall be regarded as part of that State. In determining the place from which goods have been consigned, marine products taken from the sea or goods produced therefrom at sea shall be regarded as having been consigned from a Member State if they were taken by or produced in a vessel of a Member State and have been brought direct to the Common Market.

2. For the purpose of this Rule a vessel shall be treated as a vessel of a Member State only if -

- (a) it is registered in a Member State;
- (b) it carries a complement (inclusive of the Master thereof) of which not less than three-fourths are nationals of Member States; and
- (c) it is owned and operated by -
 - (i) nationals of Member States; or
 - (ii) a Government of a Member State; or
 - (iii) a statutory Corporation of a Member State.

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In this paragraph nationals of Member States shall have the same meaning as in paragraph 6 of Article 35 of the Annex to the Treaty.

3. "Materials" includes products, parts and components used in the production of the goods.

4. Energy, fuel, plant, machinery and tools used in the production of goods within the Common Market, and materials used in the maintenance of such plant, machinery and tools, shall be regarded as wholly produced within the Common Market when determining the origin of those goods.

5. "Produced" in sub-paragraph (c) of paragraph 1 of Article 14 and a "process of production" in paragraph 2 of that Article include the application of any operation or process, with the exception of any operation or process which consists only of one or more of the following:-

- (a) packing, wherever the packing materials may have been produced;
- (b) splitting up into lots;
- (c) sorting and grading;
- (d) marking;
- (e) putting up into sets.

6. The term "producer" includes a grower and a manufacturer and also a person who supplies his goods otherwise than by sale to another person and to whose order the last process in the course of the manufacture of the goods is applied by that other person.

Rule 2 - Goods wholly produced within the
Common Market

For the purpose of sub-paragraph (a) of paragraph 1 of Article 14, the following are among the products which shall

/be....

be regarded as wholly produced within the Common Market:-

- (a) mineral products extracted from the ground within the Common Market;
- (b) vegetable products harvested within the Common Market;
- (c) live animals born and raised within the Common Market;
- (d) products obtained within the Common Market from live animals;
- (e) products obtained by hunting or fishing conducted within the Common Market;
- (f) marine products taken from the sea by a vessel of a Member State;
- (g) used articles fit only for the recovery of materials, provided that they have been collected from users within the Common Market;
- (h) scrap and waste resulting from manufacturing operations within the Common Market;
- (i) goods produced within the Common Market exclusively from one or both of the following -
 - (1) products within the sub-paragraphs (a) to (h);
 - (2) materials containing no element imported from outside the Common Market or of undetermined origin.

Rule 3 - Application of Percentage Criterion

For the purposes of sub-paragraph (c) of paragraph 1 of
Article 14 -

/(a)....

- (a) Any materials which meet the conditions specified in sub-paragraph (a) or (b) of paragraph 1 of that Article shall be regarded as containing no element imported from outside the Common Market.
- (b) The value of any materials which can be identified as having been imported from outside the Common Market shall be their c.i.f. value accepted by the Customs Authorities on clearance for home use, or on temporary admission, at the time of last importation into the Member State where they were used in a process of production, less the amount of any transport costs incurred in transit through other Member States.
- (c) If the value of any materials imported from outside the Common Market cannot be determined in accordance with sub-paragraph (b) of this Rule, their value shall be the earliest ascertainable price paid for them in the Member State where they were used in a process of production.
- (d) If the origin of any materials cannot be determined, such materials shall be deemed to have been imported from outside the Common Market and their value shall be the earliest ascertainable price paid for them in the Member State where they were used in a process of production.
- (e) The export price of the goods shall be the price paid or payable for them to the exporter in the Member State where the goods were produced, that price being adjusted, where necessary, to an f.o.b. or free at frontier basis in that State.
- (f) The value under sub-paragraph (b), (c), or (d) or the export price under sub-paragraph (c) of

/this....

this Rule may be adjusted to correspond with the amount which would have been obtained on a sale in the open market between buyer and seller independent of each other. This amount shall also be taken to be the export price when the goods are not the subject of a sale.

Rule 4 - Unit of Qualification

1. Each article in a consignment shall be considered separately.
2. For the purposes of paragraph 1 of this Rule -
 - (a) where the Brussels Nomenclature specifies that a group, set or assembly of articles is to be classified within a single heading, such a group, set or assembly shall be treated as one article;
 - (b) tools, parts and accessories which are imported with an article, and the price of which is included in that of the article or for which no separate charge is made, shall be considered as forming a whole with the article, provided that they constitute the standard equipment customarily included on the sale of articles of that kind;
 - (c) in cases not within sub-paragraphs (a) and (b), goods shall be treated as a single article if they are so treated for purposes of assessing customs duties by the importing Member State.
3. An unassembled or disassembled article which is imported in more than one consignment because it is not feasible for transport or production reasons to import it in a single consignment shall, if the importer so requests, be treated as one article.

/Rule 5 ...

Rule 5 - Segregation of materials

1. For those products or industries where it would be impracticable for the producer physically to segregate materials of similar character but different origin used in the production of goods, such segregation may be replaced by an appropriate accounting system, which ensures that no more goods received Common Market tariff treatment than would have been the case if the producer had been able physically to segregate the materials.

2. Any such accounting system shall conform to such conditions as may be agreed upon by the Member States concerned in order to ensure that adequate control measures will be applied.

Rule 6 - Treatment of mixtures

1. In the case of mixtures, not being groups, sets or assemblies of separable articles dealt with under Rule 4, a Member State may refuse to accept as being of Common Market origin any product resulting from the mixing together of goods which would qualify as being of Common Market origin with goods which would not so qualify, if the characteristics of the products as a whole are not essentially different from the characteristics of the goods which have been mixed.

2. In the case of particular products where it is, however, recognised by Member States concerned to be desirable to permit mixing of the kind described in the foregoing paragraph, such products shall be accepted as of Common Market origin in respect of such part thereof as may be shown to correspond to the quantity of goods of Common Market origin used in the mixing, subject to such conditions as may be agreed upon.

/Rule 7 -

Rule 7 - Treatment of packing

1. Where for purposes of assessing Customs duties a Member State treats goods separately from their packing, it may also, in respect of its imports consigned from another Member State, determine separately the origin of such packing.
2. Where paragraph 1 of this Rule is not applied, packing shall be considered as forming a whole with the goods and no part of any packing required for their transport or storage shall be considered as having been imported from outside the Common Market, when determining the origin of the goods as a whole.
3. For the purpose of paragraph 2 of this Rule, packing with which goods are ordinarily sold by retail shall not be regarded as packing required for the transport or storage of goods.

Rule 8 - Documentary evidence

1. A claim that goods shall be accepted as eligible for Common Market tariff treatment shall be supported by appropriate documentary evidence of origin and consignment. The evidence of origin shall consist of either -
 - (a) a declaration of origin completed by the last producer of the goods within the Common Market, together with a supplementary declaration completed by the exporter in cases where the producer is not himself or by his agent the exporter of the goods; or
 - (b) a certificate given by a governmental authority or authorised body nominated by the exporting Member State and notified to the other Member States together with a supplementary declaration completed by the exporter of the goods.

These declarations, certificates and supplementary declarations shall be in the form prescribed by the Council from time to time.

2. The exporter may choose either of the forms of evidence referred to in paragraph 1 of this Rule. Nevertheless the authorities of the country of exportation may require for certain categories of goods that evidence of origin shall be furnished in the form indicated in sub-paragraph (b) of that paragraph.

3. In cases where a certificate of origin is to be supplied by a governmental authority or an authorised body under sub-paragraph (b) of paragraph 1 of this Rule, that authority or body shall obtain a declaration as to the origin of the goods given by the last producer of the goods within the Common Market. The governmental authority or the authorised body shall satisfy themselves as to the accuracy of the evidence provided; where necessary they shall require the production of additional information, and shall carry out any suitable check. If the authorities of the importing Member State so require, a confidential indication of the producer of the goods shall be given.

4. Nominations of authorised bodies for the purpose of sub-paragraph (b) of paragraph 1 of this Rule, may be withdrawn by the exporting Member State if the need arises. Each Member State shall retain, in regard to its imports, the right of refusing to accept certificates from any authorised body which is shown to have repeatedly issued certificates in an improper manner, but such action shall not be taken without adequate prior notification to the exporting Member State of the grounds for dissatisfaction.

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5. In cases where the Member States concerned recognise that it is impracticable for the producer to make the declaration of origin specified in sub-paragraph (a) of paragraph 1 or in paragraph 3 of this Rule, the exporter may make that declaration in such form as those Member States may for the purpose specify.

6. The Council may decide that further or different provisions concerning evidence of origin or of consignment shall apply to particular categories of goods or classes of transactions.

Rule 9 - Verification of Evidence of Origin

1. The importing Member State may as necessary require further evidence to support any declaration or certificate of origin furnished under Rule 8.
2. The importing Member State shall not prevent the importer from taking delivery of the goods solely on the grounds that it requires such further evidence, but may require security for any duty or other charge which may be payable; provided that where goods are subject to any import restrictions or prohibitions, the stipulation for delivery under security shall not apply.
3. Where, under paragraph 1 of this Rule, a Member State has required further evidence to be furnished, those concerned in another Member State shall be free to produce it to a governmental authority or an authorised body of the latter State, who shall, after thorough verification of the evidence, furnish an appropriate report to the importing Member State.
4. Where it is necessary to do so by reason of its legislation, a Member State may prescribe that requests by the authorities of importing Member States for further evidence from those concerned in the Member State shall be addressed to a specified governmental authority, who shall after thorough verification of the evidence furnish an appropriate report to the importing Member State.
5. If the importing Member State wishes an investigation to be made into the accuracy of the evidence which it has received, it may make a request to that effect to the other Member State or States concerned.
6. Information obtained under the provisions of this Rule by the importing Member State shall be treated as confidential.

/Rule 10...

Rule 10 - Sanctions

1. Member States undertake to introduce legislation, making such provision as may be necessary for penalties against persons who, in their State, furnish or cause to be furnished a document which is untrue in a material particular in support of a claim in another Member State that goods should be accepted as eligible for Common Market tariff treatment. The penalties applicable shall be similar to those applicable in cases of untrue declarations in regard to payment of duty on imports.
2. A Member State may deal with the offence out of court, if it can be more appropriately dealt with by a compromise penalty or similar administrative procedure.
3. A Member State shall be under no obligation to institute or continue court proceedings, or action under paragraph 2 of this Rule -
 - (a) if it has not been requested to do so by the importing Member State to which the untrue claim was made; or
 - (b) if, on the evidence available, the proceedings would not be justified.

/APPENDIX.....

APPENDIX
to Schedule II

BASIC MATERIALS LIST

These materials may always be regarded as originating wholly within the Common Market when used in the state described in this List in a process of production within the Common Market.

Brussels Nomenclature Heading

Description of Product

05.01	Human hair, unworked, whether or not washed or scoured; waste of human hair
05.02	Pigs', hogs' and boars' bristles or hair; badger hair and other brush making hair; waste of such bristles and hair
05.03	Horsehair and horsehair waste, whether or not put up on a layer or between two layers of other material
05.13	Natural sponges
ex 05.15	Fish eggs (not for food)
ex 07.01	Potatoes, fresh
ex 08.04	Grapes, fresh
ex 08.06	Apples, fresh
09.04	Pepper of the genus "Piper"; pimento of the genus "Capsicum" or the genus "Pimenta" (whether unground, ground or otherwise prepared)
09.05	Vanilla
09.07	Cloves (whole fruit, cloves and stems)
ex 09.08	Cardamoms
09.09	Seeds of anise, badian, fennel, coriander, cumin, caraway and juniper
ex 09.10	Thyme, saffron and bay leaves; other spices except ginger and curry powder
10.01	Wheat and meslin (mixed wheat and rye)

/10.02...

APPENDIX
to Schedule II

<u>Brussels Nomen- clature Heading</u>	<u>Description of Product</u>
10.02	Rye
10.03	Barley
10.04	Oats
10.07	Buckwheat, millet, canary seed and grain sorghum; other cereals
ex 11.02	Semolina
ex 11.07	Malt, roasted or not, excluding malt flour
ex 12.01	Linseed
ex 12.06	Hop cones
13.02	Shellac, seed lac, stick lac and other lacs; natural gums, resins, gum-resins and balsams
ex 14.02	Kapok
15.02	Fats of bovine cattle, sheep or goats, un- rendered; rendered or solvent-extracted fats (including "premier jus") obtained from those unrendered fats
15.03	Lard stearin, oleostearin and tallow stearin; lard oil, oleo-oil and tallow oil, not emul- sified or mixed or prepared in any way
15.04	Fats and oils, of fish and marine mammals, whether or not refined
15.05	Wool grease and fatty substances derived therefrom (including lanolin)
15.06	Other animal oils and fats (including neat's-foot oil and fats) from bones or waste
ex 15.07	Linseed oil and castor oil
15.09	Degrass
ex 15.12	Hydrogenated oils and fats

/15.14.....

APPENDIX
to Schedule II

<u>Brussels Nomen- clature Heading</u>	<u>Description of Product</u>
15.14	Spermaceti, crude, pressed or refined, whether or not coloured
15.15	Beeswax and other insect waxes, whether or not coloured
15.16	Vegetable waxes, whether or not coloured
ex 17.02	Lactose, glucose, maltose, caramel
18.01	Cocoa beans, whole or broken, raw or roasted
25.03	Sulphur of all kinds, other than sublimed sulphur, precipitated sulphur and colloidal sulphur
25.04	Natural graphite
ex 25.27	Talc
26.03	Ash and residues (other than from the manufacture of iron or steel), containing metals or metallic compounds
ex 27.09	Crude petroleum
ex 27.11	Fluoro chlorohydrocarbon
27.12	Petroleum jelly
ex 28.40	Sodium pyrophosphate
ex 28.42	White lead
ex 28.56	Calcium carbide
32.01	Tanning extracts of vegetable origin
32.02	Tannins (tannic acids), including water - extracted gall - nut tannin, and their salts, ethers, esters and other derivatives
32.03	Synthetic organic tanning substances and inorganic tanning substances; tanning preparations, whether or not containing natural tanning materials; enzymatic preparations for pre-tanning (for example, of enzymatic, pancreatic, or bacterial origin)

/32.04...

APPENDIX
to Schedule II

<u>Brussels Nomenclature Heading</u>	<u>Description of Product</u>
32.04	Colouring matter of vegetable origin (including dyewood extract and other vegetable dyeing extracts, but excluding indigo) or of animal origin
32.05	Synthetic organic dyestuffs (including pigment dyestuffs); synthetic organic products of a kind used as luminophores; products of the kind known as optical bleaching agents, substantive to the fibre; natural indigo
32.06	Colour lakes
33.01	Essential oils (terpeneless or not) except lime, bay, pimento, nutmeg and orange oils; concretes and absolutes; resinoids
35.01	Casein, caseinates and other casein derivatives; casein glues
35.02	Albumins, albuminates and other albumin derivatives
35.03	Gelatin (including gelatin in rectangles, whether or not coloured or surface-worked) and gelatin derivatives; glues derived from bones, hides, nerves, tendons or from similar products, and fish glues, isinglass
ex 35.05	Dextrin glues; starch glues
35.06	Prepared glues not elsewhere specified or included; products suitable for use as glues put up for sale by retail as glues in packages not exceeding a net weight of 1 kg.
39.01	Condensation, polycondensation and polyaddition products, whether or not modified or polymerised, and whether or not linear (for example, phenoplasts, aminoplasts, alkyds, polyallyl esters and other unsaturated polyesters, silicones)

/39.02...

APPENDIX
to Schedule II

<u>Brussels Nomen- clature Heading</u>	<u>Description of Product</u>
39.02	Polymerisation and copolymerisation products (for example, polyethylene, polytetrahaloethylenes, polyisobutylene, polystyrene, polyvinyl chloride, polyvinyl acetate, polyvinyl chloroacetate and other polyvinyl derivatives, polyacrylic and polymethacrylic derivatives, coumarone-indene resins)
39.03	Regenerated cellulose; cellulose nitrate, cellulose acetate and other cellulose esters, cellulose ethers and other chemical derivatives of cellulose, plasticised or not (for example, collodions, celluloid); vulcanised fibre
39.04	Hardened proteins (for example, hardened casein and hardened gelatin)
39.05	Natural resins modified by fusion (run gums); artificial resins obtained by esterification of natural resins or of resinic acids (ester gums); chemical derivatives of natural rubber (for example, chlorinated rubber, rubber hydrochloride, oxidised rubber, cyclised rubber)
39.06	Other high polymers, artificial resins and artificial plastic materials, including alginic acid, its salts and esters; linoxyn
40.02	Synthetic rubber latex; pre-vulcanised synthetic rubber latex; synthetic rubber; factice derived from oils
ex 41.02	Bovine cattle leather (including buffalo leather) and equine leather, except leather falling within heading No. 41.06, 41.07 or 41.08 and excluding sole leather
41.03	Sheep and lamb skin leather, except leather falling within heading No. 41.06, 41.07 or 41.08
41.04	Goat and kid skin leather, except leather falling within heading No. 41.06, 41.07 or 41.08

/41.05....

APPENDIX
to Schedule II

<u>Brussels Nomen- clature Heading</u>	<u>Description of Product</u>
41.05	Other kinds of leather, except leather falling within heading No. 41.06, 41.07 or 41.08
41.06	Chamois-dressed leather
41.07	Parchment-dressed leather
41.08	Patent leather and imitation patent leather; metallised leather
41.10	Composition leather with a basis of leather or leather fibre, in slabs, in sheets or in rolls
45.01	Natural cork, unworked, crushed, granulated or ground; waste cork
45.02	Natural cork in blocks, plates, sheets or strips (including cubes or square slabs, cut to size for corks or stoppers)
ex 48.01	Printing and writing paper in rolls or sheets; packing and wrapping paper; tissue paper; paperboard; cellulose wadding
48.02	Hand-made paper and paperboard
ex 48.05	Paper and paperboard, corrugated (with or without flat surface sheets), creped or crinkled, in rolls or sheets
48.07	Paper and paperboard, impregnated, coated, surface-coloured, surface-decorated or printed (not being merely ruled, lined or squared and not constituting printed matter within Chapter 49), in rolls or sheets
50.01	Silk-worm cocoons suitable for reeling
50.02	Raw silk (not thrown)
50.03	Silk waste (including cocoons unsuitable for reeling, silk noils and pulled or garnetted rags)

/50.04.....

APPENDIX
to Schedule II

<u>Brussels Nomen- clature Heading</u>	<u>Description of Product</u>
50.04	Silk yarn, other than yarn of noil or other waste silk, not put up for retail sale
50.05	Yarn spun from silk waste other than noil, not put up for retail sale
50.06	Yarn spun from noil silk, not put up for retail sale
50.07	Silk yarn and yarn spun from noil or other waste silk, put up for retail sale
50.08	Silk-worm gut; imitation catgut of silk
50.09	Woven fabrics of silk or of waste silk other than noil
50.10	Woven fabrics of noil silk
51.01	Yarn of man-made fibres (continuous), not put up for retail sale
51.02	Monofoil, strip (artificial straw and the like) and imitation catgut, of man-made fibre materials
51.03	Yarn of man-made fibres (continuous), put up for retail sale
51.04	Woven fabrics of man-made fibres (continuous), including woven fabrics of monofoil or strip of heading No. 51.01 or 51.02
52.01	Metallised yarn, being textile yarn spun with metal or covered with metal by any process
52.02	Woven fabrics of metal thread or of metallised yarn, of a kind used in articles of apparel, as furnishing fabrics or the like
53.01	Sheep's or lambs' wool, not carded or combed
53.02	Other animal hair (fine or coarse), not carded or combed

/53.03.....

APPENDIX
to Schedule II

<u>Brussels Nomen- clature Heading</u>	<u>Description of Product</u>
53.03	Waste of sheep's or lambs' wool or of other animal hair (fine or coarse), not pulled or garnetted
53.04	Waste of sheep's or lambs' wool or of other animal hair (fine or coarse), pulled or garnetted (including pulled or garnetted rags)
53.05	Sheep's or lambs' wool or other animal hair (fine or coarse), carded or combed
53.06	Yarn of carded sheep's or lambs' wool (woollen yarn), not put up for retail sale
53.07	Yarn of combed sheep's or lambs' wool (worsted yarn), not put up for retail sale
53.08	Yarn of fine animal hair (carded or combed), not put up for retail sale
53.09	Yarn of horse-hair or of other coarse animal hair, not put up for retail sale
53.10	Yarn of sheep's or lambs' wool, of horse-hair or of other animal hair (fine or coarse), put up for retail sale
53.11	Woven fabrics of sheep's or lambs' wool or of fine animal hair
53.12	Woven fabrics of coarse animal hair other than horse-hair
53.13	Woven fabrics of horse-hair
54.01	Flax, raw or processed but not spun; flax tow and waste (including pulled or garnetted rags)
54.02	Ramie, raw or processed but not spun; ramie noils and waste (including pulled or garnetted rags)
54.03	Flax or ramie yarn, not put up for retail sale
54.04	Flax or ramie yarn, put up for retail sale

/54.05...

APPENDIX
to Schedule II

Brussels Nomen-
clature Heading

Description of Product

54.05	Woven fabrics of flax or of ramie
55.05	Cotton yarn, not put up for retail sale
55.06	Cotton yarn, put up for retail sale
55.07	Cotton gauze
55.09	Other woven fabrics of cotton
56.05	Yarn of man-made fibres (discontinuous or waste), not put up for retail sale
56.06	Yarn of man-made fibres (discontinuous or waste), put up for retail sale
56.07	Woven fabrics of man-made fibres (discontinuous or waste)
57.01	True hemp ("Cannabis sativa") raw or processed but not spun; tow and waste of true hemp (including pulled or garnetted rags or ropes)
57.02	Manila hemp (abaca) ("Muse textilis"), raw or processed but not spun; tow and waste of manila hemp (including pulled or garnetted rags or ropes)
57.03	Jute and other textile bast fibres not elsewhere specified or included, raw or processed but not spun; tow and waste thereof (including pulled or garnetted rags or ropes)
ex 57.04	Other vegetable textile fibres, raw or processed but not spun except coconut (coir) fibre; waste of such fibres (including pulled or garnetted rags or ropes)
57.05	Yarn of true hemp
57.06	Yarn of jute or of other textile bast fibres of heading No. 57.03
57.07	Yarn of other vegetable textile fibres
57.08	Paper yarn
57.09	Woven fabrics of true hemp

/57.10...

APPENDIX
to Schedule II

<u>Brussels Nomenclature Heading</u>	<u>Description of Product</u>
57.10	Woven fabrics of jute or of other textile bast fibres of heading No. 57.03
57.11	Woven fabrics of other vegetable textile fibres
57.12	Woven fibres of paper yarn
58.04	Woven pile fabrics and chenille fabrics (other than terry towelling or similar terry fabrics of cotton falling within heading No. 55.08 and fabrics falling within heading No. 58.05)
ex 58.07	Chenille yarn (including flock chenille yarn) gimped yarn (other than metallised yarn of heading No. 52.01 and gimped horse-hair yarn)
ex 59.03	Bonded fibre fabrics, similar bonded yarn fabrics whether or not impregnated or coated
ex 59.04	Twine of cotton or of hemp
60.01	Knitted or crocheted fabric, not elastic nor rubberised
ex 70.20	Glass yarns and glass fabrics
ex 71.01	Pearls, unworked
71.05	Silver, including silver gilt and platinum-plated silver, unwrought or semi-manufactured
71.06	Rolled silver, unworked or semi-manufactured
71.09	Platinum and other metals of the platinum group, unwrought or semi-manufactured
71.10	Rolled platinum or other platinum group metals, on base metal or precious metal, unworked or semi-manufactured
ex 71.11	Goldsmiths', silversmiths' and jewellers' sweepings, residues, lemelts and other waste and scrap of precious metal, excluding gold

/73.01....

APPENDIX
to Schedule II

<u>Brussels Nomenclature Heading</u>	<u>Description of Product</u>
73.01	Pig iron, cast iron and spiegeleisen, in pigs, blocks, lumps and similar forms
73.02	Ferro-alloys
73.05	Iron or steel powders; sponge iron or steel
73.06	Puddled bars and pilings; ingots, blocks, lumps and similar forms, of iron or steel
73.07	Blooms, billets, slabs and sheet bars (including tinplate bars), of iron or steel; pieces roughly shaped by forging, of iron or steel
73.08	Iron or steel coils for re-rolling
ex 73.09	Universal plates of iron or steel, uncoated
ex 73.10	Bars of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished (including precision-made)
73.12	Hoop and strip, of iron or steel, hot-rolled or cold-rolled
ex 73.13	Sheets and plates, of iron or steel, hot-rolled or cold-rolled, uncoated; sheets of steel, coated or printed
ex 73.15	Alloy steel and high carbon steel in the forms mentioned in headings Nos. 73.06 to 73.10, 73.12 and 73.13
73.17	Tubes and pipes of cast iron
73.18	Tubes and pipes and blanks therefor, of iron (other than of cast iron) or steel, excluding high-pressure hydro-electric conduits
73.20	Tube and pipe fittings (for example, joints, elbows, unions and flanges), of iron or steel
73.28	Expanded metal, of iron or steel

/74.01

APPENDIX
to Schedule II

Brussels Nomen-
clature Heading

Description of Product

74.01	Copper matte; unwrought copper (refined or not); copper waste and scrap
74.02	Master alloys
74.03	Wrought bars, rods, angles, shapes and sections, of copper; copper wire
74.04	Wrought plates, sheets and strip, of copper
74.05	Copper foil (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.15 mm
74.06	Copper powders and flakes
74.07	Tubes and pipes and blanks therefor, of copper; hollow bars of copper
74.08	Tube and pipe fittings (for example, joints, elbows, sockets and flanges), of copper
74.12	Expanded metal, of copper
75.01	Nickel mattes, nickel speiss and other intermediate products of nickel metallurgy; unwrought nickel (excluding electro-plating anodes); nickel waste and scrap
75.02	Wrought bars, rods, angles, shapes and sections, of nickel; nickel wire
75.03	Wrought plates, sheets and strip, of nickel; nickel foil; nickel powders and flakes
75.04	Tubes and pipes and blanks therefor, of nickel; hollow bars, and tube and pipe fittings (for example, joints, elbows, sockets and flanges), of nickel
75.05	Electro-plating anodes, of nickel, wrought or unwrought, including those produced by electrolysis

/76.01 ..

APPENDIX
to Schedule II

<u>Brussels Nomen- clature Heading</u>	<u>Description of Product</u>
76.01	Unwrought aluminium; aluminium waste and scrap
76.02	Wrought bars, rods, angles, shapes and sections, of aluminium; aluminium wire
76.03	Wrought plates, sheets and strip, of aluminium
76.04	Aluminium foil (whether or not embossed, cut to shape, perforated, coated, printed or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.20 mm
76.05	Aluminium powders and flakes
76.06	Tubes and pipes and blanks therefor, of aluminium; hollow bars of aluminium
76.07	Tube and pipe fittings (for example, joints, elbows, sockets and flanges), of aluminium
76.14	Expanded metal, of aluminium
77.01	Unwrought magnesium; magnesium waste (excluding shavings of uniform size) and scrap
77.02	Wrought bars, rods, angles, shapes and sections, of magnesium; magnesium wire; wrought plates; sheets and strip, of magnesium; magnesium foil; raspings and shavings of uniform size, powders and flakes, of magnesium; tubes and pipes and blanks therefor, of magnesium; hollow bars of magnesium
ex 77.04	Beryllium, unwrought or wrought
78.01	Unwrought lead (including argentiferous lead); lead waste and scrap
78.02	Wrought bars, rods, angles, shapes and sections, of lead; lead wire
78.03	Wrought plates, sheets and strip, of lead

/78.04....

APPENDIX
to Schedule II

Brussels Nomen-
clature Heading

Description of Product

78.04	Lead foil (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a weight (excluyding any backing) not exceeding 1,700 g/m ² ; lead powders and flakes
78.05	Tubes and pipes and blanks therefor, of lead; hollow bars, and tube and pipe fittings (for example, joints, elbows, sockets, flanges, and S-bends), of lead
ex 79.01	Zinc waste and scrap
ex 80.01	Tin waste and scrap
ex 81.01	Tungsten (wolfram), unwrought or wrought
ex 81.02	Molybdenum, unwrought or wrought
ex 81.03	Tantalum, unwrought or wrought
ex 81.04	Other non-ferrous base metals, unwrought or wrought
ex 83.09	Hooks and eyes of a kind commonly used for clothing
ex 98.01	Buttons and button moulds; press-fasteners, including snap-fasteners and press-studs; blanks and parts of such articles

SCHEDULE III...

SCHEDULE III

RESERVE LIST

APPLYING TO THE LESS DEVELOPED COUNTRIES

referred to in Article 52 of the Annex
to the Treaty

Special arrangements are provided in this Schedule for the progressive elimination by the Less Developed Countries within ten years from 1st May, 1973, in conformity with paragraph 2 of this Schedule of import duties on such products as are itemised according to the Brussels Nomenclature as follows:

Brussels Nomenclature

Heading

Description of Product

ex 08.10	Fruit (whether or not cooked) preserved by freezing, not containing added sugar, except citrus segments.
ex 08.11	Fruit provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption, except citrus segments.
ex 19.08	Biscuits (sweetened or unsweetened).
ex 20.01	Fruit, prepared or preserved by vinegar or acetic acid, with or without sugar, whether or not containing salt, spices or mustard, except citrus segments.
ex 20.02	Tomato puree.
ex 20.03	Fruit preserved by freezing, containing added sugar, except citrus segments.
ex 20.04	Fruit and fruit peel, preserved by sugar (drained, glaze or crystallised) except citrus segments.
20.05	Jams, fruit jellies, marmalades, fruit puree and fruit pastes, being cooked preparations whether or not containing added sugar.

/ex 20.06 ...

Brussels Nomenclature

Heading

Description of Product

ex 20.06	Fruit otherwise prepared or preserved whether or not containing added sugar or spirit, except citrus segments.
ex 20.07	Fruit juices (including grape must), whether or not containing added sugar, but unfermented and not containing spirit, except frozen citrus concentrates.
24.01	Unmanufactured tobacco; tobacco refuse.
ex 24.02	Manufactured tobacco (excluding cigars and cheroots); tobacco extracts and essences.
ex 32.09	Varnishes and lacquers; paints and enamels; pigments in linseed oil, white spirit, spirits of turpentine, varnish or other paint or enamel media.
32.11	Prepared driers.
32.12	Glaziers' putty; grafting putty; Painters' fillings (and stopping) sealing and similar mastics, including resin mastics and cements.
ex 34.02	Organic surface active agents; surface active preparations and washing preparations, not containing soap.
ex 44.21	Complete wooden packing cases, boxes and crates.
ex 46.02	Mats and matting or vegetable plaiting materials.
ex 58.02	Carpets, carpeting, rugs, mats and matting of coconut fibre; mats and matting of sisal or other vegetable plaiting materials.
ex 60.04	Under garments (excluding nightwear), knitted or crocheted, not elastic nor rubberised.
ex 60.05	Bed-jackets, bathing costumes (including two-piece bathing costumes and trunks), bath robes, knitted or crocheted, not elastic nor rubberised.

/ex 60.06 ...

<u>Brussels Nomenclature</u> <u>Heading</u>	<u>Description of Product</u>
ex 60.06	Knitted or crocheted bed-jackets, bathing costumes (including two-piece bathing costumes and trunks), bath robes, elastic or rubberised,
61.01	Men's and boys' outer garments.
61.02	Women's, girls' and infants' outer garments.
61.03	Men's and boys' under garments, including collars, shirt-fronts and cuffs.
61.04	Women's, girls' and infants' under garments.
ex 64.02	Slippers and other house footwear and other footwear, wholly or mainly of leather.
ex 64.03	Footwear with outer soles of wood or cork (with uppers of leather).
ex 64.04	Footwear with outer soles of other materials (with uppers of leather).
85.04	Electric accumulators.
ex 85.15	Radio broadcast receivers, whether or not combined with gramophone, and television broadcast receivers, whether or not combined with gramophone or radio.
ex 94.01	Chairs and other seats (other than those falling within heading No. 94.02), whether or not convertible into beds, of wood or metal.
ex 94.03	Other furniture of wood or metal.
ex 94.04	Mattresses,
ex 96.02	Brushes made with plastic bristles except paint brushes and artists' brushes.

2. On and after 1st May, 1978 a Less Developed Country may not apply to any imported goods eligible for Common Market tariff treatment in accordance with the provisions of Article I4 of, and Schedule II to, the Annex to the Treaty, an import duty at a level exceeding 50 per cent of the import duty applied

/immediately

immediately before the entry into force of this Treaty provided that no such duty shall be applied after 1st May, 1983.

3. Any Member State to which this Schedule refers which considers that serious injury may be done to an industry in such State by the total elimination of import duty on any product as required by paragraph 2 of this Schedule may refer the matter to the Council, which may, by majority decision, authorise the continued application by any such State of import duty on such product after 1st May, 1983.

4. Nothing in this Treaty shall preclude the Less Developed Countries from reducing or eliminating the duty on any of the products listed in this Schedule in pursuance of integration arrangements among themselves, notwithstanding that no corresponding elimination or reduction be made by them on products imported from the other Member States, except as may be necessary in order to comply with this Schedule.

SCHEDULE IV

TRANSITIONAL ARRANGEMENTS FOR THE REMOVAL OF THE
PROTECTIVE ELEMENT IN REVENUE DUTIES BY THE LESS
DEVELOPED COUNTRIES

referred to in Article 52 of the Annex
to the Treaty

Special arrangements are provided in this Schedule for the progressive elimination by the Less Developed Countries within ten years from 1st May, 1973 in conformity with paragraph 2 of protective revenue duty applied to imported goods classified under the Brussels Nomenclature as follows:

<u>Brussels Nomenclature</u>	<u>Description of</u>
<u>Heading</u>	<u>Product</u>
ex 22.09	Rum

2. On and after 1st May, 1978, a Less Developed Country may not apply to any imported goods a protective revenue duty at a level exceeding 50 per cent of the protective revenue duty applied immediately before the entry into force of this Treaty provided that no such duty shall be applied after 1st May, 1983.

3. Any Less Developed Country which considers that serious injury may be done to an industry in such State by the total elimination of protective revenue duty on any product as required by paragraph 2 may refer the matter to the Council, which may, by majority decision, authorise the continued application by any Less Developed Country of protective revenue duty on such product after the 1st May, 1983.

4. Notwithstanding anything hereinbefore provided, the foregoing provisions of this Schedule shall, in respect of any imported goods itemised as aforesaid, apply to an importing Member State wherein neither like goods nor competitive substitutes therefor are produced, subject to the following modification, that is to say, the substitution for every reference in those provisions to protective revenue duty of a reference to import duty within the meaning of Article 15.

/5. ...

5. Nothing in this Treaty shall preclude any agreement made between the Less Developed Countries, and notified by them to the Council whereby their protective revenue duties on any of the products listed in this Schedule and imported from the Less Developed Countries shall at any time be eliminated by all the Less Developed Countries or reduced by not less than such percentage of their respective basic protective revenue duties as may be so agreed between them, notwithstanding that no corresponding elimination or reduction be made by them in respect of such products imported from the other Member States except in so far as it may be necessary so to do for the purpose of compliance with this Schedule.

/SCHEDULE V ...

SCHEDULE V

LIST OF PRODUCTS ON WHICH MEMBER
STATES MAY MAINTAIN EXPORT DUTIES

in accordance with Article 18 of
the Annex to the Treaty

Brussels Nomenclature

<u>Heading</u>	<u>Description of Product</u>
03.01	Fish, fresh (live or dead), chilled or frozen.
03.02	Fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process.
ex 03.03	Lobsters and shrimp, whether in shell or not, fresh (live or dead), chilled, frozen, salted in brine or dried; lobsters and shrimp, including in shell simply boiled in water; conch.
ex 07.06	Arrowroot, sweet potatoes, eddoes.
ex 09.08	Nutmeg, mace.
ex 12.01	Copra, peanuts.
ex 15.07	Coconut oil.
ex 16.04	Prepared or preserved fish.
ex 17.01	Cane sugar.
18.01	Cocoa beans, whole or broken, raw or roasted.
18.02	Cocoa shells, husks, skins and waste.
18.03	Cocoa paste (in bulk or in block) whether or not defatted.
18.04	Cocoa Butter (fat or oil).
18.05	Cocoa powder, unsweetened.
ex 26.01	Bauxite
ex 44.03	Mahogany logs; logwood.
ex 44.04	Mahogany, pine and cedar not falling within heading No. 44.03
ex 44.05	Mahogany, pine and cedar, sawn or dressed.

SCHEDULE VI

SCHEDULE VI

LIST OF GOVERNMENT AIDS

referred to in Articles 25 and 57 of
the Annex to the Treaty

- (a) Currency retention schemes or any similar practices which involve a bonus on exports or re-exports.
- (b) The provision by governments of direct subsidies to exporters.
- (c) The exemption, in respect of exported goods, from charges or taxes, other than charges in connection with importation or indirect taxes levied at one or several stages on the same goods if sold for internal consumption.
- (d) In respect of deliveries by governments or governmental agencies of imported raw materials for export business on different terms than for domestic business, the charging of prices below world prices.
- (e) In respect of government export credit guarantees, the charging of premiums at rates which are manifestly inadequate to cover the long-term operating costs and losses of the credit insurance institutions.
- (f) The grant by governments (or special institutions controlled by governments) of export credits at rates below those which they have to pay in order to obtain the funds so employed.
- (g) The government bearing all or part of the costs incurred by exporters in obtaining credit.

SCHEDULE VII ...

SCHEDULE VII

MARKETING ARRANGEMENTS FOR
UNREFINED CANE SUGAR

1. Any Member State in which unrefined cane sugar is produced may, subject to paragraph 2, and consistently with any international obligations to which it is subject, apply any quantitative restriction within the meaning of Article 21 on imports into that State of unrefined cane sugar from any other part of the Common Market.
2. Any Member State taking measures in accordance with paragraph 1 shall notify them to the Council, if possible before they come into force.

/SCHEDULE VIII

SCHEDULE VIII

MARKETING ARRANGEMENTS FOR SELECTED
AGRICULTURAL PRODUCTS

1. (1) No Member State shall import or permit the importation of any commodity, except in conformity with the terms of this Schedule.

(2) Except in conformity with the terms of any binding recommendations pursuant to sub-paragraph (1)(c) of paragraph 6 and sub-paragraph (2) of paragraph 7, no Member State shall export any commodity mentioned in such list as may be established by virtue of any such recommendation in the light of negotiations between Member States with respect to the supply of specified amounts of the commodities so mentioned, account being taken in such negotiations of the objective of satisfying the demands of the Common Market and the desirability of maintaining and encouraging earnings from markets outside the Common Market.

(3) Pursuant to information supplied by Member States as required by paragraph 5 (in conformity with sub-paragraph (6) whereof "import" in the following provisions of this sub-paragraph shall be construed), the Secretariat will allocate markets for each commodity among Member States proportionately -
 - (a) as regards importing Member States, to their respective import requirements; and
 - (b) as regards exporting Member States, to the availability for export to the Common Market from them, respectively,of the commodity in question.
2. Subject to paragraphs 3 and 4, imports of any commodity into a Member State shall be from within the Common Market.

/3. ...

3. (1) Imports of any commodity into a Member State from outside the Common Market are permissible by prior sanction of the Secretariat at the Member State's request made through notification thereof by its Government to the Secretariat.

(2) The Secretariat shall give such sanction only when a deficit in reference to the commodity in question has been declared to exist in the said Member State under subparagraph (4) of paragraph 5.

4. Any Member State may import as mentioned in subparagraph (1) of paragraph 3, but without the sanction of the Secretariat, or may permit to be so imported, planting material for any crop, or breeding stock for livestock, of which any commodity is a product.

5. (1) Not later than the 30th September in every year, and before the commencement of each of such other periods as the Secretariat, may from time to time appoint for the purpose, every Member State shall notify estimates of its import requirements and production, and of the availability for export therefrom, of each commodity during the next following year or during that period, as the case may be, to the Secretariat.

(2) The Secretariat shall, in reference to each commodity produced in the Common Market, inform Member States regularly whether, and to what extent (if any) -

(a) such production is likely to be available;
and

(b) there is likely to be a shortage of that
commodity for export.

(3) The Member State shall from time to time inform the Secretariat of -

(a) such imports of any commodity into that State
as it requires to obtain by purchase; and

/(b) ...

- (b) such exports from that State of any commodity produced in the Common Market as are supplyable on sale.

(4) A deficit of any commodity shall be deemed for the purpose of sub-paragraph (2) of paragraph 3 to exist when -

- (a) any purchase requirements of the commodity have, after being notified by the Member State to the Secretariat in conformity with sub-paragraph (3)(a) of this paragraph, remained unsatisfied; or
- (b) there has been any such shortage of the commodity as is mentioned in sub-paragraph(2) of this paragraph;

for such period not exceeding four weeks as the Secretariat shall consider appropriate for the purpose, and the Secretariat shall, upon the expiration of that period, declare the existence of such deficit in the said Member State or in the Member State affected by the said shortage, as the case may be.

(5) Member States shall furnish the Secretariat at its request with such statistics and other information as may be required for the proper functioning of this Schedule.

(6) Every reference in the foregoing provisions of this paragraph to exportation shall be construed as a reference to exportation to Member States and no reference in those provisions to importation shall be construed to include a reference to importation under paragraph 4.

6. (1) The Secretariat shall convene a Conference in every year for the following purposes -

- (a) to consider the f.o.b. price to be fixed under sub-paragraph (2) of paragraph 7 for exports during the next following year of each commodity from one Member State to another;

/(b) ...

- (b) to review the list in the Appendix to this Schedule, the working of this Schedule and the list, if any, established in pursuance of subparagraph (2) of paragraph 1;
- (c) to consider any matter connected with this Schedule and referred to the Conference by any Member State,

and to make recommendations thereon.

(2) The Secretariat may convene a special Conference whenever the circumstances so require.

(3) Every Conference shall consist of the delegates of Member States, one delegate (with such advisers as may be considered necessary) to be nominated by each State.

(4) Every Conference shall elect its chairman from among the delegates nominated thereto.

(5) Every Conference shall be serviced by the Secretariat.

7. (1) Every such Conference as aforesaid shall be advisory to Member States and its decisions shall be framed in that sense.

(2) A recommendation of any such Conference when accepted by two-thirds of Member States shall become binding on all Member States, except with respect to matters in the case of which it has been prescribed, by agreement between Member States that unanimity among them is required for the purpose.

8. (1) It shall be the responsibility of the Secretariat

- (a) to ensure that information with respect to export availability and import requirements is furnished, and imports are authorised, in conformity with the provisions of this Schedule.
- (b) to inform all Member States of requests and arrangements for the purchase and sale within the Common Market, and the importation into the Common Market, of any commodity.
- (c) otherwise, subject to the provisions of subparagraph (3) of this paragraph, to administer this Schedule.

/(2) ...

(2) The Secretariat shall compile and circulate to Member States periodically and regularly statistics relating to production and trade in agricultural products in the Common Market.

(3) Every Member State shall be responsible for the administration within its Territory of this Schedule and shall notify to the Secretariat all importations of any commodity into the Territory from outside the Common Market.

APPENDIX
to Schedule VIII

SELECTED AGRICULTURAL PRODUCTS

- (1) Carrots
- (2) Peanuts
- (3) Tomatoes
- (4) Red Kidney Beans
- (5) Black Pepper
- (6) Sweet Pepper
- (7) Garlic
- (8) Onions
- (9) Potatoes, not sweet
- (10) Potatoes, sweet
- (11) String beans
- (12) Cinnamon
- (13) Cloves
- (14) Cabbage
- (15) Plantains
- (16) Pork and pork products
- (17) Poultry meat
- (18) Eggs
- (19) Okra
- (20) Fresh Oranges
- (21) Pineapples
- (22) Pigeon Peas

SCHEDULE IX

MARKETING OF OILS AND FATS PRODUCTS

THE MEMBER STATES

RECOGNISING it is the policy to -

- (1) uphold and encourage the extension of the coconut industry in the Common Market by providing means whereby a reasonable remunerative and stable return may be received by all growers of coconuts, having regard to the world price of copra - this objective being deemed to have been achieved when all the copra and raw oil produced is being consumed within the Common Market at a price satisfactory to growers and consumers alike;
- (2) encourage in the Common Market the manufacture of oils and fats, and thereby to assist in the development of secondary industries; especially in the less developed territories; to meet the needs and to raise the living standards of the rapidly increasing populations;

DESIROUS of regulating trade in oils and fats between the States within the Common Market and between the Common Market and other countries;

HAVE AGREED as follows:-

1. In this Schedule, unless the context otherwise requires - "Ancillary" means any substance actually required to be used in conjunction with oils and fats in the process leading to a finished product, but which cannot be used as a substitute for oils and fats produced within the Area and which is included in Appendix II to this Schedule.

"Common Market Export Price" means the f.o.b. price of raw materials and refined edible oil when exported from one Member State to another within the Common Market.

/"Deficit" ...

"Deficit" means that part of a Member State's requirements of raw materials which is deemed to be a deficit or is declared to be a deficit in accordance with the provisions of paragraph 8 of this Schedule.

"Oils and fats" means -

- (i) Coconut in all its form, including coconut seedlings and copra;
- (ii) Cotton-seed;
- (iii) Oils and fats derived from coconut, copra, cotton seed and other oil bearing and/or oil yielding seeds produced within the Common Market.

"Raw Materials" means copra, raw coconut oil, cotton-seed, raw cotton seed oil, other oil bearing and/or oil yielding seeds grown within the Common Market, and unrefined oil produced therefrom;

"Substitute" means any oil or fat however derived which is put to similar use as, and is in commercial competition with, oils and fats as defined herein and which is included in Appendix I to this Schedule.

"Surplus" means that part of a Member State's production of raw materials which is deemed to be or is declared to be a surplus in accordance with the provisions of paragraph 8 of this Schedule;

"Toilet Soap" means soap which in its quality and composition complies with the requirements specified in British Standard 1914 (of 1953) published under the authority of the General Council of the British Standards Institution (on the 6th day of February, 1953), but does not include soap which is declared by the Secretariat to be laundry soap or which comes into commercial competition with laundry soap produced within the Common Market.

2. No Member State shall import or permit the importation of oils and fats and/or substitutes or export or permit the export of oils and fats except in accordance with the terms of this Schedule.

3. (1) There shall be no restrictions on the export of raw materials and/or oils and fats, and/or substitutes outside the Common Market, provided that the Common Market requirements are satisfied in accordance with the provisions of this Schedule;

(2) Should a shortage of raw materials and/or oils and fats and/or substitutes occur within the Common Market the Member State experiencing the shortage may report the matter to the Secretariat, which shall bring such report to the notice of the Council, which shall determine what action will be taken.

4. (1) No Member State shall import or permit the importation of raw materials and/or oils and fats and/or substitutes from outside the Common Market except in conformity with the terms of this Schedule.

Provided however that the following imports shall be free from restrictions:

(i) oils and fats other than oils and fats as defined in this Schedule and imported by a Member State for use in the hotel industry to the extent of 15 lb. per bed per annum;

(ii) oils and fats, other than oils and fats as defined in this Schedule imported solely for medicinal purposes.

(2) Subject to the provisions of paragraph 8(4) the importation of oils and fats and/or substitutes when such oils and fats and/or substitutes are imported by manufacturers for further processing shall be free from restrictions.

/(3) ...

(3) Every Member State shall notify the Secretariat quarterly of any transactions under paragraphs 4(1) and 4(2).

(4) Trade in edible oils within the Common Market other than internal domestic trade shall be in edible oils derived from 100% of raw materials produced within the Common Market, provided that in the production of pre-packaged premium products for such trade, any one Member State in any one year may utilize not more than 100 tons of oils and fats other than oils and fats as defined under this Schedule in the production of such edible oils.

5. (1) Any Member State may liberalize its exports of copra in the form of desiccated coconut, chipped coconut and/or whole nuts outside the Common Market to the extent of 10% of its production.

(2) Any Member State may permit the importation from outside the Common Market or export outside of the Common Market of seed coconut, coconut seedlings and cotton seed and other oil bearing and/or oil yielding seeds for planting or experimental purposes.

(3) Any such liberalization of exports under subparagraph (1) of this paragraph shall be notified to the Secretariat by the Member State concerned.

6. Not later than the 31st day of March and again not later than the 30th day of September in every year, each Member State shall submit to the Secretariat in such form as the Council may from time to time prescribe its estimated figures for production, requirements and surplus or deficit of raw materials for the ensuing period of July to December and January to June respectively.

7. (1) (a) If any Member State considers that its oils and fats processing industry is being damaged as a result of a substantial decrease in internal demand for a domestic product; and
(b) This decrease in demand is due to an increase in imports consigned from other Member States,

/that ...

that Member State may, notwithstanding any other provisions of this Schedule -

(i) limit those imports by means of quantitative restrictions to a rate not less than the rate of such imports (during any period of twelve months which ended within twelve months of the date on which the restrictions came into force;) the restrictions shall not be continued for a period longer than eighteen months, unless the Council by a two-thirds majority vote of all Member States, authorises their continuance for such further period and on such conditions as the said Council considers appropriate; and

(ii) take such measures, either instead of or in addition to restriction of imports in accordance with sub-paragraph (1) of this paragraph as the said Council may, by a two-thirds majority vote of all Member States authorise.

(1) (2) In applying measures in accordance with sub-paragraph (b)(1) above, a Member State shall give like treatment to imports consigned from any other Member State.

(3) A Member State applying restrictions in accordance with paragraph(1) shall notify them to the Council, if possible before they come into force. The Council may at any time consider those restrictions and may, by a two-thirds majority vote of all Member States, make recommendations designed to moderate any damaging effect of those restrictions or to assist the Member State concerned to overcome its difficulties.

8. (1) At least twice in each year a Conference of Member States shall be convened by the Secretariat, at which representatives of the industry may attend as advisers for the following purposes-

- (a) to consider and approve estimates of Common Market surpluses and deficits;
- (b) to establish territorial deficits and surpluses;
- (c) to allocate surpluses to satisfy the deficits; and
- (d) to allocate whatever surpluses, if any, that may remain.

/Surpluses

Surpluses shall be allocated amongst the deficit Member States to the extent of and in proportion to the deficits established for each Member State;

(2) However, if there still remains any unallocated surplus then that quantity shall be allocated amongst the deficit Member States, other than the less-developed countries, in the proportions which their estimated requirements for raw materials bear to each other, so that all such remaining unallocated surpluses are absorbed by those deficit Member States other than the less-developed countries.

Provided further, however, that if it is established that there is an overall surplus within the Common Market, and after allocations have been made in accordance with paragraphs 8(1)(c) above, and before allocations have been made under paragraph 8(1)(d) any Member State with a surplus shall have the right to withhold such surplus for sale outside the Common Market.

(3) Allocations shall be made in the form of copra or oil seeds, but each surplus Member State shall have the right to require that, in the case of the more-developed countries no less than two-thirds of its allocated surplus shall be accepted in the form of raw oil; and in the case of the less-developed country no less than one-half of the allocated surplus shall be accepted in the form of raw oil;

(4) Allocations made in accordance with paragraph (2) above shall constitute binding commitments between the Member States involved; and each Member State so committed shall take the necessary steps to ensure that its commitments are fulfilled.

9. (1) The Conference referred to at paragraph 8(1) shall at one of its biennial sessions -

(i) decide upon and fix for the ensuing year the Common Market export price for -

(a) copra, which shall be expressed as an f.o.b. price per ton in buyer's bags;

(b) raw oil, which shall be expressed as an f.o.b. price per imperial gallon in buyer's drums; and

/(c) ...

(c) refined edible oil, excluding edible oil pre-packaged for the retail trade, which shall be expressed as an f.o.b. price per imperial gallon;

to which sellers shall add the cost of the container;

or at the option of the buyer, in his containers;

(ii) review the working of this Schedule; and

(iii) consider any matter connected with the Schedule referred to the Conference by any Member State.

(2) Any recommendation arrived at by the Conference as to the extent or level of the Common Market export price shall be submitted to the Secretariat to be placed before the next succeeding meeting of the Council for its approval.

(3) All matters relative to the internal price of oils and fats including taxation of industry shall remain the prerogative of the respective Member State.

10. Wherever the circumstances so require the Secretariat shall at the request of a Member State convene a special Conference of Member States.

11. (1) Every Conference of Member States shall consist of the delegates of the Member States, one delegate (with such advisers as may be considered necessary) to be nominated by each Member State.

(2) Every such Conference shall elect its Chairman from among the delegates nominated thereto.

(3) The delegates of two-thirds of the Member States shall form a quorum.

(4) Every such Conference shall be serviced by the Secretariat.

5
/11.(2) ...

X

(5) Every Conference as aforesaid shall be advisory to Member States and its decisions shall be framed in that sense.

(6) A recommendation of any such Conference other than a recommendation under paragraph 9(2) when accepted by two-thirds of the Member States shall become binding on all the Member States.

12. (1) It shall be the responsibility of the Secretariat -

- (a) to ensure that surpluses or deficits are declared in accordance with the terms of this Schedule;
- (b) to inform Member States regularly of the extent to which production of raw materials is, or is likely to be, short or in excess of local requirements in the various Member States, and of any restrictions imposed or notified under paragraph 7;
- (c) to inform Member States of the amount of -
 - (i) exportable surpluses; and
 - (ii) liberalized exports;
- (d) to prepare an annual report on the operation of this Schedule which report shall be submitted to the next succeeding meeting of the Council;
- (e) to compile and circulate to Member States periodically and regularly statistics relating to transactions reported under paragraph 4 (3) and to production and trade in oils and fats in the Common Market.

(2) Every Member State shall be responsible for the administration of the terms of this Schedule within its territory.

(3) Where the Council is satisfied that the commitment made by a Member State is not being fulfilled, it shall determine what corrective action may need to be taken.

13. (1) Member States shall furnish the Secretariat upon request with such statistics as may be required for the proper functioning of this Schedule.
- (2) Member States shall take the necessary legislative or other measures required to give effect to the provisions of this Schedule.
- (3) Member States shall make every effort to adopt uniform policies in the granting of import licences for ancillaries.
- (4) No Member State shall make any arrangements with another Member State relating to matters covered by this Schedule.

APPENDIX I
to Schedule IX

SUBSTITUTES

Oil bearing seeds and nuts not produced within the Common Market.

Vegetable oils, refined or unrefined from materials not produced within the Common Market.

Edible tallow or edible stearines.

Soap including all soap in block, bar, tablet or powdered form with the exception of brands of toilet soap costing more than 21 $\frac{1}{2}$ (E.C.) c.i.f. per 3 $\frac{1}{2}$ oz. tablet or the proportionate equivalent thereof, not produced within the Common Market.

Margarine and Butter substitutes.

Compound Lard.

Pure Lard.

APPENDIX II
to Schedule IX

ANCILLARIES

Aluminium Sulphate	Ferric Chloride
Animal grease	Filter Aids and materials
Animal tallow	Flavours and flavouring materials
Anti Spattering Agents	Flourescers
Anti Oxidants	Hydrocholric acid
Antiseptics	Hydrogenated fats
Bacteriacides and disinfectants	Hydrogenated oils (cotton seed, soyabean, Palm kernel, groundnut, Palm, Whale, fish or other oil of a similar kind)
Bleaching aids and materials	
Bleaching Earth	
Calcium Chloride	
Castor Oil	Lanolin
Caustic Potash	Magnesium sulphate
Caustic Soda	Milk Powders and Cultures
Colouring matter and dyes	Mineral acids
Emulsifiers	Soap Perfumes
Fatty Acids	Sodium Carbonate
Mineral Salts	Sodium Hydrosulphate
Oleo Stearines	Sodium Sulphate
Organic acids	Sulphuric acid
Phosphate and zinc oxide	Titanium dioxide
Preservatives	Vitamin Concentrates
Resin	Water Softeners
Salt	
Silicate of Soda	

SCHEDULE X

PROTECTION OF GUYANESE PETROLEUM PRODUCTS

1. Special arrangements to facilitate the establishment of a petroleum refining industry in Guyana are provided in this Schedule.

2. Notwithstanding anything in the Annex to the Treaty, any quantitative restriction within the meaning of Article 21 thereof may, during any period for which the Government of Guyana is a party to any protective agreement in that behalf relating to a petroleum product produced in Guyana, be applied on imports into Guyana of that petroleum product from any other part of the Common Market.

Provided that no such restriction shall be so applied on imports of any petroleum product, other than Bunker C, asphalt or road oil, during any year except with a view to preventing the importation of that petroleum product into Guyana to any extent in excess of -

(a) one third of such amount of that petroleum product as is reasonably considered by the Government of Guyana to be marketable in Guyana during such year; or

(b) the difference between such amount of that petroleum product as is reasonably considered by the Government of Guyana to be marketable in Guyana during such year and any lesser amount of that petroleum product which is reasonably considered by the said Government to be producible in Guyana during such year,

whichever is more.

/3. During

3. During any period first hereinbefore in this Article referred to in connection with a petroleum product produced in Guyana, customs duties shall, at rates not lower than those in force when the Common Market enters into force, be applicable to any permitted imports into Guyana of that petroleum product from outside the Common Market.

4. Not later than -

- (a) the commencement, during any year, of any period mentioned in paragraph 3 of this Schedule,
- (b) the commencement, during any such period, of any year,

Guyana shall notify to the Council the amounts mentioned in paragraph (b) of the proviso to paragraph 2 of this Schedule in relation to that year and shall, at the request of any Member State, inform the Council in strictest confidence of the reasons for arriving at such amounts.

5. In this Schedule, "that petroleum product" includes any like or substitutable petroleum product.

6. These provisions shall not have effect for longer than 15 years from the commencement of a period mentioned in paragraph 3 of the Schedule.

/SCHEDULE XI

SCHEDULE XI

SPECIAL ARRANGEMENTS FOR BELIZE

1. Special arrangements in regard to the participation of Belize in the Annex to the Treaty are set out in this Schedule.

Quantitative Export Restrictions

2. The provisions of Article 22 of the Annex to the Treaty shall not prevent Belize from applying quantitative restrictions on exports of the following commodities to any other Member State:

<u>Brussels Nomenclature</u>	<u>Description of</u>
<u>Heading</u>	<u>Product</u>
01.02	Live animals of the bovine species
ex 02.01	Meat of bovine animals, fresh, chilled or frozen.

Import Duties

3. For the purpose of affording protection to tyre re-capping and building steel products (including steel wire products) industries, Belize may continue to suspend as a temporary measure, Common Market tariff treatment on competitive imports into its Territory.
4. The Council may at any time review those measures taken under paragraph 1 of this Schedule and may by majority decision recommend such terms and conditions as it considers necessary in connection with their application.

Export Duties

5. The provisions of paragraph 4 of Article 18 of the Annex to the Treaty shall apply to Belize subject to the modification that the expiry date regarding the application of export duties shall be 1st May, 1981.

/Relations

Relations with Third Countries

6. Nothing in the Annex to the Treaty shall preclude Belize from entering into arrangements for closer relations with other regional economic groupings provided that treatment not less favourable than that accorded to states within such groupings shall be accorded to Member States of the Common Market.

SCHEDULE TO THE TREATY

Areas of Functional Cooperation

- I. Shipping
2. Air Transport
3. Meteorological Services and Hurricane Insurance
4. Health
5. Intra-Regional Technical Assistance
6. Intra-Regional Public Service Arrangements
7. Education and Training
8. Broadcasting and Information
9. Culture
10. Harmonisation of the Law and Legal systems of Member States
- II. Position of Women in Caribbean Society
12. Travel within the Region
13. Labour Administration and Industrial Relations
14. Technological and Scientific Research
15. Social Security
16. Other Common Services and Areas of Functional Cooperation as may be from time to time determined by the Conference.